

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

HOUSE BILL 1158

By: Representative M. Gray

By: Senator J. Sturch

For An Act To Be Entitled

AN ACT CONCERNING THE PRISON CONSTRUCTION TRUST FUND;
TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

CONCERNING THE PRISON CONSTRUCTION TRUST
FUND; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 22-3-1225 is amended to read as follows:
22-3-1225. Prison Construction Trust Fund.

(a)(1) The Arkansas Development Finance Authority shall establish in its records a trust fund to be entitled the "Prison Construction Trust Fund".

(2) All moneys derived by or remitted to the Arkansas Development Finance Authority, from the sale of annual license plate validation decals, ~~pursuant to~~ under § 27-14-1015(c), shall be deposited to the credit of the Prison Construction Trust Fund.

(3) The moneys in the Prison Construction Trust Fund shall not be general funds or revenues of the Arkansas Development Finance Authority and shall not be subject to the claims of the general creditors of the Arkansas Development Finance Authority.

(b)(1) The Arkansas Development Finance Authority shall pay from the Prison Construction Trust Fund into the Public Facilities Debt Service Fund created by §§ 19-5-932 and 22-3-1210 the amount necessary, when added to other funds listed in § 22-3-1210, to pay the next-succeeding principal and interest payment for the certificates of indebtedness, but not to exceed



twenty-five cents (25¢) times the number of annual license plate validation decals sold by the Department of Finance and Administration in each six-month period.

(2) Such payments shall be made by the Arkansas Development Finance Authority semiannually two (2) business days prior to each July 1 and January 1 so long as the certificates of indebtedness permitted by the Public Facilities Finance Act of 1983, § 22-3-1201 et seq., are outstanding.

(3) All such payments by the Arkansas Development Finance Authority to the Public Facilities Debt Service Fund shall cease when the certificates of indebtedness have been paid or redeemed.

(c) All other funds in the Prison Construction Trust Fund shall be segregated, held, and upon the review and approval of the Secretary of the Department of Corrections and the Board of Corrections, used by the Arkansas Development Finance Authority solely to fund, or to provide for the funding of, the construction ~~and, purchasing, or~~ equipping of:

(1) Correction or prison facilities to be used by the ~~Division of Correction~~ Department of Corrections;

(2) Regional jail facilities operated by the ~~Division of Correction~~ Department of Corrections; or

(3) Regional jail facilities operated jointly by cities, counties, or regional jail commissions.

(d) The Arkansas Development Finance Authority shall be authorized to fund or to provide for the funding of facilities described in subdivisions (c)(1)-(3) of this section by loans, leases, other contracts, or the issuance of bonds all in accordance with the provisions of the Arkansas Development Finance Authority Act, § 15-5-101 et seq., and §§ 15-5-201 – 15-5-211, 15-5-213, and 15-5-301 – 15-5-316, and to pledge the cash funds collected by it from the sale of annual license plate validation decals and deposited into the Prison Construction Trust Fund, after payment of the amounts as specified in subsection (b) of this section to the repayment of any loans, leases, contracts, or bonds.

(e)(1) The Arkansas Development Finance Authority shall not fund or provide for the funding of ~~any~~ a facility described in subsection (c) of this section to be operated or utilized by the ~~Division of Correction~~ Department of Corrections unless the project, the plans therefor, and the construction thereof have been reviewed and approved by the Building Authority Division.

(2) The Arkansas Development Finance Authority shall not fund or provide for the funding of any other regional jail facility not utilized by the ~~Division of Correction~~ Department of Corrections unless the project is in compliance with the minimum standards for jail facilities adopted by the state.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that overcrowding within the Division of Correction and increasing parole and probation caseloads within the Division of Community Correction are among the most pressing problems currently burdening the state both from a public safety and budgetary standpoint; that safe and effective measures are needed to immediately combat these problems; and that this act is immediately necessary and in the interest of public safety and the state budget of the Department of Corrections, the department should be allowed to immediately utilize the Prison Construction Trust Fund for the acquisition of existing facilities. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

APPROVED: 3/2/21