

"AN ACT TO AMEND SECTION ONE OF ACT 43 OF 1965 [ARK. STATS. 80-1131] TO PERMIT SCHOOL DISTRICTS TO ISSUE REFUNDING BONDS AT HIGHER INTEREST RATES; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 1 of Act 43 of 1965, the same being Arkansas Statutes 80-1131, is hereby amended to read as follows:

"Section 1. School Districts of this State may issue refunding bonds, subject to the approval of the State Board of Education, without the necessity of submitting the question of issuing the refunding bonds to a vote of the electors of the District, provided:

(a) The last maturity date of the refunding bonds is not later than the last maturity date of the bonds being refunded, and

(b) The total amount required to pay (i) principal and interest of the refunding bonds as the same become due and payable and (ii) any issuance costs required to be paid by the District (exclusive of issuance costs paid from the proceeds of the refunding bonds), must be less than the total amount required to pay principal and interest of the bonds being refunded as the same become due and payable.

Any such refunding bonds, when authorized by resolution of the Board of Directors of the District issuing them, and when approved by the State Board of Education, shall enjoy the same security for their payment as was enjoyed by the bonds refunded thereby, including particularly, and without limitation, any continuing annual building fund tax or taxes voted and pledged to the payment of the bonds refunded thereby. Except as to the particulars dealt with in this Act, such refunding bonds shall be governed insofar as their authorization and security is concerned, by provisions of existing law."

SECTION 2. The provisions of this Act are hereby declared to be separable and if any section, paragraph, sentence or clause of this Act shall be held unconstitutional or invalid, such holding shall not affect the validity of the remainder of the Act.

SECTION 3. All laws and parts of laws in conflict herewith are repealed to the extent of such conflict.

SECTION 4. It is hereby found and determined by the General Assembly that because of the case *Ricarte v. State*, CR 86-31, a question has arisen over the validity of Act 1233 of the Extended Session of 1976; that this Act is a reenactment of the former law; and that the immediate passage of this Act is necessary to clarify the state of the law on this issue. Therefore, an emergency is hereby declared to exist, and this Act being necessary for the immediate preservation of the public peace, health and safety, shall be in full force and effect from and after its passage and approval.

APPROVED: April 14, 1987

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