

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 86th General Assembly
3 Regular Session, 2007
4

A Bill

SENATE BILL 902

5 By: Senator R. Thompson
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For An Act To Be Entitled

8 AN ACT TO AMEND THE LOCAL GOVERNMENT BOND ACT, §
9 14-164-302 ET SEQ.; AND FOR OTHER PURPOSES.
10

Subtitle

11 TO AMEND THE LOCAL GOVERNMENT BOND ACT,
12 § 14-164-302 ET SEQ.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 14-164-312 is amended to read as follows:
20 14-164-312. Bonds generally - Trust indenture.

21 (a) The ordinance authorizing the bonds may provide for the execution
22 by the chief executive officer of the issuer of a trust indenture which
23 defines the rights of the owners of the bonds and provides for the
24 appointment of a trustee for the owners of the bonds.

25 (b) The trust indenture may provide for the priority between and among
26 successive issues and may contain any of the provisions set forth in § 14-
27 164-310 and any other terms, covenants, and conditions that are deemed
28 desirable.

29 (c) A municipality or county is not required to publish an indenture
30 or other agreement if:

31 (1) The ordinance that authorizes the indenture or other
32 agreement:

33 (A) Is published as required by law governing the
34 publication of an ordinance; and

35 (B) States that a copy of the indenture or other agreement
36 is on file in the office of the clerk or recorder of the municipality or



1 county for inspection by an interested person; and

2 (2) A copy of the indenture or other agreement is filed in the
3 office of the clerk or recorder of the municipality or county.

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5 SECTION 2. Arkansas Code § 14-164-327 is amended to read as follows:
6 14-164-327. Capital improvement bonds - Local sales and use tax -
7 Levy.

8 (a)(1) In lieu of or in addition to the levying of an ad valorem tax
9 to retire bonds for capital improvement purposes, the legislative body of a
10 municipality or county may adopt an ordinance levying a local sales and use
11 tax in the amount of one-eighth of one percent (0.125%), one-fourth of one
12 percent (0.25%), one-half of one percent (0.5%), three-fourths of one percent
13 (0.75%), ~~one percent (1%),~~ or any combination of these amounts to retire
14 the bonds in accordance with the terms of this section and §§ 14-164-328 -
15 14-164-335.

16 (2)(A) The ordinance may levy multiple taxes.

17 (B) However, there shall not be in effect at any one (1)
18 time taxes levied under this subchapter at an aggregate rate greater than one
19 percent (1%).

20 (b) A certified copy of the ordinance or ordinances authorizing the
21 levy of a local sales and use tax or taxes and the issuance of bonds secured
22 by the taxes shall be provided to the Director of the Department of Finance
23 and Administration and to the Treasurer of State as soon as practicable after
24 the adoption of the taxes.

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