

State of Arkansas

CALL ITEM 18

76th General Assembly

Fourth Extraordinary Session, 1988

SENATE BILL 15

By: Senator Allen

"AN ACT AMENDING THE LOCAL GOVERNMENT BOND ACT OF 1985, ARK. CODE ANN. §§14-164-301 to 14-164-337, BY ADDING A NEW §14-164-338 AUTHORIZING LOCAL GOVERNMENTS TO FINANCE CAPITAL IMPROVEMENTS ON A PAY-AS-YOU-GO BASIS WITHOUT ISSUING BONDS; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES."

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

SECTION 1. The Local Government Bond Act of 1985, Ark. Code Ann. §§14-164-301 to 14-164-337, is hereby amended by adding a new §14-164-338 to read as follows:

"14-164-338. Alternative to issuance of bonds.

If a legislative body determines that the revenues produced by a tax authorized in this subchapter would be sufficient to finance capital improvements of a public nature without resorting to a bond issue, the legislative body may dispense with the issuance of bonds, levy the tax, and appropriate the resulting revenues, provided:

(a) a majority of the qualified electors of the county or municipality voting on the question at a general or special election, held and conducted in the same manner as provided in §§14-164-309 and 14-164-328, shall have approved the tax and the purpose of the capital improvements; and

(b) the revenues from the tax are collected in the manner prescribed in this subchapter and expended solely for the purpose authorized by the electorate."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 3. EMERGENCY. It is hereby found and determined by the General Assembly that some local governments have an immediate and pressing need to finance capital improvements without incurring unnecessary bond issue expenses. 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 from and after its passage and approval.

