

Stricken language would be deleted from and underlined language would be added to present law.
Act 457 of the Regular Session

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: H3/11/25 H3/17/25

A Bill

HOUSE BILL 1637

By: Representatives Ray, S. Meeks

By: Senator M. Johnson

For An Act To Be Entitled

AN ACT CONCERNING THE DEVELOPMENT AND PRESENTATION OF FISCAL IMPACT STATEMENTS CONCERNING THE FISCAL IMPACT OF STATEWIDE INITIATIVE AND REFERENDUM MEASURES AND LEGISLATIVELY REFERRED CONSTITUTIONAL AMENDMENTS; AND FOR OTHER PURPOSES.

Subtitle

CONCERNING THE DEVELOPMENT AND PRESENTATION OF FISCAL IMPACT STATEMENTS CONCERNING THE FISCAL IMPACT OF STATEWIDE INITIATIVE AND REFERENDUM MEASURES AND LEGISLATIVELY REFERRED CONSTITUTIONAL AMENDMENTS.

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

SECTION 1. Arkansas Code § 7-9-115 is amended to read as follows:

7-9-115. Furnishing ballot title and popular name to election commissioners.

(a) Not less than eighteen (18) days before the election, the Secretary of State shall furnish the State Board of Election Commissioners and county boards of election commissioners a certified copy of the ballot title and popular name for each proposed measure and each referred act to be voted upon at the ensuing election.

(b) If the Department of Finance and Administration prepared a fiscal impact statement for a statewide measure under § 7-9-128 or for a



legislatively referred constitutional amendment under § 7-9-206, the fiscal impact statement shall be furnished to the State Board of Election Commissioners and county boards of election commissioners along with the ballot title and popular name under subsection (a) of this section.

SECTION 2. Arkansas Code § 7-9-117 is amended to add an additional subsection to read as follows:

(d) If the Department of Finance and Administration prepared a fiscal impact statement for a statewide measure under § 7-9-128 for inclusion on the ballot, the fiscal impact statement shall be included on the ballot.

SECTION 3. Arkansas Code Title 7, Chapter 9, Subchapter 1, is amended to add an additional section to read as follows:

7-9-128. Fiscal impact statement.

(a) Within ten (10) business days of a sponsor submitting an original draft under § 7-9-107, the Attorney General shall determine if the proposed measure has a financial impact by virtue of:

(1) Increasing or decreasing state revenues, costs, expenditures, or indebtedness; or

(2) Establishing, repealing, or modifying one (1) or more taxes.

(b) If the Attorney General certifies a ballot title and popular name under § 7-9-107(d) and he or she determines that the proposed measure has a financial impact under subsection (a) of this section, he or she shall refer the proposed measure and the certified ballot title and popular name within three (3) business days to the Department of Finance and Administration.

(c) Upon the referral of a proposed measure under subsection (b) of this section, the department shall prepare an unbiased, good faith fiscal impact statement for the proposed measure, not exceeding one hundred (100) words plus one hundred (100) additional words per revenue source created or impacted by the proposed measure, that contains:

(1) A description of the total estimated fiscal impact of the proposed measure over the time period or time periods determined by the department to be most useful in understanding the estimated fiscal impact of the proposed measure;

(2) If the proposed measure would increase taxes, decrease taxes, or impose a new tax, a dollar amount representing the total estimated

increase or decrease for each type of tax affected under the proposed measure, a dollar amount showing the estimated amount of a new tax, and a dollar amount representing the total estimated increase or decrease in taxes under the proposed measure;

(3) If the proposed measure would increase a particular tax or tax rate, the tax percentage difference and the tax percentage increase for each tax or tax rate increased;

(4) If the proposed measure would result in the issuance or a change in the status of bonds, notes, or other debt instruments, a dollar amount representing the total estimated increase or decrease in public debt under the proposed law;

(5) A dollar amount representing the estimated cost or savings, if any, to state government entities under the proposed measure;

(6) If the proposed measure would increase costs to state government, a listing of all sources of funding for the estimated costs; and

(7) A concise description and analysis titled "Funding Source", not to exceed one hundred (100) words for each funding source, of the funding source information.

(d) Following the certification of a ballot title and popular name under § 7-9-107(d), the sponsor of the proposed measure may provide information to the department that he or she believes would assist the department in preparing the unbiased, good faith fiscal impact statement under subsection (c) of this section.

(e) If the department requests information from a state agency or other public entity that is necessary for the completion of the fiscal impact statement under this section, the state agency or other public entity shall provide the requested information by the date identified by the department.

(f) If the department determines that the fiscal impact of the proposed measure cannot be determined, the department may indicate that the fiscal impact cannot be determined in the fiscal impact statement.

(g) The department shall forward the fiscal impact statement under subsection (c) of this section to the Secretary of State by the seventy-sixth day before the general election.

(h)(1) If the fiscal impact statement under subsection (c) of this section exceeds two hundred (200) words, the department shall prepare an additional version of the fiscal impact statement that does not exceed two

hundred (200) words.

