

Act 64 of the Third Special Session of 1989.

Act 64

HB1088

By: Representative Wilson

For An Act To Be Entitled  
"AN ACT TO AMEND TITLE 6, CHAPTER 20, SUBCHAPTER 12  
OF THE ARKANSAS CODE OF 1987, 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. Ark. Code 6-20-1223 is hereby amended to read as follows:  
" 6-20-1223. Refunding bonds - Issuance without election.

(a) 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:

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

(2) The total amount required to pay principal and interest of the refunding bonds as they become due and payable, as well as 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 they become due and payable.

(b) 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, may 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 taxes voted and pledged to the payment of the bonds refunded thereby, except that in all school districts operating pursuant to federal court desegregation decrees, the refunding bonds may, but shall not be required to, enjoy the same security for payment as was enjoyed by the bonds refunded. Except as to the particulars dealt with in this section, refunding bonds shall be governed insofar as their authorization and security is concerned by provisions of existing law."

SECTION 2. Arkansas Code of 1987 Annotated 22-3-920(d) is hereby amended to read as follows:

"(d) Upon the discharge of all bonds authorized by this subchapter, costs taxed under this section shall be deposited into the Justice Building Fund and applied to the operation and maintenance of the Justice Building, as set forth in this subchapter."

SECTION 3. Arkansas Code of 1987 Annotated 22-3-921(d)(4) is hereby amended to read as follows:

"(4) Upon the discharge of all bonds authorized by this subchapter, rental payments shall be deposited into the Justice Building Fund and applied to the operation and maintenance of the Justice Building, as set forth in this subchapter."

SECTION 4. Arkansas Code of 1987 Annotated 22-3-922(d)(3) is hereby amended to read as follows:

"(3) Upon the discharge of all bonds authorized by this subchapter, rental payments shall be deposited into the Justice Building Fund and applied to the operation and maintenance of the Justice Building, as set forth in this subchapter."

SECTION 5. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 6. 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 7. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 8. Emergency. It is hereby found and declared that the various school district of this state may be able to effect substantial savings in total principal and interest payments by issuing refunding bonds authorized by this Act and that the authority conferred hereby should be available as soon as possible to permit more monies to be available for the use of the school districts of this state. Therefore, an emergency is declared to exist and this Act being essential for the preservation of the public peace, health and safety shall take effect and be in force from and after its passage and approval.

APPROVED: November 16, 1989

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