

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
REQUEST FOR PROPOSALS FROM
BOND COUNSEL
FOR
ARKANSAS STATE POLICE (ASP) PROJECT**

+/- \$30,000,000

**SPECIAL NOTE: YOUR IMMEDIATE ATTENTION IS CALLED TO SECTION I.C. YOU
NEED TO SEND TO US AN E-MAIL ADDRESS FOR TRANSMISSION
OF NOTICES OF INQUIRIES.**



August 28, 2015

**Arkansas Development Finance Authority
900 West Capitol, Suite 310
Little Rock, AR 72201
(501) 682-5900**

SECTION I: INSTRUCTIONS TO PROPOSERS/ GENERAL INFORMATION

A. PURPOSE.

The Arkansas State Police (ASP) is working with ADFa to review financing options for the renovation and construction of Regional Headquarters around the State. These projects have a projected total cost of approximately \$28,000,000. ADFa would issue the bonds on behalf of the ASP, and they would be repaid by the fees received from the sale and renewal of Drivers Licenses in the State. The team of Bond professionals being assembled will need to assist ASP and ADFa in developing an optimal financing plan.

Brief Discussion of Financing Plan/Needs:

The Drivers' License Revenue Fund was created by Act 856 of 2015 for the account of the Authority and requires that all fees received by the State from the sale of Arkansas drivers' licenses pursuant to Ark. Code Ann. Sections 27-16-801(a) and 27-23-118(a)(3) be deposited therein. Act 856 also states that to the extent not necessary to make debt service payments, moneys shall be released to the Department on a quarterly basis to provide operating funds. Since 2006, Average annual revenue from these fees has steadily increased, and totaled approximately \$ 6,996,997 in FY2015. Certain revenue bonds previously issued on behalf of the ASP have a first lien pledge of these revenues, and the amount generated over and above debt service for these issues is used for the general operation of the ASP. The two outstanding issues have final maturities in 2018, one is currently callable, and the other is not. The ASP intends to continue to devote annually approximately \$5 million of these fees to pay debt service for revenue bonds issued by ADFa, for the purpose outlined above.

Eight-Year Summary of Drivers' License Revenues (June 30).

FY 2006	\$ 6,589,376.61
FY 2007	6,477,674.02
FY 2008	6,640,934.24
FY 2009	6,743,989.60
FY 2010	6,743,130.69
FY 2011	6,784,603.38
FY 2012	6,818,202.62
FY 2013	6,993,677.31
FY 2014	7,027,953.33
FY 2015	6,996,997.29

Please Note: HB1359 of 2015 extends the period of time for which a regular Arkansas driver's license is valid from the current period of four years to a period of 8 years. The provisions of this bill will apply to driver's license issued or renewed beginning on and after January 1, 2016. We have attached as an addendum the Legislative Impact Statement from the Arkansas Department of Finance and Administration and SB636 which defines the flow of funds as they pertain to debt service and operations at the Arkansas State Police in relation with outstanding and proposed

debt.

Debt Service Summary.

The series 2014 bonds (Arkansas State Police-Headquarters and Wireless Data Equipment Project) are non-callable. The series 2011 (Arkansas State Police-Wireless Information Network Project) are currently callable at par.

Fiscal Year	Series 2011	Series 2014	Total All Bonds
	Bonds	Bonds	
	Debt Service	Debt Service	
06/01/2016	1,992,462.50	2,873,600.00	4,866,062.50
06/01/2017	1,993,887.50	2,866,200.00	4,860,087.50
06/01/2018	970,187.50	2,865,200.00	3,835,387.50
Total	\$4,955,977.50	\$8,605,000.00	\$13,560,977.50

B. SUBMISSION OF PROPOSALS. Written proposals responding to the questions and requests for information in the manner specified in this Request For Proposal (“RFP”) should be submitted to the following:

rfp@adfa.arkansas.gov

To be considered, one (1) copy of the proposal should be delivered to ADFA not later than September 22, 2015, by 12:00 p.m., via email. Late proposals will not be accepted. ADFA reserves the right to reject any or all proposals.

