

State of Arkansas

CALL ITEM 3

76th General Assembly

Third Extraordinary Session, 1988

SENATE BILL 2

By: Senator Kinard

"AN ACT TO AMEND ARKANSAS CODE 14-169-221 TO REMOVE THE REQUIREMENT THAT BONDS SOLD AND ISSUED THEREUNDER BE SOLD AT PUBLIC SALE; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 14-169-221 is hereby amended to read as follows:

"14-169-221. Issuance of bonds.

(a) (1) Bonds of a housing authority shall be authorized by its resolution upon a vote of at least three (3) commissioners.

(2) Bonds may be issued in one (1) or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be sold in such manner and on such terms, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, with or without premium, as the resolution, its trust indenture, or mortgage may provide.

(b) In case any of the commissioners or officers of the authority whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of the bonds, their signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if the commissioners or officers had remained in office until the delivery.

(c) Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this subchapter, subject to the provisions of this section with regard to registration, shall be fully negotiable.

(d) In any suit, action, or proceeding involving the validity or enforce-

ability of any bond of an authority or the security therefor, any bond reciting, in substance, that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low income shall be conclusively deemed to have been issued for a housing project of such character. The project shall be conclusively deemed to have been planned, located, and constructed in accordance with the purposes and provisions of this subchapter.

SECTION 3. All laws and parts of laws in conflict herewith are hereby repealed.

SECTION 3. Emergency. It has been found and it is hereby declared that Arkansas housing authorities are required to sell their revenue bonds at public sale (rather than negotiation), while other agencies of municipalities are not so required, that the issuance of revenue bonds by housing authorities is subject to the approval of the elected governing bodies of the respective municipalities and counties (following public notice), that the requirement of public sale is a cause of delay in the completion of necessary and urgent financings. Therefore, an emergency is hereby declared to exist and this Act, being necessary for the preservation of the public peace, health, and safety, shall be in full force and effect upon its passage and approval.

