

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

SENATE BILL 540

By: Senator J. English
By: Representative Brown

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING CERTAIN FINANCIAL
PROCEDURES OF A FIRE PROTECTION DISTRICT; AND FOR
OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING CERTAIN
FINANCIAL PROCEDURES OF A FIRE PROTECTION
DISTRICT.

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

SECTION 1. Arkansas Code § 14-284-117 is amended to read as follows:
14-284-117. Issuance of notes.

(a)(1) In order to acquire and maintain equipment and facilities and ~~to~~ do the work of the fire protection district, the board of commissioners may issue the negotiable notes of the fire protection district signed by the members of the board and bearing a rate of interest not exceeding ~~eight percent (8%) per annum~~ the maximum rate of interest under § 4-57-104, and ~~the board~~ the board may pledge and mortgage a portion of the future annual benefit assessments as collected for ~~the payment thereof~~.

(2) The petition for the creation of a fire protection district in the court order creating the fire protection district shall limit the total amount of notes that may be outstanding at any time, but the limits may be increased to the maximum prescribed in subdivision (a)(3) of this section ~~by a vote of a majority in value of the owners of real property in the district~~.



(3) ~~No~~ Subject to Arkansas Constitution, Amendment 78, if applicable, a fire protection district created under this ~~section~~ subchapter shall not have notes outstanding at any one time ~~in~~:

(A) In excess of one hundred fifty thousand dollars (\$150,000); or

(B) With an annual amortized amount that exceeds two (2) times the available cash reserves of the fire protection district.

~~(b) The district shall have no authority to issue bonds~~ A fire protection district shall not issue bonds.