C. ADDITIONAL INFORMATION. It is the responsibility of the proposer to inquire about and clarify any aspect of the RFP. Questions should be directed to Brad Henry (brad.henry@adfa.arkansas.gov), Vice President for Development Finance at 501-682-5905, Ro Arrington (robert.arrington@adfa.arkansas.gov), Economic Development Officer at 501-682-5910 or Patrick Patton (patrick.patton@adfa.arkansas.gov), Vice President for Internal Audit at 501-682-5902. Substantive questions and answers will be documented in letter form and will be sent by electronic mail to all the proposers who provide us with an e-mail address. **IN ORDER TO BE ON THE DISTRIBUTION LIST FOR INTERNET TRANSMISSION OF ALL RESPONSES TO INQUIRIES, YOU MUST IMMEDIATELY ADVISE PATRICK PATTON OF ADFA, THE INTERNET E-MAIL ADDRESS TO WHICH YOU WANT ALL SUCH TRANSMISSIONS SENT.**

D. PROPERTY OF ADFA. Any information or materials submitted as a response to this RFP shall become the property of ADFA and will not be returned. All submitted materials will be available for public review.

E. RESPONSE TO REQUEST FOR PROPOSAL. Law firms wishing to respond to this RFP can interact and contact Patrick Patton, Chair of the Staff Professional Selection Committee. **NO CONTACT WITH ADFA BOARD MEMBERS IS ALLOWED AND ANY SUCH CONTACT WILL BE GROUNDS FOR IMMEDIATE REJECTION OF A FIRM'S PROPOSAL.**

F. PROPOSAL TIMETABLE.

August 28, 2015	Request for Proposal Issued
September 22, 2015	Proposals Due @ 12:00 p.m.
TBA	Oral Presentations (if necessary)
October 15, 2015	Board Action (Appoint/ratify appointment of bond counsel, authorizes the President of ADFA to negotiate fees)
TBD	Submission to Legislative Committee for contract review (if required)

G. SELECTION PROCESS. The ADFA Staff Professional Selection Committee will review the submitted proposals. Proposals will be evaluated based on responses to specifics outlined in the Proposal Format section of this RFP and based upon the selection criteria. Proposals which omit any of these items may be rejected as non-responsive. From this review, a select group of firms may be chosen for oral interviews. All proposing firms will be advised of the firms selected for oral interviews, if necessary. After interviewing, the Board of Directors Professional Selection Committee will make its decision on a recommendation for selection, which will be reported to the Board of Directors of the Authority at its regular meeting. The final selection will be made by a vote of Board members.

ADFA and/or ASP may, at any time prior to the selection of bond counsel, reject any and all proposals and cancel this RFP, without liability therefor, upon finding that there is good cause for rejecting all proposals and that it would be in its interest to cancel the solicitation. Further, ADFA shall under no circumstances be responsible for any proposer costs and expenses incurred in submitting a response to this RFP. Each proposer who submits a response does so solely at the proposer's cost, risk and expense. ADFA accepts no responsibility for the return of successful or unsuccessful proposals. This RFP in no way obligates ADFA to select a firm.

Any firm selected will be required to complete a disclosure form in compliance with Governor's Executive Order 98-04.

H. SELECTION CRITERIA. The Staff Professional Selection Committee, composed of selected members of ADFA, will review the proposals. The committee generally will use the following criteria to rank all acceptable proposals and to develop recommendations to be presented to the ADFA Board Professional Selection Committee; however, the Committee reserves the right to evaluate proposals based upon factors beyond the listed criteria.

