

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Yates**

A Bill

ACT 321 OF 1993
SENATE BILL 294

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 6-61-611 TO
9 AUTHORIZE A COMMUNITY COLLEGE TO SECURE THE PAYMENT OF
10 PRINCIPAL AND INTEREST ON BONDS BY PLEDGING TUITION
11 COLLECTED FROM ITS STUDENTS; AND FOR OTHER PURPOSES."

Subtitle

13 **"TO AUTHORIZE COMMUNITY COLLEGES TO SECURE THE**
14 **PAYMENT OF PRINCIPAL AND INTEREST ON BONDS BY**
15 **PLEDGING TUITION."**

17
18 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:**

19
20 **SECTION 1. Arkansas Code § 6-61-611(a) is hereby amended to read as follows:**

21 **"(a) The payment of the principal of and interest on bonds issued hereunder may be**
22 **secured by a pledge of, and the district may use for that purpose, all or any part of the following,**
23 **as the district shall determine:**

24 **(1) A continuing annual tax, when voted by the electors, which shall not be**
25 **reduced until the principal of, interest on, and paying agent's fees in connection with the bonds,**
26 **to the payment of which the continuing annual tax is pledged by resolution of the local board,**
27 **have been paid or provided for. However, the district may use any surplus proceeds of the**
28 **continuing annual tax each fiscal year, which proceeds may include the proceeds from**
29 **collections of the continuing annual tax in excess of the amounts necessary to insure the**
30 **payment when due of the principal of, interest on, and paying agent's fees in connection with**
31 **the bonds to which the continuing annual tax is pledged and the creation and maintenance of**
32 **any reserve funds the district may determine to establish for the redemption of bonds prior to**
33 **maturity or for the payment of principal of, interest on, and paying agent's fees in connection**
34 **with other bonds of the district, or may transfer the surplus to other funds to be utilized for**
35 **general operating expenses or capital outlay expenses of the district, all as the local board of**
36 **the district shall determine and specify in the resolution authorizing the issuance of bonds and**

1 which resolution may also pledge the continuing annual tax as security for the payment of the
2 bonds; or

3 **(2)** All or any part of revenues derived from any auxiliary enterprise such as
4 dining facilities, athletic events, or other revenue-producing activities authorized by law, and
5 all or any part of revenues derived from tuition and activity fees, to the extent and with the
6 priorities determined by the local board of the district and specified in the resolution
7 authorizing the issuance of the bonds. However, the district may use any surplus of the
8 revenues each fiscal year, i.e., the revenues in excess of the amounts necessary to insure the
9 payment when due of the principal of, interest on, and paying agent's fees in connection with
10 the bonds to which such revenues are pledged and the creation and maintenance of any reserve
11 funds the district may determine to establish, for redemption of bonds prior to maturity or for
12 the payment of the principal of, interest on, and paying agent's fees in connection with other
13 bonds of the district or may transfer the surplus to the operating fund of the district, all as the
14 local board of the district shall determine and specify in the resolution authorizing the
15 issuance of the bonds to which the revenues are pledged; or

16 **(3)(A)** Any funds received from the United States of America, or any
17 department or agency thereof, pursuant to any act of Congress providing for grants or
18 payments to educational institutions in connection with, or in any way pertaining to, the
19 financing of acquiring lands and constructing and equipping buildings and improvements
20 thereon.

21 **(B)** In regard to the funds referred to in subdivision (a)**(3)(A)**, the
22 district is authorized to take such action, comply with such terms and conditions, and execute
23 such agreements as may be necessary to apply for, receive, pledge, or use such funds for the
24 above specified or any other lawful purpose."

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26 **SECTION 2.** All provisions of this act of a general and permanent nature are
27 amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision
28 Commission shall incorporate the same in the Code.

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30 **SECTION 3.** If any provision of this act or the application thereof to any person or
31 circumstance is held invalid, such invalidity shall not affect other provisions or applications of
32 the act which can be given effect without the invalid provision or application, and to this end
33 the provisions of this act are declared to be severable.

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35 **SECTION 4.** All laws and parts of laws in conflict with this act are hereby repealed.

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APPROVED: 03/02/93