

Stricken language would be deleted from and underlined language would be added to the Arkansas Constitution.

State of Arkansas
93rd General Assembly
Regular Session, 2021

SJR 1

By: Senator A. Clark

SENATE JOINT RESOLUTION

AN AMENDMENT TO THE ARKANSAS CONSTITUTION PROVIDING THAT A MUNICIPALITY MAY INCUR SHORT-TERM FINANCING OBLIGATIONS MATURING OVER A PERIOD OF, OR HAVING A TERM, NOT TO EXCEED TEN (10) YEARS FOR THE PURPOSE OF ACQUIRING FIRE TRUCKS.

Subtitle

A CONSTITUTIONAL AMENDMENT PROVIDING THAT A MUNICIPALITY MAY INCUR SHORT-TERM FINANCING OBLIGATIONS MATURING OVER A PERIOD OF, OR HAVING A TERM, NOT TO EXCEED TEN (10) YEARS FOR THE PURPOSE OF ACQUIRING FIRE TRUCKS.

BE IT RESOLVED BY THE SENATE OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ARKANSAS, AND BY THE HOUSE OF REPRESENTATIVES, A MAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:

That the following is proposed as an amendment to the Constitution of the State of Arkansas, and upon being submitted to the electors of the state for approval or rejection at the next general election for Representatives and Senators, if a majority of the electors voting thereon at the election adopt the amendment, the amendment shall become a part of the Constitution of the State of Arkansas, to wit:

SECTION 1. Arkansas Constitution, Amendment 78, § 2, is amended to read as follows:



§ 2. [Short-term financing obligations].

(a) For the purpose of acquiring, constructing, installing or renting real property or tangible personal property having an expected useful life of more than one (1) year, municipalities and counties may incur short-term financing obligations maturing over a period of, or having a term, not to exceed five (5) years. However, for the purpose of acquiring fire trucks, municipalities may incur short-term financing obligations maturing over a period of, or having a term, not to exceed ten (10) years. ~~Such obligations~~ Obligations under this section may bear interest. The aggregate principal amount of short-term financing obligations incurred by a municipality or a county pursuant to this section shall not exceed five percent (5%) of the assessed value of taxable property located within the municipality or two and one half percent (2.5%) of the assessed value of taxable property located within the county, as determined by the last tax assessment completed before the last obligation was incurred by the city or county. The total annual principal and interest payments in each fiscal year on all outstanding obligations of a municipality or a county pursuant to this section shall be charged against and paid from the general revenues for such fiscal year, which may include road fund revenues. Tax revenues earmarked for solid waste disposal purposes may be used to pay printing and other costs associated with bonds issued under this amendment for solid waste disposal purposes.

(b) As used ~~here+~~ in this section,

~~(1) “Short-term financing obligation” means a debt, a note, an installment purchase agreement, a lease, a lease-purchase contract, or any other similar agreement, whether secured or unsecured; provided, that the obligation shall mature over a period of, or have a term, not to exceed five (5) years.~~

~~(2) Repealed.~~

(c) The provisions of this section shall be self-executing.

SECTION 2. EFFECTIVE DATE. This amendment shall be effective on and after January 1, 2023.

SECTION 3. BALLOT TITLE AND POPULAR NAME. When this proposed amendment is submitted to the electors of this state on the general election ballot:

(1) The title of this Joint Resolution shall be the ballot title; and

(2) The popular name shall be "A Constitutional Amendment Providing That a Municipality May Incur Short-Term Financing Obligations Maturing Over a Period of, or Having a Term, Not to Exceed Ten (10) Years for the Purpose of Acquiring Fire Trucks".