

1 State of Arkansas *As Engrossed: S4/6/13 S4/10/13*

2 89th General Assembly

# A Bill

3 Regular Session, 2013

SENATE BILL 1097

4

5 By: Senators Elliott, *J. Hutchinson*

6 By: Representatives Lowery, *Hillman*

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## For An Act To Be Entitled

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AN ACT TO AMEND THE LAW CONCERNING ACCOUNTABILITY OF

10

MUNICIPAL IMPROVEMENT DISTRICTS; AND FOR OTHER

11

PURPOSES.

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14

## Subtitle

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TO AMEND THE LAW CONCERNING

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ACCOUNTABILITY OF MUNICIPAL IMPROVEMENT

17

DISTRICTS.

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

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22

*SECTION 1. Arkansas Code Title 14, Chapter 88, Subchapter 5, is*

23

*amended to add an additional section to read as follows:*

24

*14-88-505. Records of meetings.*

25

*(a) The commissioners of a municipal improvement district shall*

26

*maintain on file for inspection and copying a record of regular and special*

27

*meetings of the municipal improvement district board.*

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*(b) The records kept under subsection (a) of this section shall*

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*include without limitation:*

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*(1) Meeting notices with date, time, and location;*

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*(2) Meeting agendas;*

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*(3) Detailed minutes of meetings;*

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*(4) Financial reports with supporting bank statements; and*

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*(5) Actions taken by the board with supporting documentation and*

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*plans, if any.*

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1           SECTION 2. Arkansas Code § 14-89-1402(a)(1), concerning the annual  
2 financial report filing of a municipal improvement district, is amended to  
3 read as follows:

4           (a)(1)(A) All improvement districts in any city or incorporated town  
5 in this state established for the purpose of making improvements for  
6 municipal purposes shall file an annual financial report with the city clerk  
7 or recorder of the city or town on or before March 1 of each year, covering  
8 the financial affairs of the districts for the preceding year.

9                   (B) The filing under subdivision (a)(1)(A) of this section  
10 shall include without limitation a complete itemization of revenues and  
11 expenditures and status of district projects.

12  
13           SECTION 3. Arkansas Code § 14-89-1501 is amended to read as follows:  
14 14-89-1501. Quarterly financial reports.

15           (a)(1) All improvement districts in any city or incorporated town in  
16 this state established for the purpose of making improvements for municipal  
17 purposes shall meet at least four (4) times per year or quarterly.

18                   (2) Notice of all meetings, including quarterly meetings under  
19 this section, shall be given by the district to all record owners of property  
20 in the district at least ten (10) days prior to the meeting date.

21           (b)(1) At each quarterly meeting of the improvement district, a  
22 financial report shall be included as an item on the agenda.

23                   (2) The financial report shall be provided to any member of the  
24 public who requests a copy of the report.

25                   (3) The financial report required under this section shall  
26 include without limitation:

27                           (A) Supporting documentation;

28                           (B) Bank statements;

29                           (C) Operating budget;

30                           (D) Projected budget; and

31                           (E) Itemization of revenues and expenditures.

32  
33           SECTION 4. Arkansas Code § 14-90-602 is amended to read as follows:  
34 14-90-602. Revision of assessments.

35           (a)(1) The commissioners of ~~any a~~ municipal improvement district may  
36 require the assessors ~~thereof~~ to revise their assessment ~~not more often than~~

1 only ~~once~~ one (1) time per annum, increasing or diminishing the assessment  
2 against particular pieces of property as justice may require.

3 (2) However, the total amount of benefits shall ~~never~~ not be  
4 diminished if the district ~~shall have~~ borrowed money or incurred  
5 indebtedness.

6 (b)(1)(A) The reassessment shall be filed with the city clerk or town  
7 clerk.

8 (B) Before the filing of the reassessment with the city or  
9 town clerk under this section, the requirements of this section, § 14-88-505,  
10 and other applicable law shall be met.

11 (C) The filing under this subdivision shall include  
12 without limitation:

13 (i) Minutes of the meeting in which action was taken  
14 by the board concerning a reassessment under this section;

15 (ii) Affidavit of compliance with notification  
16 requirements; and

17 (iii) A detailed plan for use of the reassessment  
18 moneys and a proposed budget for implementation.

19 (2)(A) On the filing of a reassessment with the city clerk or  
20 town clerk, the city clerk or town clerk shall publish in ~~some~~ a newspaper  
21 published in the county one (1) time a week for two (2) weeks a notice as  
22 follows:

23  
24 "The reassessment of Improvement District No..... (giving the style and  
25 number of the district) has been filed in my office, and the same is now open  
26 for inspection.

27  
28 All persons wishing to be heard on the reassessment shall be heard by the  
29 commissioners of the district in the office of the city clerk or town clerk  
30 at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_.

31  
32 Clerk of the City (or Town) of ....."

33  
34 (B) The notice shall be mailed by the district to all  
35 record owners of property in the district on the date of the first  
36 publication, and an affidavit of mailing shall be filed with the city clerk

1 or town clerk at least six (6) days before the hearing date.

2 (C) The notice shall be posted prominently and  
 3 continuously in the district at least thirty (30) days before the hearing  
 4 date.

5 (3) On the day named by the notice, the commissioners of the  
 6 district shall meet at the place named, hear all matters raised concerning  
 7 the assessment, and adjust the assessment if necessary.

8 (c)(1) ~~Where~~ When assessments of benefits are revised ~~in pursuance of~~  
 9 ~~this section~~, and notice is given as provided in this section, the

10 assessments shall be final and conclusive if approved by the governing body  
 11 of the city or town and unless suit is brought in the ~~chancery~~ circuit court  
 12 within thirty (30) days after ~~the publication of the notice provided for in~~  
 13 ~~subsection (b) of this section~~ action is taken by the governing body for the  
 14 purpose of correcting the assessment.

15 (2) Notice shall be given by the district to all record owners  
 16 of property in the district at least ten (10) days prior to the meeting date  
 17 of the governing body of the city or town during which the ordinance on the  
 18 assessment will be considered.

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 20 SECTION 5. Arkansas Code § 14-90-701 is amended to read as follows:

21 14-90-701. Insufficient tax to complete improvement.

22 (a) If the tax first levied ~~shall prove~~ is insufficient to complete or  
 23 pay for a municipal improvement ~~or pay therefor~~, the board of improvement  
 24 shall report the amount of the deficiency to the ~~council~~ governing body of  
 25 the municipality, and it shall ~~thereupon~~ make a determination on whether or  
 26 not to levy further taxes based on the assessment of benefits for a sum  
 27 sufficient to complete or pay for the improvement ~~or pay therefor~~, which  
 28 shall be collected in the same manner as the first levy.

29 (b) However, the taxes levied shall ~~never~~ not exceed the total amount  
 30 of the benefits assessed or the limitation of cost fixed in the petition or  
 31 by this act.

32  
 33 /s/Elliott  
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