

"AN ACT TO AMEND ACT 458 OF 1983 FOR THE PURPOSE OF CLARIFYING THE AUTHORITY OF ARKANSAS STATE BUILDING SERVICES TO ISSUE CERTIFICATES OF INDEBTEDNESS; AND FOR OTHER PURPOSES."

WHEREAS, Act 458 of 1983 (the "Act") authorized and empowered Arkansas State Building Services, with the approval of the Governor, to issue its State Building Services Certificates of Indebtedness in a total principal amount not to exceed Twenty Five Million Dollars (\$25,000,000.00); and

WHEREAS, the Act authorized and empowered the State Board of Finance to purchase State Building Services Certificates of Indebtedness in a total principal amount not to exceed Twenty Five Million Dollars (\$25,000,000.00); and

WHEREAS, the issuance of State Building Services Certificates of Indebtedness has proved to be an efficient and economical means of providing for the Construction of Facilities as authorized pursuant to the Act; and Whereas, the General Assembly hereby finds that to ensure that Arkansas State Building Services has an efficient and economical means of providing for the Construction of Buildings as authorized pursuant to the Act, it is deemed appropriate and necessary to amend the Act to provide that the authority to issue of such State Building Services Certificates of Indebtedness shall be a

continuing authority, subject to the limitations contained in the Act; and WHEREAS, in order to provide for the continuing authority to issue State Building Services Certificates of Indebtedness, the Act should be amended as hereinafter set forth.

NOW THEREFORE;

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

SECTION 1. APPROPRIATIONS. There is hereby appropriated, to the State Building Services, to be payable from the Public Facilities Construction Fund, for various projects of the Department of Correction as provided in Act 458 of 1983, as amended, for the biennial period ending June 30, 1989, the following:

(A) For defraying the costs of or transferring to various projects of the Department of Correction, as provided in Act 458 of 1983, as amended, the sum of .....\$25,000.000.

SECTION 2. Section 4(a) of 458 of 1983 is hereby amended as follows:

" SECTION 4. (a) For the purpose of providing funds for the construction of buildings as authorized in this Act, the State Building Services, with the approval of the Governor, is hereby authorized and empowered to issue, and the State Board of Finance is hereby authorized and empowered to purchase, State Building Services Certificates of indebtedness of the total principal amount not to exceed Twenty Five Million Dollars (\$25,000,000.00), provided, however, that such authority shall be continuing, solely for the purposes as authorized in Subsection (A) and Subsection (B) of Section 3 of this Act (Act

458 of 1983), so long as the total outstanding principal amount of such State Building Services Certificates of Indebtedness shall not exceed, at any one time, more than Twenty Five Million Dollars (\$25,000,000.00). The sales and purchase price of said certificates shall be at par value thereof."

SECTION 3. Section 5 of Act 458 of 1983 is hereby amended as follows:

" SECTION 5. The Certificates of Indebtedness shall be in such form and denomination, and shall have such dates and maturities, and may be issued in such series, as the State Building Services shall determine. Provided, that the schedule of principal and interest maturities shall be arranged so that the aggregate amount maturing each year, except for the initial year or portion thereof, shall be equal (to the nearest hundred dollars) to each other annual installment, and that not more than twenty-one (21) years from date of issue will be required to retire all such certificates of any one issue or series of Certificates of Indebtedness.

The certificates shall contain a provision providing for their redemption in advance of maturity, at par, in inverse number order, at the option of the State Building Services.

The Certificates shall bear interest from date of issue at the rate of eight and one-half percent (8.5%) per annum, payable semiannually on January 1 and July 1, the payment of said interest be evidenced by endorsement on the certificates by the State Treasurer. Payment of the principal of and interest on said certificates shall be made in lawful money of the United States of America at the office of the Treasurer of the State of Arkansas. The Certificates of Indebtedness shall be executed on behalf of the State Building Services by the Chairman and the Secretary of the State Building Services Council."

SECTION 4. The provisions of this Act are hereby declared to be severable. If any of the provisions of this Act shall be invalid or inapplicable to any person, firm, or circumstance, such invalidity or inapplicability shall not affect the validity or the applicability of the remainder of this Act.

SECTION 5. All laws or parts of laws in conflict with this Act are hereby repealed.

SECTION 6. The General Assembly hereby finds and declares that a need exists to provide for a continuing method of financing the construction of facilities for the housing of inmates committed to, or in the custody of, the Department of Correction; facilities for the housing and other activities in connection with the prison agricultural and industry programs of the Department of Correction; and facilities for institutions of higher education and that there is an immediate need to provide for such continuing authority to issue State Building Services Certificates of Indebtedness to provide adequate financing for the construction of such facilities. Therefore, an emergency is declared to exist and this Act, being necessary for the preservation of the public peace, health, and safety, shall be effective upon its passage and approval.

APPROVED: 4/4/87

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