

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1375

By: Representative Ramsey

For An Act To Be Entitled

"AN ACT AMENDING ARKANSAS CODE §14-164-418 TO AUTHORIZE THE
ISSUANCE OF REVENUE BONDS TO REFUND CAPITAL IMPROVEMENT BONDS
ISSUED PURSUANT TO AMENDMENT NO. 62 TO THE ARKANSAS
CONSTITUTION; PRESCRIBING OTHER MATTERS PERTAINING THERETO;
AND DECLARING AN EMERGENCY."

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

SECTION 1. Arkansas Code §14-164-418 is hereby amended to read as follows:

"14-164-418. Refunding bonds. (a) Bonds may be issued under this subchapter to refund any outstanding bonds issued pursuant to this subchapter or to refund any outstanding bonds issued pursuant to any other law for the purpose of financing capital improvements, including, without limitation, any bonds issued and outstanding under the provisions of Amendment No. 62 to the Constitution of the State of Arkansas, it being hereby declared that such refunding will be in the best interest of the issuer involved and will be in furtherance of the purpose of providing needed capital improvements in that the tax levied for the Amendment No. 62 bonds being refunded will, by virtue of the refunding, be released and thereby made available for a subsequent bond issue under Amendment No. 62 for capital improvements. Bonds issued hereunder for said purpose of refunding bonds may be issued solely for that purpose or may be issued for that purpose and for the accomplishment of any other purposes set forth in Ark. Code §14-164-405.

(b) (1) The refunding bonds may be either sold for cash or delivered in exchange for the outstanding obligations.

(2) If sold for cash, the proceeds may be either applied to the payment of the obligations refunded or deposited in trust for the retirement

thereof either at maturity or on an authorized redemption date.

(c) Refunding bonds shall in all respects be authorized, issued, and secured in the manner provided in this subchapter.

(d) The ordinance under which the refunding bonds are issued may provide that any refunding bonds issued to refund revenue bonds shall have the same priority of lien on revenues as originally pledged for payment of the revenue bonds refunded thereby.

SECTION 2. 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 3. All laws and parts of laws in conflict with this Act are hereby repealed to the extent of such conflict.

SECTION 4. 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 5. It is hereby found and determined by the General Assembly that the providing for municipalities and counties of the State of Arkansas of alternate means of financing needed capital improvements is essential to the public health, safety and welfare; that the provisions of this Act are immediately needed in order that the municipalities and counties have a program in which the local tax burden can be reduced by issuing refunding bonds secured by available revenues; and that only by giving immediate effect to this Act can these public purposes be realized to the fullest possible extent. It is, therefore, declared that an emergency exists and this Act being immediately necessary for the preservation of the public peace, health and safety shall take effect and be in force from and after its passage.

