

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

SENATE BILL 361

5 By: Senator Dees
6 By: Representative Beaty Jr.
7

For An Act To Be Entitled

8
9 AN ACT TO CREATE THE INDUSTRIAL DEVELOPMENT
10 AUTHORITIES EXPANSION ACT; TO PROVIDE FOR THE
11 CREATION OF INDUSTRIAL DEVELOPMENT AUTHORITIES TO
12 SECURE AND DEVELOP INDUSTRY AND FOSTER ECONOMIC
13 DEVELOPMENT; TO IMPROVE THE STATE'S ABILITY TO
14 EFFECTIVELY COMPETE, WIN, AND DEVELOP ECONOMIC
15 DEVELOPMENT PROJECTS; TO INCREASE JOB CREATION AND
16 CAPITAL INVESTMENT; AND FOR OTHER PURPOSES.
17

Subtitle

18
19
20 TO CREATE THE INDUSTRIAL DEVELOPMENT
21 AUTHORITIES EXPANSION ACT; AND TO
22 PROVIDE FOR THE CREATION OF INDUSTRIAL
23 DEVELOPMENT AUTHORITIES TO SECURE AND
24 DEVELOP INDUSTRY AND FOSTER ECONOMIC
25 DEVELOPMENT.
26

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

29 SECTION 1. Arkansas Code Title 14, is amended to add an additional
30 chapter to read as follows:

Chapter 189

Industrial Development Authorities Expansion Act

31
32
33
34 14-189-101. Title.

35 This chapter shall be known and may be cited as the "Industrial
36 Development Authorities Expansion Act".



1
2 14-189-102. Definitions.

3 As used in this chapter:

4 (1) "County" means a county of this state or, where a county is
5 divided into two (2) districts, "county" means the entire county or either
6 district of the county;

7 (2) "Governing body" means the:

8 (A) Council, board of directors, or other like body in
9 which the legislative functions of a municipality are vested; or

10 (B) Quorum court of the county as the quorum court has
11 been duly constituted and acting as the legislative body of the county under
12 Arkansas Constitution, Amendment 55, or if not so constituted and acting, the
13 county court of the county;

14 (3) "Industrial development authority" means a public benefit
15 corporation authorized by one (1) or more local governments as a political
16 subdivision of the state for the purpose of securing and developing industry
17 and fostering economic development and that is invested with all the powers
18 that may be necessary to enable it to accomplish those purposes;

19 (4) "Local government" means a county or a municipality;

20 (5) "Mortgage lien" means a security interest in any personal
21 property embodied in the facilities acquired, constructed, reconstructed,
22 extended, equipped, or improved, in whole or in part, with the proceeds of
23 bonds issued under this chapter;

24 (6) "Municipality" means a city of the first class, a city of the
25 second class, or an incorporated town; and

26 (7) "Person" means any natural person, partnership, corporation,
27 association, organization, business trust, and public or private person or
28 entity.

29
30 14-189-103. Power to establish.

31 (a) One (1) or more local governments may organize and establish an
32 industrial development authority in the manner and for the accomplishment of
33 the purposes specified in this chapter.

34 (b)(1) Each industrial development authority established under this
35 chapter shall consist of and be governed by a board of directors.

36 (2) The members of the board of directors of the industrial

1 development authority shall be selected and shall serve as set forth in this
2 chapter.

3
4 14-189-104. Organization of industrial development authority.

5 (a) The governing body of each local government desiring to organize
6 an industrial development authority under this chapter shall declare its
7 intention to do so by ordinance if the local government is a municipality or
8 by order if the local government is a county.

9 (b)(1) An ordinance shall authorize and direct the mayor of the
10 municipality issuing the ordinance and an order shall authorize and direct
11 the county judge of the county issuing the order to prepare, or cause to be
12 prepared, and to sign and file with the circuit clerk of any county that is
13 to be a party to the organization of an industrial development authority
14 under this chapter a petition requesting the circuit court of the county
15 where the petition is filed to establish an industrial development authority
16 under this chapter.

17 (2) The petition shall at least contain the following
18 information:

19 (A) The identity of the local governments desiring to
20 organize the industrial development authority;

21 (B)(i) The population of each petitioning local
22 government.

23 (ii) The population of a petitioning county is the
24 population of the county exclusive of the population of each petitioning
25 municipality in the county, according to the most recent federal decennial
26 census;

27 (C) The official name desired by the petitioners for the
28 industrial development authority to be established;

29 (D) The total number of the members of the board of
30 directors of the industrial development authority desired by the petitioners,
31 subject to the conditions pertaining thereto specified in this chapter;

32 (E) The number of the members of the board of directors of
33 the industrial development authority that shall represent each petitioning
34 local government, determined in accordance with the conditions specified in
35 this chapter; and

36 (F) A request that the circuit court enter an order

1 designating the total number of the members of the board of directors of the
2 industrial development authority, designating the number that shall represent
3 each petitioning local government, and establishing an industrial development
4 authority under this chapter as a public agency of the petitioning local
5 government, but with the powers set forth in this chapter, which need not be
6 enumerated in the order.

7 (c)(1) The circuit court shall enter an order establishing and naming
8 the industrial development authority and designating the board of directors
9 of the industrial development authority in accordance with the petition.

10 (2) The circuit court shall enter the order as a record of the
11 court, and the order shall be placed in the permanent records of the circuit
12 clerk of the court.

13 (d) After the entry of the order of the circuit court establishing the
14 industrial development authority and after the appointments of its members,
15 the industrial development authority shall be in existence and thereafter
16 exist as a separate entity and body corporate as set forth in this chapter.

17
18 14-189-105. Members of board of directors of industrial development
19 authority.

20 (a) Immediately after the filing of the order of the circuit court
21 issued under § 14-189-104, the governing body of each petitioning local
22 government shall appoint the persons to be the members of the board of
23 directors of the industrial development authority established by the order of
24 the circuit court in accordance with the order as to the number of members to
25 be selected by the respective petitioning local governments.

26 (b) The total number of the members of the board of directors of the
27 industrial development authority established by the order shall be an odd
28 number, each petitioning local government shall have at least one (1)
29 representative as a member of the board of directors of the industrial
30 development authority, and the number of members that represent each
31 petitioning local government shall be apportioned in the ratio that each
32 petitioner's population bears to the total population of all petitioners.

33 (c)(1) The term of each member of the board of directors of the
34 industrial development authority shall be for three (3) years from the date
35 of his or her appointment, and he or she shall serve for that term and
36 thereafter until his or her successor shall be duly appointed and qualified.