Criteria

1. Firm's recent experience as bond counsel:

- a. Prior experience with municipal bond issues
 - b. Size and number of prior bond issues and experience in complex bond financings similar to or related to this proposed financing
2. Organization, size and structure of firm:
 - a. Number of employees currently engaged in municipal bond transactions
 - b. Response to Arkansas presence issue including relevance of presence to this transaction
 3. Qualifications of staff to be assigned; including the team members' demonstrated ability, years and type of experience
 4. Responsiveness of written proposals to the purpose and scope of services
 5. Responsiveness of proposal on fee issue

SECTION II: SCOPE OF SERVICES AND REQUIREMENTS

The bond counsel will be expected to perform all the normal duties associated with being bond counsel for the issuer of municipal bonds, including but not limited to:

- A. Attend all ADFA subcommittees or staff meetings when such meetings include matters directly or indirectly related to the proposed bond issue.
- B. Provide advice and assistance in structuring the financing and in planning for the sale of the debt obligations, including consultation with the underwriters and their counsel as well as issuer's counsel. Underwriter's counsel will be primarily responsible for preparation of the preliminary official statement, official statement, bond purchase agreement, blue-sky memorandum and legal investment memoranda, but the bond counsel shall be available for consultation in the preparation of these documents if necessary.
- C. Prepare the borrowing resolutions and documentation, program administration agreement, bond resolutions, trust indenture, real estate and security documents, closing documents and certificates, including arbitrage certificate and tax regulatory agreement, to the extent such documents are required to acquire and construct the projects and to issue the bonds. Borrowing documentation may include loan or lease documents and/or bond anticipation notes.
- D. Consult with ADFA and prepare any new legislation or amendments to existing legislation relating to the issuance of any debt obligations and the revenues pledged to these obligations.

- E. Provide assistance in selecting a registrar, trustee and paying agent and preparation of any related communication required by the registrar, trustee and paying agent, as needed.
- F. Supervise and contract for the printing and delivery of bonds, if required.
- G. Issue approving opinions for borrowings, and issue final approving opinions with respect to any debt obligations, as required, concerning matters of legality and tax exemption, and any supplemental opinion requested as to the bonds under federal and state tax laws.
- H. Assist ADFA, as needed, to advertise and conduct a public hearing for each bond issue, prepare minutes of the Public Hearing, deliver the minutes to the Office of the Governor and obtain the Governor's Proclamation for the issuance of the bonds.
- I. Provide assistance and preparation for rating agency hearings, if desired, including attendance at meetings and follow-up on any detailed information requested.
- J. Provide any required legal research, correspondence, and preparation of memoranda or other documents related to the issuance of any debt obligations, as required.
- K. Consult with the provider of any credit enhancement and its counsel concerning any such credit enhancement and documentation.
- L. Any additional legal services necessary to issue these debt obligations and the related borrowing arrangement with the company.
- M. Prepare an engagement letter for ADFA President's approval before performing any compensable work relating to proposed engagement.
- N. Create standardized documents for this program which will reflect aspects particular to certain types of financings under the program.

SECTION III: STATEMENT OF QUALIFICATIONS

An updated statement of qualifications should be maintained on file at ADFA for all firms submitting proposals as bond counsel.

SECTION IV: PROPOSAL FORMAT

A. TRANSMITTAL LETTER. A brief transmittal letter prepared on the proposer's business stationery should accompany the submitted proposal.

B. PROPOSAL. The proposal should be labeled "Proposal to serve as Bond Counsel for the ASP Project". The proposal must contain sufficient information to enable the ADFA Staff

Professional Selection Committee to evaluate the proposal. It should be prepared in a clear and precise manner and should address all appropriate subsections.

