

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Representative Cunningham**

A Bill

ACT 619 OF 1995
HOUSE BILL 1670

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 6-20-1202 TO
AUTHORIZE AN INCREASE IN THE PERCENTAGE OF BONDED
INDEBTEDNESS THAT A SCHOOL DISTRICT MAY HAVE TO TWENTY-
SEVEN PERCENT (27%) OF THE THEN-ASSESSED VALUATION OF REAL
AND PERSONAL PROPERTY IN THE DISTRICT; AND FOR OTHER
PURPOSES."

Subtitle

"AUTHORIZING AN INCREASE IN SCHOOL
DISTRICT BOND DEBT TO 27% OF THE
ASSESSED VALUE OF REAL AND PERSONAL
PROPERTY IN THE DISTRICT."

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

SECTION 1. Arkansas Code § 6-20-1202(a) is amended to read as follows:

"(a) For acquiring a building site, building or equipping a new school building, repairing, making additions to, or equipping a present school building, or purchasing new or used school buses or refurbishing school buses, any school district of the State of Arkansas is authorized to borrow money and issue negotiable bonds for the repayment thereof from school funds to an amount which, together with the bonded indebtedness of the district outstanding at the time of the issuance, shall not exceed twenty-seven percent (27%) of the sum of the then-assessed valuation of the real and personal property in the district as shown by the last county assessment, and an equivalent assessed value computed as follows: the average of total annual receipts from federal forest reserve, flood control, and mineral leasing turnback received by the district in lieu of taxes for the three (3) immediately preceding years divided by forty (40) mills."

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SECTION 2. Arkansas Code § 6-20-1202(c) is amended to read as follows:

"(c) However, if the State Board of Education shall determine that any school district is unable, due to unexpected, unforeseen, or extreme hardship, to finance needed school facilities because of the limitation imposed above on the borrowing power of the district, the board may permit the district, upon application therefor, to increase its total indebtedness to such amount as may be approved by the board, but not to exceed thirty percent (30%) of the then-assessed valuation of the real and personal property in the district as shown by the last county assessment, and an equivalent assessed value computed as follows: the average of total annual receipts from federal forest reserve, flood control, mineral leasing, and payments in lieu of taxes from industries or other sources covered by §§ 14-164-201 - 14-164-224 for the three (3) immediately preceding years divided by forty (40) mills."

SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 5. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: 3-14-95