1 (2) At the expiration of the term of each member of the board of
2 directors of the industrial development authority, the governing body of the
3 local government that is represented on the board of directors of the
4 industrial development authority by the member shall appoint a successor
5 member or may reappoint the same member to another term.

6 (d)(1) Except as provided in subdivision (d)(2) of this section, a
7 vacancy on the board of directors of the industrial development authority
8 shall be filled by the governing body of the local government represented on
9 the board of directors of the industrial development authority by the
10 vacating member.

11 (2)(A) If a vacancy on the board of directors of the industrial
12 development authority is not filled by the governing body under subdivision
13 (d)(1) of this section within ninety (90) days after the vacancy occurs, a
14 majority of the remaining members of the board of directors of the industrial
15 development authority shall promptly fill the vacancy by appointing a
16 qualified person to serve for either the unexpired portion of the term of the
17 vacated member or for a new term if the vacating member is unable to serve
18 until a new member is otherwise appointed and qualified.

19 (B) For the purposes of this section, the expiration of a
20 member's term does not create a vacancy unless the member whose term has
21 expired is unable to serve until his or her successor is appointed and
22 qualified.

23 (e) Before entering upon his or her duties, each member of the board
24 of directors of the industrial development authority shall take and subscribe
25 and file in the office of the circuit clerk of the county where the order
26 establishing the industrial development authority was filed an oath to
27 support the United States Constitution and the Arkansas Constitution and
28 faithfully to perform the duties of the office upon which he or she is about
29 to enter.

30 (f) To be eligible for membership on the board of directors of the
31 industrial development authority, a person, at the time of his or her
32 appointment and qualification by filing the required oath, must be a
33 qualified elector of the municipality or of the county, as the case may be,
34 that he or she represents on the board of directors of the industrial
35 development authority.

36 (g)(1)(A) The board of directors of each industrial development

1 authority shall select one (1) of its members as chair, one (1) of its
 2 members as secretary, and one (1) of its members as treasurer.

3 (B) The offices of secretary and treasurer may be combined
 4 and held by one (1) member.

5 (2) The term and duties of the officers shall be fixed by
 6 resolution of the board of directors of each industrial development
 7 authority.

8
 9 14-189-106. Permanent records of industrial development authority.

10 A certified copy of each ordinance and a certified copy of each order
 11 appointing persons to membership on the board of directors of the industrial
 12 development authority shall be filed with the secretary of the board of
 13 directors of the industrial development authority and shall be and remain
 14 part of the permanent records of the industrial development authority.

15
 16 14-189-107. General purposes of industrial development authority.

17 (a) An industrial development authority may accomplish the following
 18 general purposes:

19 (1) To establish, acquire, develop, improve, or maintain:

20 (A) Commerce and industrial parks;

21 (B) Research, technology, and development proving grounds
 22 and facilities;

23 (C) Job training facilities, air cargo operations, depots
 24 for military use, rail lines, rail transload operations, and short-line
 25 railroads; and

26 (D) All other qualifying economic development projects
 27 under § 14-174-105;

28 (2) To acquire, purchase, install, lease, own, hold, use,
 29 control, construct, equip, maintain, develop, and improve lands and
 30 facilities, of whatever nature necessary or desirable, in connection with
 31 establishing, developing, improving, and maintaining:

32 (A) Commerce and industrial parks;

33 (B) Research, technology, and development proving grounds
 34 and facilities;

35 (C) Job training facilities, air cargo operations, depots
 36 for military use, rail lines, rail transload operations, and short-line

1 railroads; and

2 (D) All other qualifying economic development projects
3 under § 14-174-105, including without limitation, buildings, warehouses,
4 utilities, and the improvement of portions of highways or roadways, and other
5 facilities not within the exclusive jurisdiction of the United States
6 Government;

7 (3) To foster and stimulate the shipment of freight and
8 commerce, whether by rail, air, roadway, highway, or other modes of
9 transport, and whether originating within or without the State of Arkansas;

10 (4) To accept and use funds from any sources and to use them in
11 such a manner as is within the purposes of the industrial development
12 authority;

13 (5) To cooperate with the State of Arkansas and all agencies,
14 departments, and instrumentalities of the State of Arkansas and with other
15 counties, municipalities, and political subdivisions in the maintenance,
16 development, improvement, and use of:

17 (A) Commerce and industrial parks;

18 (B) Research, technology, and development proving grounds
19 and facilities;

20 (C) Job training facilities, air cargo operations, depots
21 for military use, rail lines, rail transload operations, and short-line
22 railroads; and

23 (D) All other qualifying economic development projects
24 under § 14-174-105;

25 (6) To cooperate with any other state and all its agencies,
26 departments, and instrumentalities and port authorities, counties,
27 municipalities, political subdivisions, and all their instrumentalities and
28 agencies in other states in the maintenance, development, improvement, and
29 use of:

30 (A) Commerce and industrial parks;

31 (B) Research, technology, and development proving grounds
32 and facilities;

33 (C) Job training facilities, air cargo operations, depots
34 for military use, rail lines, rail transload operations, and short-line
35 railroads; and

36 (D) All other qualifying economic development projects

1 under § 14-174-105;

2 (7) To act as agent for the United States Government or any
 3 agency, department, corporation, or instrumentality of the United States
 4 Government and for the State of Arkansas and any agency, department,
 5 instrumentality, or political subdivision of the State of Arkansas in any
 6 matter pertaining to the accomplishment of the purposes of the industrial
 7 development authority;

8 (8) To acquire, construct, equip, maintain, develop, and improve
 9 facilities at:

10 (A) Commerce and industrial parks;

11 (B) Research, technology, and development proving grounds
 12 and facilities;

13 (C) Job training facilities, air cargo operations, depots
 14 for military use, rail lines, rail transload operations, and short-line
 15 railroads; and

16 (D) All other qualifying economic development projects
 17 under § 14-174-105;

18 (9) To sell, lease, contract concerning, or permit the use of
 19 all or any part of the facilities acquired, constructed, and equipped under
 20 this subsection to any person for industrial or commercial activities; and

21 (10) In general, to do and perform any act or function that may
 22 tend to or be useful toward the development and improvement of:

23 (A) Commerce and industrial parks;

24 (B) Research, technology, and development proving grounds
 25 and facilities;

26 (C) Job training facilities, air cargo operations, depots
 27 for military use, rail lines, rail transload operations, and short-line
 28 railroads; and

29 (D) All other qualifying economic development projects
 30 under § 14-174-105;

31 (b) The enumeration of the purposes under subsection (a) of this
 32 section shall not limit or circumscribe the broad objectives and purposes of
 33 this chapter and the broad objectives of developing to the utmost:

34 (1) Commerce and industrial parks;

35 (2) Research, technology, and development proving grounds and
 36 facilities;

1 (3) Job training facilities, air cargo operations, depots for
2 military use, rail lines, rail transload operations, and short-line
3 railroads;

4 (4) All other qualifying economic development projects under §
5 14-174-105; and

6 (5) Industrial and commercial development possibilities of the
7 state and the political subdivisions of the state.

