95th Arkansas General Assembly/Arkansas Natural Resources Commission: Act 578 Authorizes Water, Waste Disposal, Pollution Control, and Other General Obligation Bonds



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

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Act 578 has been signed by the Governor which would authorize the Arkansas Department of Agriculture's Natural Resources Commission ("NRC") to issue certain general obligation bonds.

The legislation would amend Arkansas Code Title 15, Chapter 20, to add an additional Subchapter which would be titled:

Subchapter 15 – Arkansas Water, Waste Disposal, and Pollution Abatement Facilities Financing Act of 2025.

The legislation was sponsored by Senator Hester (Cave Springs) and Representative Beaty Jr. (Crossett).

General obligation bonds are authorized to finance and refinance the development of projects involving:

- Water.
- Waste disposal.
- Pollution control.
- Abatement and prevention.
- Drainage.
- Irrigation.
- Flood control.
- Wetlands and aquatic resources.

The principal amount authorized is not to exceed $500 million with no more than $165 million in total principal amount to be issued to finance and refinance the development of irrigation facilities. Certain time limits are also provided.

Key terms defined in the legislation include:

- Aquatic resources.
- Bond biennium.
- Bonds.

- Debt service.
- Development.
- Drainage.
- Federal Deposit Insurance Corporation.
- Flood control.
- General revenues of the state.
- Irrigation.
- Local entity.
- Nationally recognized rating agency.
- Person.
- Pollution abatement.
- Prior act.
- Program.
- Project.
- Project costs.
- State Investing Office.
- Waste.
- Water.
- Wetlands.

The legislation addresses:

- Terms and characteristics of bonds.
- Purpose of bonds.
- Resolutions and trust indentures.
- Form of bond – signatures.
- Sale of bonds.
- Proceeds of bonds.
- Payment of debt service on the bonds.
- Refunding bonds.
- Additional power of the Arkansas Natural Resources Commission.
- No impairment of bond obligations.
- No obligations until bonds issued.
- No impairment of outstanding bonds.
- Election.
- Effective election.
- Cases involving bonds.

A copy of Act 578 can be downloaded here.