

ARKANSAS SENATE
87th General Assembly - Regular Session, 2009
Amendment Form

Subtitle of Senate Bill No. 104

"TO AMEND THE ARKANSAS INTERSTATE HIGHWAY FINANCING ACT OF 2007 TO
EXTEND THE TIME FOR ISSUING GRANT ANTICIPATION REVENUE BONDS FOR THE
RESTORATION AND IMPROVEMENT TO THE INTERSTATE HIGHWAY SYSTEM."

Amendment No. 1 to Senate Bill No. 104.

Amend Senate Bill No. 104 as originally introduced:

Add Representatives McCrary and Barnett as cosponsors of the bill.

AND

Page 2, line 11, add the following:

"SECTION 2. Arkansas Code § 27-64-405(b) and (c), concerning elections under the Arkansas Interstate Highway Financing Act of 2007, are amended to read as follows:

(b) The notice of election shall state that the election is to be held for the purpose of submitting to the people the following proposition, in substantially the form set forth herein:

"Authorizing the State Highway Commission to issue State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds (the "Bonds") from time to time provided that the total principal amount outstanding from the issuance of such bonds, together with the total principal amount outstanding from the issuance of bonds pursuant to Arkansas Highway Financing Act of 1999, § 27-64-201 et seq., shall not, at any time, exceed five hundred seventy-five million dollars (\$575,000,000). If approved, the bonds will be issued in one or more series of various principal amounts, with the last series being issued no later than December 31, ~~2013~~ 2015. The bonds shall be issued for the purpose of paying the cost of constructing and renovating improvements to interstate highways and related facilities in the State of Arkansas.

The bonds shall be general obligations of the State of Arkansas, payable from certain designated revenues and also secured by the full faith and credit of the State of Arkansas, including its general revenues. Pursuant to the Arkansas Interstate Highway Financing Act of 2007 (the "Bond Act"), the bonds will be repaid first from: (1) revenues derived from federal



highway assistance funding allocated to the State of Arkansas designated as federal highway interstate maintenance funds, and (2) revenue derived from the increase in the excise tax levied on distillate special fuels (diesel) pursuant to section 2 of the "Arkansas Distillate Special Fuel Excise Tax Act of 1999" and the "Motor Fuel Excise Tax Act of 1999" and transferred to the State Highway and Transportation Department Fund pursuant to § 27-70-207(c) in accordance with section 4(a) of the "Arkansas Distillate Special Fuel Excise Tax Act of 1999" and the "Motor Fuel Excise Tax Act of 1999." To the extent that designated revenues are insufficient to make timely payment of debt service on the bonds, such payment shall be made from the general revenues of the State of Arkansas. The bonds shall be issued pursuant to the authority of and the terms set forth in the Bond Act.

Pursuant to the Bond Act, the highway improvements to be financed are limited to the restoration and improvements to all of the interstate highway system within the state, including roadways, bridges, or rights-of-way under jurisdiction of the State Highway Commission, which shall also include the acquisition, construction, reconstruction, and renovation of such interstate highway system and facilities appurtenant or pertaining thereto.

Pursuant to the Bond Act, "designated revenues" are defined as: (1) that portion designated by the commission of all funds received or to be received from the federal government as federal highway interstate maintenance funds, and (2) revenues derived from the increase in taxes levied on distillate special fuels pursuant to section 2 of the "Arkansas Distillate Special Fuel Excise Tax Act of 1999" and the "Motor Fuel Excise Tax Act of 1999" and transferred to the State Highway and Transportation Department Fund pursuant to Arkansas Code § 27-70-207(c) in accordance with section 4(a) of the "Arkansas Distillate Special Fuel Excise Tax Act of 1999" and the "Motor Fuel Excise Tax Act of 1999." Designated revenues shall not include the revenues derived from the increase in tax on motor fuel (gasoline) resulting from the "Arkansas Distillate Special Fuel Excise Tax Act of 1999" and the "Motor Fuel Excise Tax Act of 1999". The bonds are further secured by the full faith and credit of the State of Arkansas, and to the extent "designated revenues" are insufficient to make timely payment of debt service on the bonds, the general revenues of the state shall be used to pay debt service on the bonds."

(c) The ballot title shall be "Issuance of State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds and pledge of full faith and credit of the State of Arkansas." On each ballot there shall be printed the title, the proposition set forth in § 27-64-406 and the following:

"FOR authorizing the State Highway Commission to issue State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds from time to time provided that the total principal amount outstanding from the issuance of such bonds, together with the total principal amount outstanding from the issuance of bonds pursuant to the Arkansas Highway Financing Act of 1999, Arkansas Code § 27-64-201 et seq., shall not, at any time, exceed five hundred seventy-five million dollars (\$575,000,000); such bonds to be issued in one or more series of various principal amounts, with the last series being issued no later than December 31, ~~2013~~ 2015, and to be secured by the full faith and credit of the State of Arkansas []"

“AGAINST authorizing the State Highway Commission to issue State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds from time to time provided that the total principal amount outstanding from the issuance of such bonds, together with the total principal amount outstanding from the issuance of bonds pursuant to the Arkansas Highway Financing Act of 1999, Arkansas Code § 27-64-201 et seq., shall not, at any time, exceed five hundred seventy-five million dollars (\$575,000,000); such bonds to be issued in one or more series of various principal amounts, with the last series being issued no later than December 31, ~~2013~~ 2015, and to be secured by the full faith and credit of the State of Arkansas []”

SECTION 3. Arkansas Code § 27-64-412(a), concerning refunding of bonds, is amended to read as follows:

(a) The State Highway Commission may issue bonds for the purpose of refunding bonds previously issued pursuant to this act; provided, however, that such bonds are not issued after December 31, ~~2013~~ 2015, and that the total amount of bonds outstanding after the refunding is completed does not exceed the total amount authorized by this act."

The Amendment was read the first time, rules suspended and read the second time and _____
By: Senator Glover
MAG/CDS - 01-28-2009 12:50
MAG075 _____ Secretary