

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 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/26/03

A Bill

Act 1754 of 2003
HOUSE BILL 2272

5 By: Representatives Key, Martin, Matayo
6 By: Senator Womack
7

For An Act To Be Entitled

10 AN ACT TO ALLOW SCHOOL DISTRICTS TO ENTER INTO
11 PUBLIC-PRIVATE PARTNERSHIPS FOR THE ACQUISITION
12 OF FACILITIES; AND FOR OTHER PURPOSES.
13

Subtitle

14 AN ACT TO ALLOW SCHOOL DISTRICTS TO
15 ENTER INTO PUBLIC-PRIVATE PARTNERSHIPS
16 FOR THE ACQUISITION OF FACILITIES.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 *SECTION 1. Arkansas Code § 6-20-402(a) is amended to read as follows:*

23 *(a)(1)(A) The amount of obligations incurred by a school district for*
24 *any school fiscal year shall not be in excess of the revenue receipts of the*
25 *district for that year except as provided in this section and in §§ 6-20-801*
26 *et seq. and 6-20-1201 et seq.*

27 *(B) School districts may enter into public-private*
28 *partnerships whereby the school district enters into lease-purchase*
29 *agreements for school buildings built by the private entities with facilities*
30 *bonds exempt from federal taxes under 26 U.S.C. § 142 (13), as in existence*
31 *on January 1, 2003.*

32 *(2) School districts may issue postdated warrants or enter into*
33 *installment contracts or short-term lease-purchase agreements for the*
34 *following purposes:*

35 *(A) Purchase of school buses;*

36 *(B) Payment of premiums of insurance policies on school*



1 buildings, facilities, and equipment in instances where the insurance
2 coverage extends three (3) years or longer;

3 (C) Purchase of equipment;

4 (D) Repair and renovation of school facilities;

5 (E) Purchase of school sites;

6 (F) Payment on loans secured for settlement resulting from
7 litigation against a school district;

8 (G) Payment of the district's pro rata part of employing
9 professional appraisers as authorized by laws providing for the appraisal or
10 reappraisal and assessment of property for ad valorem tax purposes;

11 (H) Purchase of energy conservation measures; and

12 (I) The professional development and training of teachers
13 or other programs authorized under the federally recognized Qualified Zone
14 Academy Bond program codified at 26 U.S.C. § 1397E.

15
16 SECTION 2. Arkansas Code § 6-20-402(b)(1)(A), regarding debt
17 obligation of school, is amended to read as follows:

18 (b)(1)(A) ~~Postdated~~ Except as provided in subdivision (b)(1)(B) of
19 this subsection, postdated warrants, short-term lease purchase agreements,
20 and installment contracts must be paid within ten (10) years of the date of
21 issuance of the postdated warrant or the execution of the written lease
22 purchase agreement or installment contract, as the case may be.

23 (B) Long-term lease agreements allowed under subdivision
24 (a)(1)(B) must be paid within thirty (30) years of the date of the execution
25 of the written lease purchase agreement.

26 (C) Postdated warrants, lease purchase agreements, and
27 installment contracts must be registered, on forms provided by the State
28 Board of Education, with the treasurer of the district and the board.

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30 /s/ Key, et al

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33 APPROVED: 4/22/2003

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