8
9 14-189-108. Powers of industrial development authority generally.

10 In order to enable an industrial development authority to carry out the
11 purposes of this chapter, the industrial development authority shall:

12 (1) Have the powers of a body corporate including the power to
13 sue and be sued, to make contracts, and to adopt and use a seal;

14 (2) Have the power to rent, acquire, improve, develop, operate,
15 maintain, lease, buy, own, mortgage, otherwise encumber, sell, dispose of,
16 and otherwise deal with such real, personal, or mixed property as an
17 industrial development authority may deem proper, necessary, or desirable to
18 carry out the purposes of this chapter;

19 (3) Have the power to acquire, purchase, install, lease, rent,
20 own, hold, use, control, develop, sell, improve, construct, maintain, equip
21 and operate, and otherwise deal with and dispose of any:

22 (A) Commerce and industrial parks;

23 (B) Research, technology, and development proving grounds
24 and facilities;

25 (C) Job training facilities, air cargo operations, depots
26 for military use, rail lines, rail transload operations, and short-line
27 railroads; and

28 (D) All other qualifying economic development projects
29 under § 14-174-105;

30 (4) Have the power consistent with this chapter to acquire, own,
31 construct, reconstruct, extend, equip, improve, operate, maintain, sell,
32 lease, lease with or without options to purchase, lease with or without
33 options to extend or renew, contract concerning, or otherwise deal in, with,
34 or dispose of any lands, buildings, improvements, machinery, equipment, or
35 facilities of any and every nature for the securing and developing of
36 industry and commerce and parks for industrial and commercial operations;

1 (5) Have the power to appoint and employ and dismiss at pleasure
2 such agents and employees as may be selected by an industrial development
3 authority and to fix and pay their compensation;

4 (6) Have the power to establish an office for the transaction of
5 business at such place as, in the opinion of an industrial development
6 authority, shall be advisable or necessary in carrying out the purposes of
7 this chapter;

8 (7) Have the power to create and operate such agencies,
9 departments, and instrumentalities as an industrial development authority may
10 deem necessary, desirable, or useful for the accomplishment and furtherance
11 of any of the purposes of this chapter;

12 (8) Have the power to pay and expend funds for all necessary
13 costs and expenses involved in and incident to the formation and organization
14 of an industrial development authority and the carrying out of the powers and
15 purposes of this chapter;

16 (9) Have the power to adopt, alter, or repeal from time to time
17 its own bylaws, rules, and regulations consistent with this chapter governing
18 the manner in which the business of an industrial development authority may
19 be transacted and in which the purposes and powers may be transacted and in
20 which the purposes and powers of an industrial development authority may be
21 accomplished and carried out;

22 (10) Have the power to fix and change, from time to time, rates
23 and charges for the use of the facilities and services of an industrial
24 development authority;

25 (11) Have the power to promulgate and to alter or repeal, from
26 time to time, rules and regulations consistent with this chapter and to
27 enforce the same governing and pertaining to the use of the facilities and
28 services of an industrial development authority;

29 (12) Have the power to sell, contract concerning, or lease any
30 of its warehouses, industrial or commercial plants and facilities, and other
31 improvements and facilities of whatever nature and to permit the use of any
32 such facilities by any person engaging in any industrial or commercial
33 activity;

34 (13) Have the power to do any and all other acts and things of
35 whatever nature consistent with this chapter necessary or incidental to the
36 carrying out of the powers specified in this section and the accomplishment

1 of the purposes of this chapter, whether or not specifically enumerated; and

2 (14) Be authorized to carry out the powers of an industrial
3 development authority and to accomplish the purposes of this chapter.

4
5 14-189-109. Industrial development authority-owned facilities –
6 Proposals for lease or operation.

7 (a) With regard to industrial development authority-owned facilities
8 used for commercial and industrial purposes, before entering into a new lease
9 of existing facilities or into a lease of new facilities, in whole or in
10 part, or before operating facilities for these purposes, in whole or in part,
11 an industrial development authority shall first publicly solicit proposals
12 for the leasing or operation of the facilities for these purposes on such
13 terms as shall be customary and usual in the commercial industry.

14 (b) An industrial development authority shall accept a proposal under
15 subsection (a) of this section that is commercially reasonable and in the
16 industrial development authority's best interest.

17
18 14-189-110. Acquisition of property, including rights-of-way.

19 (a) For the acquiring of property, including rights-of-way, necessary
20 or desirable for the carrying out of the powers of an industrial development
21 authority and for the accomplishment of the purposes of this chapter, an
22 industrial development authority may acquire property by gift, by purchase,
23 by negotiation, or by condemnation.

24 (b) If an industrial development authority determines to exercise the
25 right of eminent domain, the right of eminent domain may be exercised in the
26 manner provided for taking private property for railroads as provided by §§
27 18-15-1202 – 18-15-1207, in the manner provided by §§ 18-15-301 – 18-15-307,
28 or in the manner provided by any other statutes enacted for the exercise of
29 the power of eminent domain by the state, or by any officers, departments,
30 agencies, or political subdivisions of the state.

31 (c) An industrial development authority may exchange any property
32 acquired under this chapter for other property necessary or desirable in
33 carrying out of the powers of an industrial development authority.

34
35 14-189-111. Condemnation of utility system prohibited.

36 This chapter does not authorize any industrial development authority to

1 acquire by condemnation, or to issue bonds and use the proceeds of the bonds
2 to acquire by condemnation, a utility plant or utility distribution system,
3 or any part of them, owned or operated by a regulated public utility for the
4 purpose of operation by the acquiring industrial development authority.

5
6 14-189-112. Operation of railroads.

7 (a)(1) An industrial development authority may acquire, own, lease,
8 locate, install, construct, equip, hold, maintain, control, and operate
9 railroads with necessary sidings, turnouts, spur branches, switches, yard
10 tracks, transload on and off-loading equipment, bridges, trestles, and
11 causeways.