1. **Bond Counsel Team and Personnel.** Describe the manner in which you would organize your firm's resources to serve as bond counsel for the proposed financing. In doing so, please address the following questions or issues:
 1. Identify the individual who will manage this financing on a day-to-day basis. Define this individual's position within the firm and indicate the degree to which he or she will be able to commit the firm's resources to ADFA. What is this person's availability for this financing and what other commitments does he or she have?
 2. Identify other professionals from your firm who will be assigned to work on this project, their roles and responsibilities and relevant aspects of their background. How will these individuals work with the other members of the financing team?
2. **Bond Counsel Opinion.** Confirm whether your firm can issue opinions necessary for the issuance of debt instruments under existing law. If legislative action is needed before an opinion can be given, provide a brief summary of such legislation. Describe any other legal issues which must be resolved before the financing program can be completed.
3. **Comments on Scope of Services.** Elaborate on the services you propose to perform as bond counsel for the proposed financing. In what way do you expect the scope of services to differ from those listed in Section II?
4. **Arkansas Presence.** Please explain your firm's presence within Arkansas and describe how that presence is relevant to the proposed transaction.
5. **Potential Conflicts.** List any relationship which might lead to a potential conflict in performing any services for ADFA. Please list specifically any conflicts resulting from material adverse matters, as distinguished from the conduct of business as usual. Indicate what steps would be taken to eliminate any such conflict.
6. **Rationale for Appointment and Proposal Summary.** This section of the proposal should be used by each proposer to present the case for its appointment to the position sought. It is not necessary for you to recite comprehensively your firm's qualifications and experience, which should be on file with ADFA in your current Statement of Qualifications, but it would be useful for you to describe how your qualifications and experience is relevant to the proposed transaction. In particular, you may want to select a past deal as bond counsel (indicating the date of issue, issuer, credit description, size and method of sale) and summarize its similarity to this program and its successfulness.

7. **Malpractice Insurance.** Acknowledge that if selected as bond counsel, your firm will provide to ADFA proof of malpractice insurance covering, among other things, securities-related claims. Please list any pending claims or disputes relating to prior opinions as bond counsel.
8. **Bond Counsel Fee Determination.** Selection of a bond counsel will not be based on a competitive bid. ADFA will attempt to negotiate with the top ranked firm to establish a fair and reasonable fee. If an agreement cannot be reached with the top ranked firm, negotiations will be attempted with the lower ranked firms in order of their rankings.

Provide the basic assumptions on which your firm's fee would be predicated and any factors that would change the actual fee. State what you consider to be the most appropriate method for determining a reasonable attorney fee for this representation, and state your rationale.

9. **Equal Opportunity Statement.** Please submit your Equal Opportunity Policy to ADFA in accordance with Arkansas Act 2157 of 2005. This act requires any firm wishing to respond to an RFP or submit a proposal or statement of qualifications to provide ADFA with your Equal Opportunity Policy.
10. **Acceptance.** Submission of proposals, in response to this Request for Proposal, constitutes acceptance of all conditions, requirements and limitations described in this document.

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1359

Bill Subtitle: TO AMEND THE TIME PERIOD OF DRIVER'S LICENSE VALIDITY AND CERTAIN ISSUANCE FEES.

Basic Change : Sponsor: Rep. Johnson and Sen. English

Under current law driver's licenses are valid for a four (4) year period. This bill would change the law to make driver's licenses valid for an eight (8) year period. The fees for the four year license are currently \$20. The fee for an (8) year period would be \$40.00. Additional fees currently added for applicants transferring from another state or written tests would not be changed by this bill.

Revenue Impact :

Revenues may increase for the first four years and decrease the second four years after the eight (8) year license is issued.

Taxpayer Impact :

Taxpayers will only be required to renew their driver's license every eight (8) years which should result in shorter lines and waiting times in the Revenue Offices.

Resources Required :

Programming and training of employees will be required if this bill is passed.

Time Required :

The bill's effective date is January 1, 2016. No additional time is required to implement this bill.

Procedural Changes :

Procedures will change to collect the correct amount for the eight (8) year term license.

Other Comments :

Commercial driver's licenses and identification card terms will remain the same and will not be impacted by the passage of this bill.

Legal Analysis :

HB1359 extends the period of time for which a regular Arkansas driver's license is valid from the current period of four years to a period of eight years. However, this expansion of the period of validity does not apply to learner's permits, intermediate driver's licenses or commercial driver's licenses. The provisions of this bill will apply to drivers licenses issued or renewed beginning on and after January 1, 2016.

