

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 85th General Assembly
3 Regular Session, 2005

A Bill

HOUSE BILL 1295

4
5 By: Representative Childers
6
7

For An Act To Be Entitled

8
9 AN ACT TO AMEND THE ARKANSAS DEVELOPMENT FINANCE
10 AUTHORITY BOND GUARANTY ACT OF 1985 TO AUTHORIZE
11 THE GUARANTY OF INDUSTRIAL DEVELOPMENT REVENUE
12 BONDS ISSUED BY CITIES AND COUNTIES; TO AUTHORIZE
13 THE ISSUANCE OF BOND GUARANTIES FOR THE
14 REIMBURSEMENT OF BOND PAYMENTS MADE BY OTHER
15 GUARANTORS; AND FOR OTHER PURPOSES.
16

Subtitle

17
18 TO AUTHORIZE THE GUARANTY OF INDUSTRIAL
19 DEVELOPMENT REVENUE BONDS ISSUED BY
20 CITIES AND COUNTIES AND TO AUTHORIZE THE
21 ISSUANCE OF BOND GUARANTIES FOR THE
22 REIMBURSEMENT OF BOND PAYMENTS MADE BY
23 OTHER GUARANTORS.
24
25

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27

28 SECTION 1. Arkansas Code § 15-5-403(10), concerning the definition of
29 "qualified bonds" under the Arkansas Development Finance Authority Bond
30 Guaranty Act of 1985, is amended to read as follows:

31 (10) "Qualified bonds" means:

32 (A) Revenue bonds validly issued by the authority in
33 accordance with the provisions of the Arkansas Development Finance Authority
34 Act, §§ 15-5-101 et seq., 15-5-201 et seq., and 15-5-301 et seq.; ~~or~~

35 (B) An obligation issued by the designated investor group
36 under the Venture Capital Investment Act of 2001, § 15-5-1401 et seq.; or



1 (C) Revenue bonds issued by a city or county in accordance
2 with the Municipalities and Counties Industrial Development Revenue Bond Law,
3 § 14-164-201 et seq.;
4

5 SECTION 2. Arkansas Code § 15-5-404 is amended to read as follows:

6 15-5-404. Power of authority to grant or deny guaranty bonds, city and
7 county industrial development revenue bonds, and guaranty bond payments.

8 (a) The Arkansas Development Finance Authority, in addition to all the
9 duties and functions defined in the Arkansas Development Finance Authority
10 Act, §§ 15-5-101 et seq., 15-5-201 et seq., and 15-5-301 et seq., is
11 empowered to approve or deny by majority vote of the Board of Directors of
12 the Arkansas Development Finance Authority subject to the provisions,
13 restrictions, and conditions set forth in this subchapter:

14 (1) ~~the~~ The guaranty as provided in this subchapter of
15 amortization payments on qualified bonds, ~~subject to the provisions,~~
16 ~~restrictions, and conditions set forth in this subchapter; and~~

17 (2) The reimbursement to any institution issuing a letter of
18 credit or other form of guaranty of amortization payments on qualified bonds.

19 (b) All guaranties of amortization payments on revenue bonds issued by
20 a city or county in accordance with the Municipalities and Counties
21 Industrial Development Revenue Bond Law, § 14-164-201 et seq. previously
22 issued by the Arkansas Development Finance Authority under the Arkansas
23 Development Finance Authority Act, §§ 15-5-101 et seq., 15-5-201 et seq., and
24 15-5-301 et seq. are validated, deemed validly issued, and legally binding
25 upon the authority.

26
27 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
28 General Assembly of the State of Arkansas that there is an immediate need to
29 secure and develop industry through the issuance of industrial development
30 revenue bonds by cities and counties to finance significant industrial
31 projects; and to enhance the security of the bonds through the issuance of
32 bond guaranties by the Arkansas Development Finance Authority. Therefore, an
33 emergency is declared to exist and this act being immediately necessary for
34 the preservation of the public peace, health, and safety shall become
35 effective on:

36 (1) The date of its approval by the Governor;

1 (2) If the bill is neither approved nor vetoed by the Governor,
2 the expiration of the period of time during which the Governor may veto the
3 bill; or

4 (3) If the bill is vetoed by the Governor and the veto is
5 overridden, the date the last house overrides the veto.

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36