12 (2) In connection with the lines and appurtenances to the lines
13 under subdivision (a)(1) of this section, an industrial development authority
14 may lease, install, construct, acquire, own, maintain, control, and use any
15 and every kind or character of motive power and conveyances or appliances
16 necessary or proper to carry passengers, goods, wares, and merchandise over,
17 along, or upon the tracks of railroads or other conveyances.

18 (b)(1) An industrial development authority may make agreements as to
19 scale of wages, seniority, working conditions, and related matters with
20 locomotive engineers, firemen, switchmen, foremen, hostlers, and other
21 employees engaged in the operation of the railroads and the service and
22 equipment pertinent to railroads.

23 (2) An industrial development authority may connect with or
24 cross any other railroad upon payment of just compensation and receive,
25 deliver to, and transport the freight, passengers, and cars of common carrier
26 railroads as though they were ordinary common carriers.

27
28 14-189-113. Dealings with United States Government.

29 (a)(1) An industrial development authority may assign, transfer,
30 lease, convey, grant, or donate to the United States Government or to the
31 appropriate agency of the United States Government any or all of the property
32 of the industrial development authority for use by the United States
33 Government or the appropriate agency of the United States Government, for any
34 purpose included within the purposes of this chapter.

35 (2) An assignment, transfer, lease, conveyance, grant, or
36 donation under subdivision (a)(1) of this section shall not be made that

1 would constitute an impairment of the covenants and obligations of an
2 industrial development authority in connection with bonds or other
3 certificates of indebtedness issued and outstanding by the industrial
4 development authority or that would constitute an event of default under any
5 indenture or similar instrument securing any indebtedness of an industrial
6 development authority.

7 (3) Any assignment, transfer, lease, conveyance, grant, or
8 donation, subject to the limitations specified, shall be upon such terms as
9 the industrial development authority involved may deem advisable.

10 (b) If the United States Government or the appropriate agency or
11 department of the United States Government should decide to undertake the
12 acquisition, construction, equipment, maintenance, or operation of any of the
13 properties and facilities of an industrial development authority and should
14 decide to acquire the lands and properties necessarily needed in connection
15 with it by condemnation or otherwise, the industrial development authority
16 may transfer and pay over to the United States Government or to the
17 appropriate agency of the United States Government such of the moneys
18 belonging to the industrial development authority as may be reasonably
19 required by the United States Government or the appropriate agency of the
20 United States Government to meet and pay the amount of judgments in
21 condemnation proceedings as may be rendered from time to time against the
22 United States Government or the appropriate agency of the United States
23 Government or as may be reasonably necessary to permit the United States
24 Government or the appropriate agency of the United States Government to
25 acquire and become possessed of such lands and properties as are reasonably
26 required for the acquisition, construction, and use of the properties and
27 facilities referred to in this section.

28
29 14-189-114. Local government assistance – Legislative determination.

30 (a)(1) It is determined by the General Assembly that the following are
31 necessary for and useful in the securing and developing of industry in the
32 State of Arkansas:

33 (A) Commerce and industrial parks;

34 (B) Research, technology, and development proving grounds
35 and facilities;

36 (C) Job training facilities, air cargo operations, depots

1 for military use, rail lines, rail transload operations, and short-line
2 railroads;

3 (D) All other qualifying economic development projects
4 under § 14-174-105; and

5 (E) The facilities authorized to be acquired, constructed,
6 reconstructed, extended, equipped, or improved by an industrial development
7 authority under this chapter.

8 (2) Therefore, an industrial development authority may contract
9 with the local governments represented on the board of directors of the
10 industrial development authority for the local governments to make available
11 the proceeds of bonds issued under Arkansas Constitution, Amendment 62, or
12 prior amendments to the Arkansas Constitution repealed by Arkansas
13 Constitution, Amendment 62, to the industrial development authority for the
14 purpose of financially assisting the industrial development authority to
15 accomplish the purposes of this chapter consistent with Arkansas
16 Constitution, Amendment 62, or prior amendments to the Arkansas Constitution
17 repealed by Arkansas Constitution, Amendment 62.

18 (b)(1) In addition, local governments may use and make available to an
19 industrial development authority, by way of donation, loan, or otherwise, any
20 available revenues for the purpose of financially assisting the industrial
21 development authority to accomplish the purposes of this chapter.

22 (2) Revenues made available under subdivision (b)(1) of this
23 section may be used by the industrial development authority either alone or
24 together with any other available funds and revenues for the accomplishment
25 of the authorized purposes of this chapter.

26

27 14-189-115. Authorization to borrow funds and issue bonds.

28 (a) An industrial development authority may enter into the necessary
29 contracts for the borrowing of funds, pursuant to this chapter, that the
30 industrial development authority may determine will be required to carry out
31 the purposes of this chapter. In this regard, an industrial development
32 authority may issue bonds and use the proceeds of the bonds for the
33 accomplishment of the purposes of this chapter, either alone or together with
34 other available funds and revenues.

35 (b) An industrial development authority also may issue revenue bonds
36 under this chapter for the purpose of applying a major portion of the

1 proceeds of the revenue bonds, alone or with other revenues that may be
2 pledged, to the acquisition of an investment contract or contracts at a rate
3 or rates of interest at least sufficient to provide for principal, premium,
4 if any, and interest on the revenue bonds, as due, in consideration of the
5 receipt of a portion of the proceeds for application by the industrial
6 development authority to one (1) or more of the purposes authorized by this
7 chapter.

8
9 14-189-116. Bonds – Authority to issue.

10 (a) This chapter is the sole authority required for the issuance of
11 bonds under this chapter and for the exercise of the powers of an industrial
12 development authority established under this chapter.

13 (b) A local government represented on the board of directors of an
14 industrial development authority need not authorize or approve the:

15 (1) Issuance of bonds under this chapter; or

16 (2) Exercise of any other powers by an industrial development
17 authority under this chapter.

18
19 14-189-117. Bonds – Covenants and agreements – Enforcement.

20 (a) All covenants and agreements entered into and made by an
21 industrial development authority shall be binding in all respects on the
22 industrial development authority and the members of the industrial
23 development authority and their successors from time to time in accordance
24 with the terms of the covenants and agreements.

25 (b) All of the terms of the covenants and agreements under subsection
26 (a) of this section shall be enforceable by mandamus or other appropriate
27 proceedings at law or in equity.

28
29 14-189-118. Bonds – Purposes.

30 Bonds may be issued for the acquisition, construction, and equipment of
31 facilities and the reconstructing, extending, improving, equipping, or
32 reequipping of facilities.

33
34 14-189-119. Bonds – Principal amount.