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

As Engrossed: S3/4/15 H3/19/15
A Bill

SENATE BILL 636

5 By: Senators J. Woods, Hester
6 By: Representative Della Rosa
7

For An Act To Be Entitled

9 AN ACT TO CREATE THE DEPARTMENT OF ARKANSAS STATE
10 POLICE HEADQUARTERS FACILITIES AND EQUIPMENT
11 FINANCING ACT; TO PROVIDE FUNDING UNDER THE
12 DEPARTMENT OF ARKANSAS STATE POLICE HEADQUARTERS
13 FACILITIES AND EQUIPMENT FINANCING ACT; TO MAKE
14 RELATED CHANGES; TO DECLARE AN EMERGENCY; AND FOR
15 OTHER PURPOSES.
16
17

Subtitle

18 TO CREATE THE DEPARTMENT OF ARKANSAS
19 STATE POLICE HEADQUARTERS FACILITIES AND
20 EQUIPMENT FINANCING ACT; TO PROVIDE
21 FUNDING FOR THE DEPARTMENT OF ARKANSAS
22 STATE POLICE; AND TO DECLARE AN
23 EMERGENCY.
24
25
26

27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
28

29 SECTION 1. DO NOT CODIFY. Legislative intent – Repeal of Acts 1997,
30 No. 1057.

31 (a)(1) It is the intent of the General Assembly to update the
32 Department of Arkansas State Police Headquarters Facility and Wireless Data
33 Equipment Financing Act as established by uncodified Acts 1997, No. 1057, by
34 repealing Acts 1997, No. 1057, and enacting this act.

35 (2) It is not the intent of the General Assembly to:

36 (A) Affect any bonds issued under Acts 1997, No. 1057; or



1 (B) Allow the existence of bonds issued under Acts 1997,
2 No. 1057, to impair the effectiveness of this act or the authority given
3 under this act.

4 (b) Acts 1997, No. 1057, is repealed.

5
6 SECTION 2. Arkansas Code Title 12, Chapter 8, is amended to add an
7 additional subchapter to read as follows:

8 Subchapter 6 – Department of Arkansas State Police Headquarters Facilities
9 and Equipment Financing Act

10
11 12-8-601. Title.

12 This subchapter shall be known and may be cited as the "Department of
13 Arkansas State Police Headquarters Facilities and Equipment Financing Act".

14
15 12-8-602. Legislative findings.

16 The General Assembly finds that:

17 (1) The Department of Arkansas State Police is faced daily with:

18 (A) Maintaining the most efficient and secure methods of
19 transmitting and processing information between officers in the field and
20 headquarters;

21 (B) The need to maintain and develop the most efficient
22 means of allocating department personnel and other resources, particularly in
23 emergency circumstances; and

24 (C) The need to design, construct, and maintain facilities
25 from which the department's personnel and resources may be stationed and
26 deployed;

27 (2) There is a need to continuously improve, upgrade, expand,
28 and maintain the department's headquarters facilities and communication and
29 information technology systems and equipment to support the police force and
30 its mission to protect and serve the citizens of the state;

31 (3) A *designated* method of financing is necessary to enable the
32 department to obtain and maintain communication and information technology
33 equipment and headquarters facilities;

34 (4) The use of tax-exempt revenue bonds to finance communication
35 and information technology equipment and headquarters facilities has proven
36 to be an economical and cost-efficient method for financing equipment and

1 facilities for the department;

2 (5) Certain driver license fees have been pledged and utilized
3 by the department since 1997 to finance equipment and facilities for the
4 department;

5 (6) These driver license fees *should continue to* be designated
6 as a source of funding to be utilized and pledged by the department to
7 finance or purchase communication and information technology equipment and
8 headquarters facilities;

9 (7) Communication and information technology equipment and
10 headquarters facilities are needed to maintain modern law enforcement and
11 are, therefore, essential to the safety and welfare of the people of the
12 state; and

13 (8) The most feasible and least expensive way of providing a
14 designated source for financing the acquisition and construction of
15 headquarters facilities and communication and information technology
16 equipment is to authorize the use of revenue bonds and designate certain
17 driver license fees to be utilized and pledged for that purpose.

