

As Engrossed: 4/7/93

1 **State of Arkansas**

2 **79th General Assembly**

3 **Regular Session, 1993**

H.J.R. 1009

4 **By: Representatives Jordan, Sanson, Horn, Thurman, Whorton, Hunton, Steele, Carter,**

5 **Curran, and Stalnaker**

6

7

8

HOUSE JOINT RESOLUTION

9 FOR A PROPOSED CONSTITUTIONAL AMENDMENT TO ALLOW CITIES
10 AND COUNTIES TO INCUR FIVE (5) YEAR DEBT OBLIGATIONS AND
11 TO PAY INTEREST THEREON.

12

13

Subtitle

14 FOR A PROPOSED CONSTITUTIONAL AMENDMENT TO ALLOW CITIES
15 AND COUNTIES TO INCUR FIVE (5) YEAR DEBT OBLIGATIONS AND
16 TO PAY INTEREST THEREON.

17

18

19

20 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE SEVENTY-NINTH GENERAL
21 ASSEMBLY OF THE STATE OF ARKANSAS AND BY THE SENATE, A MAJORITY OF ALL MEMBERS
22 ELECTED TO EACH HOUSE AGREEING THERETO:

23

24 That the following is hereby proposed as an amendment to the Constitution
25 of the state of Arkansas, and upon being submitted to the electors of the
26 state for approval or rejection at the next general election for
27 Representatives and Senators, if a majority of the electors voting thereon at
28 such election, adopt such amendment, the same shall become a part of the
29 Constitution of the state of Arkansas, to wit:

30

31 "SECTION 1. (a) For the purpose of acquiring, constructing, installing
32 or renting real property or tangible personal property having an expected
33 useful life of more than one (1) year, municipalities and counties may incur
34 debt obligations maturing over a period of, or having a term, not to exceed
35 five (5) years. Such debt obligations may bear interest at a rate not to

1 exceed the maximum rate prescribed by law at the time the obligation is
2 incurred. The aggregate principal amount of debt obligations incurred by a
3 city or a county pursuant to this section shall not exceed twenty percent
4 (20%) of the assessed value of taxable property located within the
5 municipality or ten percent (10%) of the assessed value of taxable property
6 located in the county, as determined by the last tax assessment completed
7 before the last obligation was incurred by the city or county. The total
8 annual principal and interest payments in each fiscal year on all outstanding
9 debt obligations of a municipality or a county shall be charged against and
10 paid from the revenues for such fiscal year.

11 (b) As used herein:

12 (1) Debt obligation means a debt, an installment purchase
13 agreement, a lease, a lease-purchase contract, or any other similar agreement;

14 (2) Federal Reserve Discount Rate means the federal reserve
15 discount rate on ninety (90) day commercial paper in effect at the federal
16 reserve bank in the federal reserve district in which Arkansas is located.

17 (c) The provisions of this section shall be self-executing."
18

19 /s/Rep. Jordan, et al
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