35 Each bond issued under this chapter shall be in the principal amount
36 sufficient, together with other available funds, for:

1 (1) The acquisition, construction, and equipment of facilities
2 or the reconstruction, extension, improvement, equipment, or reequipment of
3 facilities;

4 (2) All costs of issuing the bonds;

5 (3) The amount necessary for a reserve, if deemed desirable by
6 the industrial development authority issuing the bonds;

7 (4) The amount necessary to provide for debt service on the
8 bonds until revenues for the payment of the bonds are available; and

9 (5) Any cost of whatever nature necessarily incidental to the
10 bonds.

11
12 14-189-120. Bonds – Resolution or trust indenture generally.

13 (a)(1) An industrial development authority issuing the bonds under
14 this chapter, by resolution or indenture, among other things, may control the
15 subsequent issuance of additional bonds and the priority, between and among
16 issues, of the pledge of revenues and of the mortgage lien, provide for the
17 use of surplus pledged revenues, and provide for the creation of special
18 trust funds to be maintained in such banks as the industrial development
19 authority issuing the bonds may select.

20 (2) The moneys in the special trust funds under subdivision
21 (a)(1) of this section shall be secured and disbursed as determined by the
22 industrial development authority.

23 (b) The special trust funds under subsection (a) of this section may
24 include without limitation a bond fund, a depreciation fund, an operation and
25 maintenance fund, and such reserve funds as the industrial development
26 authority issuing the bonds may determine to be in the best interests of the
27 industrial development authority in accomplishing the purposes of this
28 chapter.

29
30 14-189-121. Bonds – Authorizing resolution.

31 (a) Each issue of bonds under this chapter shall be authorized by
32 resolution of the industrial development authority issuing the bonds.

33 (b) Priority, between and among successive issues of bonds under this
34 chapter, of the pledge of revenues and mortgage lien may be controlled by the
35 resolutions authorizing the issuance of bonds under this chapter.

36

1 14-189-122. Bonds – Terms and conditions.

2 (a) Bonds issued under this chapter may:

3 (1) Be coupon bonds payable to bearer as the authorizing
4 resolution may provide;

5 (2) Be registered as to principal or as to principal and
6 interest, or be coupon bonds subject to registration as to principal or as to
7 principal and interest as the authorizing resolution may provide;

8 (3) Be in one (1) or more series as the authorizing resolution
9 may provide;

10 (4) Bear such date or dates as the authorizing resolution may
11 provide;

12 (5) Mature at such time or times, not exceeding thirty-five (35)
13 years from their respective dates as the authorizing resolution may provide;

14 (6) Bear interest at such rate or rates as the authorizing
15 resolution may provide;

16 (7) Be in such form as the authorizing resolution may provide;

17 (8) Be executed in such manner as the authorizing resolution may
18 provide;

19 (9) Be payable in such medium of payment at such place or places
20 as the authorizing resolution may provide;

21 (10) Be subject to such terms of redemption as the authorizing
22 resolution may provide; and

23 (11) Contain such terms, covenants, and conditions as the
24 authorizing resolution may provide, including without limitation those
25 pertaining to:

26 (A) The custody and application of the proceeds of the
27 bonds;

28 (B) The collection and disposition of revenues;

29 (C) The maintenance and investment of various funds and
30 reserves;

31 (D) The nature and extent of the security;

32 (E) The rights, duties, and obligations of the industrial
33 development authority issuing the bonds and of the trustee for the holders or
34 registered owners of the bonds; and

35 (F) The rights of the holders or registered owners of the
36 bonds.

1 (b) Bonds issued under this chapter shall have all of the qualities of
2 negotiable instruments under the negotiable instruments laws of the state,
3 subject to the provisions of this section pertaining to registration.
4

5 14-189-123. Bonds – Trust indenture.

6 (a) Each resolution of an industrial development authority authorizing
7 the issuance of bonds under this chapter may provide for the execution of an
8 indenture defining the rights of the holders and registered owners of the
9 bonds and providing for the appointment of a trustee for the holders and
10 registered owners of the bonds.

11 (b) An indenture under subsection (a) of this section may control the
12 priority, between and among successive issues, of the pledge of revenues and
13 mortgage lien and may control any other terms, covenants, and conditions that
14 are deemed desirable, including without limitation, those pertaining to:

15 (1) The custody and application of the proceeds of the bonds;

16 (2) The collection and disposition of revenues;

17 (3) The maintenance of various funds and reserves;

18 (4) The nature and extent of the security;

19 (5) The rights, duties, and obligations of the industrial
20 development authority and the trustee for the holders and registered owners
21 of the bonds; and

22 (6) The rights of the holders and registered owners of the
23 bonds.

24

25 14-189-124. Bonds – Contents.

26 It shall be plainly stated on the face of each bond issued under this
27 chapter that the bond has been issued under the provisions of this chapter.
28

29 14-189-125. Bonds – Sale.

30 Bonds issued under this chapter may be sold for such price, including
31 without limitation sale at a discount, and in such manner as the industrial
32 development authority issuing the bonds may determine by resolution.
33

34 14-189-126. Bonds and coupons – Execution.

35 (a)(1) Bonds issued under this chapter may be executed by the
36 facsimile signature of the chair of the board of directors of the industrial

1 development authority issuing the bonds and by the manual signature of the
2 secretary of the board of directors of the industrial development authority
3 issuing the bonds and sealed with the seal of the industrial development
4 authority issuing the bonds.

5 (2) The coupons attached to the bonds may be executed by the
6 facsimile signature of the chair of the board of directors of the industrial
7 development authority issuing the bonds.

8 (b) In case any of the officers whose signatures appear on the bonds
9 or coupons shall cease to be such officers before the delivery of the bonds
10 or coupons, their signatures shall, nevertheless, be valid and sufficient for
11 all purposes.

12
13 14-189-127. Bonds – Conversion.

14 (a) Bonds issued under this chapter may be sold with the privilege of
15 conversion to an issue bearing a lower rate or rates of interest upon such
16 terms that the industrial development authority issuing the bonds receive no
17 less and pay no more than the industrial development authority would receive
18 and pay if the bonds were not converted.

19 (b) The conversion shall be subject to the approval of the industrial
20 development authority issuing the bonds.

21
22 14-189-128. Bonds – Issues.

23 There may be separate issues involving different facilities and there
24 may be successive issues involving the same facilities.

25
26 14-189-129. Bonds – General or special obligations.

27 Bonds issued under this chapter:

28 (1) Shall be general or special obligations only of the
29 industrial development authority issuing the bonds; and

30 (2) Do not constitute an indebtedness for which the faith and
31 credit of the state or the faith and credit of any municipality, county, or
32 other political subdivision of the state or any of their revenues are
33 pledged.