18

19 12-8-603. Definitions.

20 As used in this subchapter:

21 (1) "Acquire" means to acquire by purchase or otherwise,
22 construct, repair, alter, install, restore, or place on land or in a building
23 or motor vehicle by negotiation or bidding on terms and conditions that:

24 (A) Are determined by the Arkansas State Police Commission
25 to be in the best interests of the Department of Arkansas State Police; and

26 (B) Will most effectively serve the purposes of this
27 subchapter;

28 (2) "Communication and information technology equipment" means:

29 (A) Wireless data and related technologies equipment,
30 including without limitation workstations, modems, and other vehicle-based
31 equipment, network controllers, computer-aided dispatch equipment, central
32 information services sites with related server computers and controllers,
33 software and information support;

34 (B) Furnishings and fixtures used in connection with the
35 operation of equipment described in subdivision (2)(A) of this section; and

36 (C) Other equipment, property, and items determined by the

1 commission to be necessary to accomplish the purpose of this subchapter;

2 (3) "Cost" means the costs related to a headquarters facility or
3 communication and information technology equipment, including without
4 limitation the following:

5 (A) The costs of the acquisition of communication and
6 information technology equipment and the related costs, including without
7 limitation engineering, architectural, consulting, and related services;

8 (B) The cost of acquiring an interest in real estate for
9 the location of a headquarters facility that provides necessary or
10 recommended access or buffer zones or that facilitates the delivery of
11 utility services and the related costs, including without limitation
12 engineering, architectural, consulting, and related services;

13 (C) The cost of the preparation of plans, specifications,
14 studies, surveys, and estimates of cost and revenues;

15 (D) Other expenses necessary or incident to planning,
16 providing, or determining the need for or the feasibility of the headquarters
17 facility or communication and information technology equipment;

18 (E) The costs of related software for the operation and
19 support of the communication and information technology equipment;

20 (F) The costs of database development and other
21 information sources and the training required for the efficient use of
22 communication and information technology equipment; and

23 (G) The costs paid or incurred in connection with the
24 issuance of bonds by the Arkansas Development Finance Authority to finance
25 the acquisition, development, upgrade, improvement, or expansion of a
26 headquarters facility or communication and information technology equipment;

27 (4) "Debt service payment" means a payment to be made by the
28 department from pledged revenues or other legally available sources to secure
29 and provide for payments due on any bonds or other obligations issued by the
30 authority to accomplish the purposes of this subchapter;

31 (5) "Financing documents" means a note and mortgage, loan
32 agreement, lease purchase agreement, trust indenture, and related documents
33 executed in connection with the issuance of bonds by the authority to finance
34 headquarters facilities or communication and information technology
35 equipment;

36 (6) "Headquarters facility" means part or all of one (1) or more

1 items or properties used by the department to accomplish or facilitate its
2 purposes, including without limitation:

3 (A) Land, buildings, fixtures, infrastructure,
4 improvements, furniture, equipment, software, and personal property necessary
5 or convenient to the land, buildings, fixtures, infrastructure, improvements,
6 furniture, equipment, and software; and

7 (B) Engineering, design, construction, or architectural
8 plans related to a property used by the department;

9 (7) "Pledged revenues" means the fees generated under § 27-16-
10 801(a) and § 27-23-118(a)(3) that may be pledged for the security and payment
11 of debt service payments under this subchapter; and

12 (8) "Purchase agreement" means an agreement entered into by the
13 commission with a vendor to acquire a headquarters facility or communication
14 and information technology equipment.

15
16 12-8-604. Pledge of revenues.

17 The fees generated under § 27-16-801(a) and § 27-23-118(a)(3) shall be:

18 (1) Pledged to meet obligations authorized under this
19 subchapter; and

20 (2) Used by the Department of Arkansas State Police as provided
21 in this subchapter.

