

Stricken language would be deleted from and underlined language would be added to the Arkansas Constitution.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009

HJR 1003

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5 By: Representative Maloch
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HOUSE JOINT RESOLUTION

9 PROPOSING A CONSTITUTIONAL AMENDMENT TO REMOVE
10 FROM THE CONSTITUTION INTEREST RATE LIMITS ON
11 BONDS ISSUED BY AND LOANS MADE BY OR TO
12 GOVERNMENTAL UNITS.
13

Subtitle

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15 PROPOSING A CONSTITUTIONAL AMENDMENT TO
16 REMOVE FROM THE CONSTITUTION INTEREST
17 RATE LIMITS ON BONDS ISSUED BY AND LOANS
18 MADE BY OR TO GOVERNMENTAL UNITS.
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21 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-SEVENTH GENERAL
22 ASSEMBLY OF THE STATE OF ARKANSAS AND BY THE SENATE, A MAJORITY OF ALL
23 MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:
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25 SECTION 1. The maximum lawful rates of interest on bonds issued by
26 governmental units in the State of Arkansas as set forth in various
27 provisions and amendments to the Arkansas Constitution of 1874, including
28 Article 19 § 13 and Amendment Nos. 30, 38, 62, 65, and 78, are removed.
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30 SECTION 2. The maximum lawful rate of interest on loans made by or to
31 governmental units in the State of Arkansas as set forth in Article 19 § 13
32 of the Arkansas Constitution of 1874 is removed.
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34 SECTION 3. (a) The term "bonds" means all bonds, notes, certificates,
35 financing leases or other interest-bearing instruments or evidences of
36 indebtedness.



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

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

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12 SECTION 4. The ballot title for this amendment shall be:

13 An amendment to the Arkansas Constitution to remove the constitutional
14 interest rate limits on bonds issued by and loans made by or to governmental
15 units by repealing the interest rate limitations set forth in Article 19 §
16 13, and Amendment Nos. 30, 38, 62, 65, and 78 of the Arkansas Constitution
17 with respect to such bonds and loans.

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19 SECTION 5. Nothing set forth in this act shall limit the power of the
20 General Assembly to fix, from time to time, one or more interest rate limits
21 on various types of bonds and loans.

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23 SECTION 6. If any provision of this Amendment or the application
24 thereof to any person or circumstances is held invalid, the remainder of the
25 Amendment and the application of such provision to persons or circumstances
26 other than those to which it is held invalid shall not be affected thereby.

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28 SECTION 7. The provisions of this Amendment shall be self-executing.

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30 SECTION 8. The provisions of this Amendment shall apply to all bonds
31 issued and loans made in whole or in part after the effective date of this
32 Amendment.

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34 SECTION 9. All provisions of the Constitution of 1874 or Amendments in
35 conflict with this Amendment relating to limitation of the charging or paying
36 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.

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