34
35 14-189-130. Bonds – Liability.

36 A member of an industrial development authority shall not be personally

1 liable on the bonds issued under this chapter or for any damages sustained by
2 anyone in connection with the contracts with the holders and registered
3 owners of the bonds or the construction, reconstruction, extension,
4 improvement, or equipping of buildings or facilities unless the member has
5 acted with a corrupt intent.

6
7 14-189-131. Bonds – Pledge of revenues.

8 (a) The principal of, premium, if any, or interest on, and trustee's
9 and paying agent's fees in connection with each issue of bonds issued by the
10 industrial development authority under this chapter shall be secured by a
11 pledge of, and shall be payable from, the revenues derived from the lands,
12 buildings, or facilities acquired, constructed, reconstructed, extended,
13 improved, or equipped, in whole or in part, with the proceeds of the bonds of
14 the particular issue.

15 (b) In addition, the industrial development authority issuing the
16 bonds may pledge to, and use for the payment of the principal of, premium, if
17 any, or interest on, and trustee's and paying agent's fees in connection with
18 a particular issue of bonds, revenues derived from other lands, buildings, or
19 facilities owned or held by the industrial development authority, and an
20 investment contract or contracts entered into by the industrial development
21 authority for the purpose of paying and securing the bonds, and any revenues
22 to be derived from the contract or contracts.

23
24 14-189-132. Refunding bonds.

25 (a)(1) Bonds may be issued under this chapter for the purpose of
26 refunding bonds previously issued under this chapter.

27 (2)(A) Refunding bonds may be issued alone or combined with
28 bonds issued under this chapter into a single issue for the purpose of
29 refunding outstanding bonds, acquiring lands, and constructing and equipping
30 buildings or facilities or reconstructing, extending, improving, or
31 reequipping existing buildings or facilities.

32 (B)(i) When refunding bonds are issued, the bonds may be
33 either sold or delivered in exchange for the outstanding bonds being
34 refunded.

35 (ii) If sold, the proceeds may either be applied to
36 the payment of the bonds being refunded, or the proceeds may be deposited in

1 escrow for the retirement of them.

2 (b)(1) All refunding bonds shall, in all respects, be authorized,
3 issued, and secured in the manner provided for other bonds issued under this
4 chapter and shall have all the attributes of such bonds.

5 (2) The resolution or indenture authorizing or securing
6 refunding bonds may provide that the bonds shall have the same priority of
7 lien on the revenues pledged for their payment and on the property mortgaged
8 as security for their payment as was enjoyed by the bonds refunded by them.

9
10 14-189-133. Bonds – Tax exemption.

11 (a) Bonds issued under this chapter are exempt from all state, county,
12 and municipal taxes.

13 (b) The exemption under this section includes without limitation
14 income, inheritance, and estate taxes.

15
16 14-189-134. Bonds as legal investment.

17 Bonds issued under this chapter shall be eligible to secure deposits of
18 all public funds and shall be legal for investment of bank, insurance
19 company, and retirement funds.

20
21 14-189-135. Bonds – Mortgage lien.

22 (a) The resolution or indenture referred may impose a foreclosable
23 mortgage lien upon the facilities acquired, constructed, reconstructed,
24 extended, equipped, or improved, in whole or in part, with the proceeds of
25 bonds issued under this chapter.

26 (b) The nature and extent of the mortgage lien under this section may
27 be controlled by the resolution or indenture, including without limitation
28 provisions pertaining to:

29 (1) The release of all or part of the land, buildings, or
30 facilities from the mortgage lien; and

31 (2) The priority of the mortgage lien in the event of successive
32 bond issues as authorized by this chapter.

33 (c) The resolution or indenture authorizing or securing the bonds may
34 authorize any holder or registered owner of bonds issued under the provisions
35 of this chapter or a trustee on behalf of all holders and registered owners,
36 either at law or in equity, to enforce the mortgage lien and, by proper suit,

1 to compel the performance of the duties of the officials of the industrial
2 development authority set forth in this chapter and set forth in the
3 resolution or indenture authorizing or securing the bonds.

4
5 14-189-136. Bonds – Default – Receiver.

6 (a) In the event of a default in the payment of the principal of or
7 interest on any bonds issued under this chapter, any court having
8 jurisdiction may appoint a receiver to take charge of the land, buildings, or
9 facilities upon which there is a mortgage lien securing the bonds.

10 (b) The receiver shall have the power to operate and maintain the
11 land, buildings, or facilities and to charge and collect rates or rents with
12 reference to them. These rents shall be sufficient to provide for the payment
13 of the principal of and interest on bonds, after providing for the payment of
14 any costs of receivership and operating expenses of the land, buildings, or
15 facilities, and to apply the income and revenues derived from them in
16 conformity with this chapter and the resolution or indenture authorizing or
17 securing the bonds.

18 (c) When the default has been cured, the receivership shall be ended
19 and the properties returned to the industrial development authority issuing
20 the bonds.

21 (d) The relief afforded by this section is in addition and
22 supplemental to the remedies that may be afforded the trustee for the
23 bondholders and the bondholders in the resolution or indenture authorizing or
24 securing the bonds and shall be so granted and administered as to accord full
25 recognition to priority rights of bondholders as to the pledge of revenues
26 from, and the mortgage lien on, the land, buildings, or facilities as
27 specified in and fixed by the resolution or indenture authorizing or securing
28 successive bond issues.

29
30 SECTION 2. Arkansas Code Title 14, Chapter 164, Subchapter 7 is
31 amended to read as follows:

32 14-164-701. Legislative intent.

33 (a) It is declared and confirmed that the securing and developing of
34 industry is vital to the economic welfare of the state and its people. To
35 this end, it is necessary that maximum flexibility be given to the Arkansas
36 Development Finance Authority and to the counties, ~~and~~ municipalities, and

1 industrial development authorities organized under the Industrial Development
 2 Authorities Expansion Act, § 14-189-101 et seq., in the state in their
 3 efforts to retain and expand existing industrial facilities and locate new
 4 industrial facilities. This task involves the opportunity for the full
 5 utilization of the benefits of financing industrial facilities under Arkansas
 6 Constitution, ~~Amendment 49 [repealed]~~, Amendment 62, or prior amendments to
 7 the Arkansas Constitution repealed by Arkansas Constitution, Amendment 62,
 8 and §§ 14-164-201 – 14-164-206, 14-164-208 – 14-164-224, the Industrial
 9 Development Authorities Expansion Act, § 14-189-101 et seq., § 14-267-101 et
 10 seq., §§ 15-5-101 – 15-5-105, 15-5-207, § 15-5-301 et seq., and the Arkansas
 11 Development Finance Authority Bond Guaranty Act of 1985, § 15-5-401 et seq.,
 12 including the exemption from ad valorem taxation of all industrial facilities
 13 that were exempt under Arkansas Constitution, Article 16, § 5, as interpreted
 14 by the Supreme Court in Wayland v. Snapp, 232 Ark. 57, 334 S.W.2d 633 (1960).