22
23 12-8-605. Arkansas State Police Commission – Powers.

24 The Arkansas State Police Commission may:

25 (1) Acquire, construct, repair, renovate, alter, maintain, and
26 equip headquarters facilities and communication and information technology
27 equipment;

28 (2) Contract to acquire headquarters facilities and
29 communication and information technology equipment on the terms and
30 conditions specified by this subchapter and approved by the Director of the
31 Department of Arkansas State Police with the consent of the commission;

32 (3) Provide for the payment of the costs associated with the
33 acquisition of headquarters facilities and communication and information
34 technology equipment from any legally available source, including without
35 limitation pledged revenues and funds appropriated and made available under §
36 12-8-101 et seq.;

1 (4) Enter into financing documents and agreements with the
2 Arkansas Development Finance Authority that are necessary and appropriate to
3 secure obligations issued by the authority that will facilitate the
4 acquisition of the headquarters facilities and communication and information
5 technology equipment; and

6 (5) Take other action, not inconsistent with law, that may be
7 necessary, convenient, or desirable to carry out the powers, purposes, and
8 authority stated in this subchapter or to carry out the intent of this
9 subchapter.

10
11 12-8-606. Use of pledged revenues.

12 (a)(1) The debt service payments and other costs relating to a
13 headquarters facility or communication and information technology equipment
14 shall be secured by a lien on and pledge of the pledged revenues.

15 (2) To the extent that pledged revenues are not required to make
16 debt service payments, the pledged revenues shall be released to the
17 Department of Arkansas State Police to provide operating funds as described
18 in this section.

19 (b)(1) All pledged revenues are cash funds restricted in their use and
20 dedicated and to be used solely as provided in this subchapter.

21 (2) When pledged revenues are received by the Commissioner of
22 Motor Vehicles, the Office of Motor Vehicle, the Department of Arkansas State
23 Police, the Arkansas State Police Commission, the Department of Finance and
24 Administration, or any other state agency, the pledged revenues shall be
25 deposited as cash funds into a bank selected by the Department of Arkansas
26 State Police to the credit of the Department of Arkansas State Police
27 Financing Fund.

28 (c)(1) On the date that the Arkansas Development Financing Authority
29 issues bonds under this subchapter and the Arkansas Development Finance
30 Authority Act, §§ 15-5-201 – 15-5-211, 15-5-213, and 15-5-301 – 15-5-316, any
31 revenues in the Department of Arkansas State Police Financing Fund shall be
32 pledged revenues.

33 (2) Debt service payments shall be paid from the Department of
34 Arkansas State Police Financing Fund as stated in the financing documents.

35 (3)(A) If all debt service payments have been properly made on
36 the last day of each fiscal quarter, the pledged revenues remaining in the

1 Department of Arkansas State Police Financing Fund shall be withdrawn from
2 the Department of Arkansas State Police Financing Fund and deposited into the
3 State Treasury as special revenues to the credit of the Department of
4 Arkansas State Police Fund.

5 (B) However, if any debt service payments remain to be
6 paid under this subchapter, all moneys in the Department of Arkansas State
7 Police Financing Fund shall continue to be pledged to the debt service
8 payments and other costs in connection with the bonds and the maintenance of
9 reserves, notwithstanding the right of the Department of Arkansas State
10 Police to withdraw funds on the last day of each fiscal quarter if debt
11 service payments are current.

12 (d) If any debt service payments remain to be made, the General
13 Assembly may modify or change the pledged revenues only if there is always
14 maintained in effect and made available for the payment of debt service
15 payments, sources of revenue comparable in amount and time of receipt that
16 produce revenues sufficient to provide for and secure debt service payments
17 when due.

18
19 12-8-607. Department of Arkansas State Police Financing Fund.

20 (a) There is created the Department of Arkansas State Police Financing
21 Fund.

22 (b) The fund is a cash fund of the Department of Arkansas State Police
23 and shall be used as provided in this subchapter.

