

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

A Bill

HOUSE BILL 2190

5 By: Representative Rackley
6 By: Senator Trusty
7

For An Act To Be Entitled

10 AN ACT TO AMEND THE INDUSTRIAL REVENUE BOND GUARANTY
11 LAW TO INCREASE THE PRINCIPAL AMOUNT OF ACT 9 OR
12 ARKANSAS DEVELOPMENT FINANCE AUTHORITY BONDS THAT MAY
13 BE GUARANTEED BY THE ARKANSAS ECONOMIC DEVELOPMENT
14 COMMISSION; AND FOR OTHER PURPOSES.

Subtitle

16 TO AMEND THE INDUSTRIAL REVENUE BOND
17 GUARANTY LAW TO INCREASE THE PRINCIPAL
18 AMOUNT OF BONDS THAT MAY BE GUARANTEED
19 BY THE ARKANSAS ECONOMIC DEVELOPMENT
20 COMMISSION.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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26 SECTION 1. Arkansas Code 15-4-602 is amended to read as follows:

27 15-4-602. Definitions.

28 As used in this subchapter, unless the context otherwise requires:

29 (1) "Act No. 9 bonds" means revenue bonds issued in accordance with
30 the provisions of the Municipalities and Counties Industrial Development
31 Revenue Bond Law, § 14-164-201 et seq.;

32 (2) "ADFA bonds" means revenue bonds and direct loans, including bond
33 anticipation loans, issued by the Arkansas Development Finance Authority in
34 accordance with the Arkansas Development Finance Authority Act, §§ 15-5-101
35 et seq., 15-5-201 et seq., and 15-5-301 et seq.;

36 (3) "Amortization payments" means periodic, which may be monthly,

1 semi annual , annual , etc. , payments of interest, and payments of principal ,
2 whether such principal is payable in installments or otherwise, including
3 principal required to be prepaid upon the happening of certain events, as
4 required by an Act No. 9 bond or Arkansas Development Finance Authority
5 indenture or resolution; and

6 (4) "User" means the lessee or other principal user of the industrial
7 project to be financed, in whole or in part, with the proceeds of Act 9 bonds
8 or ADFA bonds.

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10 SECTION 2. Arkansas Code 15-4-604 is amended to read as follows:

11 15-4-604. When bonds may be guaranteed - Standards and regulations for
12 evaluations.

13 (a) Amortization payments on Act No. 9 bonds and ADFA bonds may be
14 guaranteed in instances when:

15 (1) Substantial employment is involved;

16 (2) The total principal amount of all outstanding Act No. 9
17 bonds and ADFA bonds under guaranty is not in excess of one hundred million
18 dollars (\$100,000,000);

19 (3) No one (1) issue or series of Act No. 9 bonds or ADFA bonds
20 guaranteed under this section shall exceed ~~four million dollars (\$4,000,000)~~
21 five million dollars (\$5,000,000) in principal amount;

22 (4) The user of the industrial project involved is not permitted
23 to purchase or own at any time any of such bonds; and

24 (5) The user is found to be financially responsible and that the
25 full payment of the interest and principal amount of the bonds may reasonably
26 be expected.

27 (b) The Arkansas Economic Development Commission shall promulgate
28 standards and regulations for the evaluation of the financial condition and
29 business history of users.

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