15 (b) While concerns using industrial bond financing should be
 16 encouraged to make payments in lieu of ad valorem taxes, and that is declared
 17 to be the general policy of the General Assembly, the final determination of
 18 whether these payments are to be made and, if made, in what amounts should be
 19 negotiated and contracted by the counties, ~~or municipalities,~~ or industrial
 20 development authorities in the state and by the industrial concerns involved
 21 under § 14-164-704.

22

23 14-164-702. Applicability.

24 (a) Pursuant to the findings and declarations of the state in § 14-
 25 164-701, it is found and declared that not only are the industrial facilities
 26 owned by a municipality, county, industrial development authority organized
 27 under the Industrial Development Authorities Expansion Act, § 14-189-101 et
 28 seq., or the Arkansas Development Finance Authority financed with bonds
 29 issued under §§ 14-164-201 – 14-164-206, 14-164-208 – 14-164-224, the
 30 Industrial Development Authorities Expansion Act, § 14-189-101 et seq., § 14-
 31 267-101 et seq., §§ 15-5-101 – 15-5-105, 15-5-207, § 15-5-301 et seq., and
 32 the Arkansas Development Finance Authority Bond Guaranty Act of 1985, § 15-5-
 33 401 et seq., to be exempt from ad valorem taxation, but the interest of a
 34 lessee or of a purchaser under a contract for sale of industrial facilities
 35 that are so exempt are also exempt from ad valorem taxation. To this end, the
 36 interest of a lessee or of a purchaser is intangible personal property for

1 purposes of ad valorem taxation. This finding and declaration is made under
 2 the authority granted to the General Assembly by and in implementation of the
 3 provisions and purposes of Arkansas Constitution, Amendment 57.

4 (b) The findings and declarations made in § 14-164-701 and the policy
 5 declared in this section apply to all existing industrial facilities and to
 6 all future industrial facilities involved in Arkansas Constitution, ~~Amendment~~
 7 49 [repealed], Amendment 62, or prior amendments to the Arkansas Constitution
 8 repealed by Arkansas Constitution, Amendment 62, §§ 14-164-201 – 14-164-206,
 9 14-164-208 – 14-164-224, the Industrial Development Authorities Expansion
 10 Act, § 14-189-101 et seq., § 14-267-101 et seq., §§ 15-5-101 – 15-5-105, 15-
 11 5-207, § 15-5-301 et seq., and the Arkansas Development Finance Authority
 12 Bond Guaranty Act of 1985, § 15-5-401 et seq., financings, and to all
 13 existing and future interests in leases or purchase contracts pertaining to
 14 these industrial facilities.

15
 16 14-164-703. Payments in lieu of taxes.

17 (a) If the Arkansas Development Finance Authority or a county, ~~or~~
 18 municipality, or industrial development authority organized under the
 19 Industrial Development Authorities Expansion Act, § 14-189-101 et seq., in
 20 the state and a lessee under a lease or a purchaser under a contract for sale
 21 enter into an agreement for payments in lieu of ad valorem taxes, each
 22 agreement shall provide, or under this subchapter shall be interpreted as
 23 providing, that all in-lieu-of-taxes payments shall be distributed to the
 24 local political subdivisions that would have received ad valorem tax payments
 25 on the industrial facilities if the interest involved had not been exempt
 26 from ad valorem taxes in the proportions that the millage levied by each
 27 affected local political subdivision bears to the millage levied by all
 28 affected political subdivisions, unless all such local political
 29 subdivisions, including without limitation the affected school district or
 30 districts, shall otherwise agree.

31 (b) This section does not affect the rights or obligations of any of
 32 the parties to an agreement under this subchapter that exists on the date of
 33 enactment of this subchapter providing for payments in lieu of ad valorem
 34 taxes.

35
 36 14-164-704. Sale of property.

1 (a)(1)(A) When the Arkansas Development Finance Authority or a
2 municipality, ~~or~~ county, industrial development authority organized under the
3 Industrial Development Authorities Expansion Act, § 14-189-101 et seq., in
4 the state enters into a lease of property owned by the ~~authority~~ Arkansas
5 Development Finance Authority, a municipality, ~~or~~ a county, or an industrial
6 development authority or enters into a contract for sale of property by the
7 ~~authority~~ Arkansas Development Finance Authority, a municipality, ~~or~~ a
8 county, or an industrial development authority to a private for-profit entity
9 under this subchapter or any other law or the Arkansas Constitution for the
10 purpose of securing and developing industry, the lease or contract for sale
11 shall, except as otherwise provided in this section, include an obligation
12 that the lessee or purchaser make payments in lieu of property taxes in an
13 amount as negotiated between the parties except the aggregate amount of the
14 payments during the initial term of the lease or contract for sale shall be
15 not less than thirty-five percent (35%) of the aggregate amount of ad valorem
16 taxes that would be paid if the property were on the tax rolls, unless the
17 Director of the Arkansas Economic Development Commission and the Chief Fiscal
18 Officer of the State approve a lesser amount.

19 (B) If the ~~authority~~ Arkansas Development Finance
20 Authority is the owner of the property, there shall be a separate agreement
21 for payment in lieu of taxes among the ~~authority~~ Arkansas Development Finance
22 Authority, the lessee or purchaser, the county in which the industrial
23 facilities are located, and, if applicable, the municipality in which the
24 industrial facilities are located.

25 (2)(A) The aggregate amount of ad valorem taxes that would be
26 paid if the property were on the tax rolls during the initial term of the
27 lease or contract for sale may be determined based on:

28 (i) The millage and assessment rates in effect at
29 the time the obligation to make payments in lieu of property taxes is entered
30 into;

31 (ii) The projected installed costs of the taxable
32 real and personal property subject to or to be subject to the lease or
33 contract for sale, which may be evidenced by an affidavit of an authorized
34 officer of the private for-profit entity; and

35 (iii) Depreciation guidelines for personal property
36 published by the Assessment Coordination Division.