(2) The version of the fiscal impact statement that does not exceed two hundred (200) words shall be included on the ballot under § 7-9-117(d) in lieu of the version of the fiscal impact statement exceeding two hundred (200) words.

(i) The sponsor of a proposed measure shall not be charged any costs associated with the preparation of the fiscal impact statement under this section.

(j) When determining the number of words in a fiscal impact statement under this section, the department shall not include numerals and associated special characters in the word count, including without limitations dollars signs and percentage symbols.

SECTION 4. Arkansas Code Title 7, Chapter 9, Subchapter 2, is amended to add an additional section to read as follows:

7-9-206. Fiscal impact statement.

(a) If the General Assembly passes a joint resolution proposing an amendment to the Arkansas Constitution, the Department of Finance and Administration shall determine if the proposed measure has a financial impact by virtue of:

(1) Increasing or decreasing state revenues, costs, expenditures, or indebtedness; or

(2) Establishing, repealing, or modifying one (1) or more taxes.

(b) If the department determines that the proposed amendment to the Arkansas Constitution has a financial impact under subsection (a) of this section, the department shall prepare an unbiased, good faith fiscal impact statement for the proposed amendment to the Arkansas Constitution, not exceeding one hundred (100) words plus one hundred (100) additional words per revenue source created or impacted by the proposed amendment to the Arkansas Constitution, that contains:

(1) A description of the total estimated fiscal impact of the proposed amendment to the Arkansas Constitution over the time period or time periods determined by the department to be most useful in understanding the estimated fiscal impact of the proposed amendment to the Arkansas Constitution;

(2) If the proposed amendment to the Arkansas Constitution would

increase taxes, decrease taxes, or impose a new tax, a dollar amount representing the total estimated increase or decrease for each type of tax affected under the proposed amendment to the Arkansas Constitution, a dollar amount showing the estimated amount of a new tax, and a dollar amount representing the total estimated increase or decrease in taxes under the proposed amendment to the Arkansas Constitution;

(3) If the proposed amendment to the Arkansas Constitution would increase a particular tax or tax rate, the tax percentage difference and the tax percentage increase for each tax or tax rate increased;

(4) If the proposed amendment to the Arkansas Constitution would result in the issuance or a change in the status of bonds, notes, or other debt instruments, a dollar amount representing the total estimated increase or decrease in public debt under the proposed law;

(5) A dollar amount representing the estimated cost or savings, if any, to state government entities under the proposed amendment to the Arkansas Constitution;

(6) If the proposed amendment to the Arkansas Constitution would increase costs to state government, a listing of all sources of funding for the estimated costs; and

(7) A concise description and analysis titled "Funding Source", not to exceed one hundred (100) words for each funding source, of the funding source information.

(c) Following the passage of a joint resolution proposing an amendment to the Arkansas Constitution, the sponsor of the joint resolution may provide information to the department that he or she believes would assist the department in preparing the unbiased, good faith fiscal impact statement under subsection (b) of this section.

(d) If the department requests information from a state agency or other public entity that is necessary for the completion of the fiscal impact statement under this section, the state agency or other public entity shall provide the requested information by the date identified by the department.

(e) If the department determines that the fiscal impact of the proposed measure cannot be determined, the department may indicate that the fiscal impact cannot be determined in the fiscal impact statement.

(f) The department shall forward the fiscal impact statement under subsection (b) of this section to the Secretary of State by the seventy-sixth

day before the general election.

(g) The fiscal impact statement prepared by the department under this section shall be included on the ballot in the same manner as a fiscal impact statement prepared under § 7-9-128.

(h)(1) If the fiscal impact statement under subsection (b) of this section exceeds two hundred (200) words, the department shall prepare an additional version of the fiscal impact statement that does not exceed two hundred (200) words.

(2) The version of the fiscal impact statement that does not exceed two hundred (200) words shall be included on the ballot in lieu of the version of the fiscal impact statement exceeding two hundred (200) words.

(i) When determining the number of words in a fiscal impact statement under this section, the department shall not include numerals and associated special characters in the word count, including without limitations dollars signs and percentage symbols.

SECTION 5. DO NOT CODIFY. Measures certified before effective date of act.

(a)(1) If the Attorney General certifies the ballot title and popular name of a proposed measure under § 7-9-107(d) before the effective date of this act, the sponsor shall submit the following information to the Department of Finance and Administration within ten (10) business days of the effective date of this act:

(A) The full text of the proposed measure;

(B) The certified ballot title for the proposed measure;

and

(C) The certified popular name for the proposed measure.

(2) The sponsor may also submit information to the department he or she believes would assist the department in preparing an unbiased, good faith fiscal impact statement of the proposed measure.

(b) The department shall prepare an unbiased, good faith fiscal impact statement for the proposed measure in the manner required by § 7-9-128.

/s/Ray

APPROVED: 4/3/25