

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

*As Engrossed: H3/11/25*

## **A Bill**

HOUSE BILL 1681

5 By: Representatives Vaught, Milligan, Achor, F. Allen, Andrews, Barker, Barnes, Barnett, Beaty Jr.,  
6 Beck, Bentley, S. Berry, Breaux, Brooks, K. Brown, M. Brown, N. Burkes, R. Burkes, Joey Carr,  
7 Cavanaugh, Childress, Clowney, A. Collins, C. Cooper, Cozart, Crawford, Duffield, Eaton, Ennett,  
8 Eubanks, Evans, K. Ferguson, Furman, D. Garner, Gazaway, Gonzales, Gonzales Worthen, Gramlich,  
9 Hall, Hawk, Henley, Holcomb, Hollowell, Hudson, L. Johnson, Ladyman, Long, Maddox, Magie,  
10 McAlindon, McClure, McCullough, M. McElroy, McGrew, McGruder, McNair, S. Meeks, J. Moore, K.  
11 Moore, Nazarenko, Painter, Pearce, Puryear, J. Richardson, R. Scott Richardson, Richmond, Rose, Rye,  
12 Schulz, T. Shephard, Springer, Steele, Steimel, Torres, Tosh, Underwood, Unger, Walker, Warren, D.  
13 Whitaker, Wing, Wooldridge, Wooten, *Duke*  
14 By: Senators J. Bryant, Hester, *J. Boyd, Caldwell, Crowell, B. Davis, Dees, J. Dotson, J. English, Flippo,*  
15 *S. Flowers, Gilmore, K. Hammer, B. Johnson, M. Johnson, G. Leding, F. Love, M. McKee, R. Murdock, J.*  
16 *Petty, J. Scott, Stone, G. Stubblefield, C. Tucker, D. Wallace*  
17

### **For An Act To Be Entitled**

18 AN ACT REGARDING THE ARKANSAS NATURAL RESOURCES  
19 COMMISSION; TO ESTABLISH THE WATER AND SEWER  
20 TREATMENT FACILITIES GRANT PROGRAM; TO CREATE THE  
21 WATER AND SEWER TREATMENT FACILITIES GRANT PROGRAM  
22 FUND; TO TRANSFER FUNDING FROM THE SECURITIES RESERVE  
23 FUND; TO DECLARE AN EMERGENCY; AND FOR OTHER  
24 PURPOSES.  
25  
26  
27

### **Subtitle**

28 TO ESTABLISH THE WATER AND SEWER  
29 TREATMENT FACILITIES GRANT PROGRAM; TO  
30 TRANSFER FUNDING FROM THE SECURITIES  
31 RESERVE FUND; AND TO DECLARE AN  
32 EMERGENCY.  
33  
34

35 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
36



1 SECTION 1. Arkansas Code § 19-5-905(a)(12), concerning the use of the  
2 Securities Reserve Fund, are amended to read as follows:

3 (12) After the transfer enumerated in subdivision (a)(10) of  
4 this section and contingent upon available moneys in the Securities Reserve  
5 Fund, for a transfer by the Chief Fiscal Officer of the State of fifty  
6 million dollars (\$50,000,000) or as much as remains unobligated each fiscal  
7 year to the Water and Sewer Treatment Facilities Grant Program Fund; and

8 (13) After all distributions and transfers under this section,  
9 less one hundred thousand dollars (\$100,000) under § 19-3-521(a)(2), for a  
10 transfer by the Chief Fiscal Officer of the State on the last business day of  
11 the fiscal year of the fund balance to the Catastrophic Reserve Fund.

12  
13 SECTION 2. Arkansas Code § 19-6-301, concerning the enumeration of  
14 special revenues, is amended to read as follows:

15 (276) Transfers from the Securities Reserve Fund under § 19-5-  
16 905(a)(11) to award grants under the Water and Sewer Treatment Facilities  
17 Grant Program established in § 25-43-203.

18  
19 SECTION 3. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended  
20 to add an additional section to read as follows:

21 19-6-845. Water and Sewer Treatment Facilities Grant Program Fund.

22 (a) There is established on the books of the Treasurer of State, the  
23 Auditor of State, and the Chief Fiscal Officer of the State a special revenue  
24 fund to be known as the "Water and Sewer Treatment Facilities Grant Program  
25 Fund".

26 (b) The fund shall consist of:

27 (1) Moneys transferred to the fund under § 19-5-905; and

28 (2) Any other revenues as authorized by law.

29 (c) The fund shall be used by the Arkansas Natural Resources  
30 Commission to award grants under the Water and Sewer Treatment Facilities  
31 Grant Program established in § 25-43-203.

32  
33 SECTION 4. Arkansas Code Title 25, Chapter 43, Subchapter 2, is  
34 amended to add an additional section to read as follows:

35 25-43-203. Water and Sewer Treatment Facilities Grant Program.

36 (a)(1) There is created within the Arkansas Natural Resources

1 Commission the Water and Sewer Treatment Facilities Grant Program to be  
2 administered by the commission.

3 (2) The commission may hire personnel necessary to carry out the  
4 duties of administering the program.

5 (b) The commission shall:

6 (1) Create an application form to be submitted by eligible water  
7 and sewer treatment facilities seeking a matching grant from the program;

8 (2) Devise an application process that:

9 (A) Defines the eligibility criteria for a matching grant;  
10 and

11 (B) Establishes application submission and review  
12 processes;

13 (3) Define a process by which grants may be awarded;

14 (4) Execute standard legal grant agreements and other  
15 documentation governing the disbursement and use of grants; and

16 (5) Provide a matching grant to eligible water and sewer  
17 treatment facilities for infrastructure and improvement projects that are  
18 shovel-ready.

19 (c) A recipient of a grant awarded under this section shall:

20 (1) Begin the recipient's project within one (1) year of the  
21 award of the grant funds; and

22 (2) Not be eligible for another grant until the awarded grant  
23 has been closed out.

24 (d) Funding under the program shall be awarded as follows:

25 (1) Eighty percent (80%) shall be awarded for shovel-ready  
26 projects in:

27 (A) Cities of the first class and cities of the second  
28 class with a population over one thousand two hundred (1,200); or

29 (B) Rural water and rural wastewater systems serving a  
30 population over one thousand two hundred (1,200); and

31 (2) Twenty percent (20%) shall be awarded in:

32 (A) Incorporated towns and cities of the second class with  
33 a population of one thousand two hundred (1,200) or less; or

34 (B) Rural water and rural wastewater systems serving a  
35 population of one thousand two hundred (1,200) or less.

36 (e) The commission shall promulgate rules to implement this section.