1 (B) The aggregate amount determined under this subdivision
 2 (a)(2) shall be adjusted based on the actual installed costs of the taxable
 3 real and personal property at the time the lease or contract for sale is
 4 entered into or the time of completion of the project subject to the lease or
 5 contract for sale, whichever is later.

6 (3) In cases in which the municipality, ~~or county,~~ or industrial
 7 development authority is the lessor or seller, the obligation may be
 8 contained in a separate agreement at the option of the parties to the lease
 9 or contract for sale.

10 (4)(A)(i) For agreements entered into on or after September 1,
 11 2023, the lessee or purchaser shall provide a copy of the agreement for
 12 payment in lieu of taxes under this subsection to the county assessor,
 13 including a description of all real and personal property that is subject to
 14 the agreement for payment in lieu of taxes.

15 (ii) This section does not require a lessee or
 16 purchaser to provide any information that the lessee or purchaser in good
 17 faith considers to be a trade secret, proprietary information, or other
 18 information that, if disclosed, would give an advantage to competitors.

19 (B)(i) Payments in lieu of ad valorem taxes under this
 20 subsection shall be billed by the county collector to the lessee or purchaser
 21 or their respective designees.

22 (ii) Payments made to the county collector for
 23 disbursement by the county treasurer shall be distributed to the respective
 24 taxing entities at the same time and in the same manner that ad valorem taxes
 25 are disbursed as provided by law.

26 (b) Before a meeting of municipal officials, ~~or county officials,~~
 27 officers of the industrial development authority, or officials of the
 28 ~~authority~~ Arkansas Development Finance Authority in which action may be taken
 29 regarding approval of in-lieu-of-tax payments, the ~~authority~~ Arkansas
 30 Development Finance Authority, municipality, ~~or county,~~ or industrial
 31 development authority shall give at least ten (10) days' notice of the date,
 32 time, and place of the meeting to the:

33 (1) Superintendent of each school district in which all or any
 34 part of the property that is subject to the lease or contract of sale is
 35 located;

36 (2) Chief Fiscal Officer of the State; and

1 (3) County assessor, county tax collector, and county treasurer
2 of the county in which the property is located.

3 (c) Subsections (a) and (b) of this section do not apply to:

4 (1) An agreement existing before July 1, 2001;

5 (2) An agreement entered into on or after July 1, 2001, under a
6 memorandum of intent or agreement to issue bonds authorized by a municipality
7 or county before July 1, 2001;

8 (3) An agreement entered into on or after July 1, 2001, related
9 to a project covered by a financial incentive proposal from the Arkansas
10 Economic Development Commission, or by resolution of the governing body of a
11 municipality or a county designating the project by name for the purposes of
12 this exemption, dated before July 1, 2001;

13 (4) A reissue or refinancing of bonds that are subject to an
14 existing in-lieu-of-tax agreement; and

15 (5) A lease or contract for sale with a qualified manufacturer
16 of steel as defined in § 26-52-901 or in Acts 2001, No. 541, entered into
17 before June 30, 2009.

18
19 SECTION 3. Arkansas Code § 14-233-102(6), concerning the definition of
20 "district" with respect to the Joint County Municipal Solid Waste Disposal
21 Act, is amended to read as follows:

22 (6) "District" means an entity established pursuant to § 14-114-
23 101 et seq., the Interstate Watershed Cooperation Act, § 14-115-101 et seq.,
24 The Regional Water Distribution District Act, § 14-116-101 et seq., the
25 Arkansas Irrigation, Drainage, and Watershed Improvement District Act of
26 1949, § 14-117-101 et seq., § 14-118-101 et seq., The Water Improvement
27 District Accounting Law of 1973, § 14-119-101 et seq., § 14-120-101 et seq.,
28 § 14-121-101 et seq., § 14-122-101 et seq., § 14-123-201 et seq., § 14-124-
29 101 et seq., the Conservation Districts Law, § 14-125-101 et seq., the
30 Central Business Improvement District Act, § 14-184-101 et seq., the
31 Metropolitan Port Authority Act of 1961, § 14-185-101 et seq., § 14-186-101
32 et seq., § 14-187-101 et seq., the Rural Development Authority Act, § 14-188-
33 101 et seq., the Industrial Development Authorities Expansion Act, § 14-189-
34 101 et seq., § 14-249-101 et seq., the Wastewater Treatment Districts Act, §
35 14-250-101 et seq., and § 14-251-101 et seq.;

36

1 SECTION 4. Arkansas Code § 15-11-211 is amended to read as follows:
2 15-11-211. Disposal of railroad track material.

3 (a) The State Parks, Recreation, and Travel Commission and the
4 Department of Parks, Heritage, and Tourism ~~are authorized to~~ may dispose of
5 rail and other railroad track material by gift or contract to a regional
6 intermodal facilities authority organized pursuant to the Regional Intermodal
7 Facilities Act, § 14-143-101 et seq., a metropolitan port authority organized
8 pursuant to the Metropolitan Port Authority Act of 1961, § 14-185-101 et
9 seq., an industrial development authority organized under the Industrial
10 Development Authorities Expansion Act, § 14-189-101 et seq., or a planning
11 and development district recognized by § 14-166-202.

12 (b) A regional intermodal facilities authority, a metropolitan port
13 authority, an industrial development authority, or a planning and development
14 district may receive and acquire the property described in subsection (a) of
15 this section upon such terms and conditions acceptable to it and shall use
16 the property for railroad purposes in accordance with the power and authority
17 conferred by law.

18 (c) If a regional intermodal facilities authority, a metropolitan port
19 authority, an industrial development authority, or a planning and development
20 district subsequently sells the property described in subsection (a) of this
21 section, the net proceeds received from disposition of the property, after
22 deduction of all costs and expenses related thereto, shall be remitted to the
23 commission and the department.

24
25 SECTION 5. Arkansas Code § 27-67-322(f)(1) and (2), concerning the
26 disposition of surplus rail or other railroad track material by the State
27 Highway Commission, are amended to read as follows:

28 (f)(1) The transfer of surplus rail and other railroad track material
29 purchased in part with federal transportation enhancement funds and granted
30 to the State Parks, Recreation, and Travel Commission or the Department of
31 Parks, Heritage, and Tourism, or both, by the State Highway Commission shall
32 not be subject to the procedures set forth in subsections (a)-(e) of this
33 section.

34 (2) Surplus rail and other track material described under this
35 subsection may be transferred by gift or contract to a regional intermodal
36 facilities authority, a metropolitan port authority, ~~or~~ a planning and

1 development district, or an industrial development authority.

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