

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

Subtitle of Senate Joint Resolution No. 6

"PROPOSING A CONSTITUTIONAL AMENDMENT TO AMEND VARIOUS PROVISIONS
OF THE ARKANSAS CONSTITUTION CONCERNING BONDS."

Amendment No. 5 to Senate Joint Resolution No. 6.

Amend Senate Joint Resolution No. 6 as engrossed, S3/31/09 (version: 03-31-2009 08:54):

Page 1, delete line 6 and substitute the following:
"By: Representatives Maloch, Dismang"

AND

Page 1, delete lines 10 through 16 and substitute the following:
"PROPOSING A CONSTITUTIONAL AMENDMENT CONCERNING THE INTEREST RATE LIMITS ON
BONDS ISSUED BY AND LOANS MADE BY OR TO GOVERNMENTAL UNITS; AND TO AUTHORIZE
GOVERNMENTAL UNITS TO ISSUE BONDS TO FINANCE ENERGY EFFICIENCY PROJECTS."

AND

Page 1, delete lines 19 through 21 and substitute the following:
"PROPOSING A CONSTITUTIONAL AMENDMENT TO
AMEND VARIOUS PROVISIONS OF THE ARKANSAS
CONSTITUTION CONCERNING BONDS ISSUED BY
AND LOANS MADE BY OR TO GOVERNMENTAL
UNITS."

AND

Delete Sections 1 through 9 in their entirety and substitute the following:

"SECTION 1. The maximum lawful rates of interest on bonds issued by governmental units in the State of Arkansas as set forth in various provisions and amendments to the Arkansas Constitution of 1874, including Article 19 § 13 and Amendment Nos. 30, 38, 62, 65, and 78, are removed.

SECTION 2. The maximum lawful rate of interest on loans made by or to governmental units in the State of Arkansas as set forth in Article 19 § 13 of the Arkansas Constitution of 1874 is removed.

SECTION 3. (a) The term "bonds" means all bonds, notes, certificates,



financing leases or other interest-bearing instruments or evidences of indebtedness.

(b) The term "governmental unit" means the State of Arkansas; any county, municipality, school district, or other political subdivision of the State of Arkansas; any special assessment or taxing district established under the laws of the State of Arkansas; and any agency, board, commission, or instrumentality of any of the foregoing.

(c) The term "loans" means all direct or indirect advances of funds and moneys that are conditioned on the obligation of a person or entity to repay the funds and moneys pursuant to loan agreements, lease agreements, installment sale agreements, security agreements, notes, or other instruments or documents evidencing the indebtedness.

Section 4. Energy Efficiency Project Bonds – Issuance – Terms and conditions.

(a) A governmental unit, under laws adopted by the General Assembly, may issue bonds to finance all or a portion of the costs of energy efficiency projects. The bonds may bear such terms, be issued in such manner, and be subject to such conditions as may be authorized by the General Assembly.

(b) Bonds may be secured by a pledge of the savings from the energy efficiency project and may be repaid from general revenues, special revenues, revenues derived from taxes or any other revenues available to the governmental unit.

(c) The authority conferred by this Section 4 shall be supplemental to other constitutional provisions which authorize the issuance of bonds.

SECTION 5. The ballot title for this amendment shall be:

An amendment to the Arkansas Constitution to remove the constitutional interest rate limits on bonds issued by and loans made by or to governmental units by repealing the interest rate limitations set forth in Article 19 § 13, and Amendment Nos. 30, 38, 62, 65, and 78 of the Arkansas Constitution with respect to such bonds and loans; and to authorize governmental units to issue bonds to finance energy efficiency projects to be secured by cost savings and repaid from any available source.

SECTION 6. Nothing set forth in this act shall limit the power of the General Assembly to fix, from time to time, one or more interest rate limits on various types of bonds and loans.

SECTION 7. If any provision of this Amendment or the application thereof to any person or circumstances is held invalid, the remainder of the Amendment and the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

SECTION 8. The provisions of this Amendment shall be self-executing.

SECTION 9. The provisions of this Amendment shall apply to all bonds issued and loans made in whole or in part after the effective date of this Amendment.

SECTION 10. All provisions of the Constitution of 1874 or Amendments in conflict with this Amendment relating to limitation of the charging or paying

of interest or the limitation on the rate of interest that a governmental unit can pay or be charged on its indebtedness including, but not limited to, provisions of Article 19 § 13 and Amendment Nos. 30, 38, 62, 65, and 78 are repealed to the extent of such conflict."

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Broadway

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Secretary