24
25 12-8-608. Sunset.

26 This subchapter shall expire twenty (20) years from the effective date
27 of this act.

28
29 SECTION 3. Arkansas Code § 19-6-301(128), concerning the enumeration
30 of special revenues, is repealed.

31 ~~(128) Driving test examination fees, § 27-16-801(a)(1)(C);~~
32

33 SECTION 4. Arkansas Code § 19-6-301(150), concerning the enumeration
34 of special revenues, is amended to read as follows:

35 (150) Commercial driver license examination fees, § 27-23-
36 110(d), ~~and that portion of commercial driver license application fees, § 27-~~

1 ~~23-118(a)(3);~~

2

3 SECTION 5. Arkansas Code § 19-6-301(202), concerning the enumeration
4 of special revenues, is repealed.

5 ~~(202) Additional driver's license fees, § 27-16-801;~~

6

7 SECTION 6. Arkansas Code § 19-6-301(220), concerning the enumeration
8 of special revenues, is amended to read as follows:

9 (220) That portion of ~~driver's~~ driver license special fees for
10 duplicate and identification licenses, ~~as enacted by Acts 1977, No. 311, and~~
11 ~~all laws amendatory thereto, § 27-16-801, § 27-16-805, and § 27-16-806(c);~~

12

13 SECTION 7. Arkansas Code § 19-6-404 is amended to read as follows:

14 19-6-404. Department of Arkansas State Police Fund.

15 The Department of Arkansas State Police Fund shall consist of:

16 (1) Those special revenues as specified in § 19-6-301(1), (5),
17 (7), (8), (38)-(40), (94), ~~(128)~~, (150), (168), (175), (184)-(186), (190),
18 ~~(202)~~, (218)-(220), (222), (226), (227), (234), and (252);

19 (2) Moneys transferred or deposited from the State
20 Administration of Justice Fund; ~~and~~

21 (3) Those general revenues as may be provided by law, there to
22 be used for the maintenance, operation, and improvement of the Department of
23 Arkansas State Police in carrying out the functions, powers, and duties as
24 ~~set out by~~ stated in § 12-8-106 or other duties imposed by law upon the
25 department; and

26 (4) Any revenues credited to the Department of Arkansas State
27 Police Fund under the Department of Arkansas State Police Headquarters
28 Facilities and Equipment Financing Act, § 12-8-601 et seq.

29

30 SECTION 8. Arkansas Code § 27-16-801(d), concerning the disposition of
31 certain driver license and examination fees, is amended to read as follows:

32 (d) All license fees collected under subsection (a) of this section
33 shall be ~~deposited into the State Treasury as special revenues, and the net~~
34 ~~amount thereof shall be credited to the Department of Arkansas State Police~~
35 ~~Fund, to be used for the operation, maintenance, and improvement of the~~
36 ~~Department of Arkansas State Police~~ cash funds restricted in their use and

1 shall be deposited into a bank selected by the Department of Arkansas State
2 Police to the credit of the Department of Arkansas State Police Financing
3 Fund.

4
5 SECTION 9. Arkansas Code § 27-16-801(g), concerning the disposition of
6 certain driver license and examination fees, is repealed.

7 ~~(g) Such fees as are collected under subsection (a) of this section~~
8 ~~shall be remitted to the State Treasury, there to be deposited as special~~
9 ~~revenues to the credit of the Department of Arkansas State Police Fund, to be~~
10 ~~used for the operation, maintenance, and improvement of the Department of~~
11 ~~Arkansas State Police.~~

12
13 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the
14 General Assembly of the State of Arkansas that certain driver license fees
15 are needed to provide vital services to the Department of Arkansas State
16 Police; that this act will allow the use of those fees; and that this act is
17 immediately necessary to provide a source of revenues to the department.
18 Therefore, an emergency is declared to exist, and this act being immediately
19 necessary for the preservation of the public peace, health, and safety shall
20 become effective on:

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

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

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

27
28 */s/J. Woods*
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