

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

A Bill

ACT 977 OF 1993
HOUSE BILL 1616

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 6-20-811 TO
9 CLARIFY THE NUMBER OF BIDS THAT THE STATE BOARD OF
10 EDUCATION MUST SEEK IN THE SALE OF SCHOOL DISTRICT
11 OBLIGATIONS AND THAT PROCEEDS MAY BE USED TO PAY COSTS OF
12 THE SALE AND SERVICING OF SUCH OBLIGATIONS; AND TO DECLARE
13 AN EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

16 "TO CLARIFY THE NUMBER OF BIDS THAT THE STATE BOARD OF
17 EDUCATION MUST SEEK IN THE SALE OF SCHOOL DISTRICT
18 OBLIGATIONS."

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

22 SECTION 1. Arkansas Code § 6-20-811 is hereby amended to read as
23 follows:

24 "6-20-811. Delivery of obligations - Drawing and receipt of warrant -
25 Use of funds.

26 (a) All such obligations shall be delivered to the State Board of
27 Education, and coincident therewith the Director of General Education shall
28 cause a state warrant to be drawn upon the Revolving Loan Fund or the
29 Revolving Certificate Proceeds Account, payable to the treasurer of the
30 issuing school district if the school district has a treasurer or to the
31 county treasurer of the county in which the district is located if the school
32 district does not have a treasurer, in an amount equal to the principal amount
33 of the bonds or certificates of indebtedness.

34 (b) Upon receipt of the state warrant, the school district treasurer or
35 the county treasurer, as the case may be, shall deposit the proceeds thereof
36 to the credit of the school district, and such funds shall thereafter be used

1 by the school district only for the purposes for which the loan is granted.

2 (c) All bonds and certificates shall be negotiable instruments, as set
3 forth in § 6-20-806, and any or all such obligations may be assigned and sold
4 by the Director of General Education.

5 (d) Any sale pursuant to subsection (c) above shall be in the open
6 market upon not fewer than four (4) invitations for bids and, in consummation
7 of any such sale, the Director of General Education, or such other person as
8 may be designated by the State Board of Education, may execute and deliver
9 such assignments, notices, servicing agreements, and other agreements and
10 writings as may be appropriate.

11 (e) The proceeds of any sale pursuant to this section shall be
12 deposited in the Revolving Certificate Proceeds Account, subject to payment of
13 the costs of sale and servicing of such bonds and certificates, as set forth
14 in written instructions executed by the Director of General Education or such
15 other person as may be designated by the State Board of Education.

16 (f) The State Board of Education shall have authority to adopt rules
17 and regulations necessary to implement this section."

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19 SECTION 2. All provisions of this act of a general and permanent
20 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
21 Code Revision Commission shall incorporate the same in the Code.

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23 SECTION 3. If any provision of this act or the application thereof to
24 any person or circumstance is held invalid, such invalidity shall not affect
25 other provisions or applications of the act which can be given effect without
26 the invalid provision or application, and to this end the provisions of this
27 act are declared to be severable.

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

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32 SECTION 5. EMERGENCY. It is hereby found and determined by the
33 Seventy-Ninth General Assembly that the Revolving Loan Program of the State
34 Board of Education is essential to the continued and proper financing of
35 Arkansas school districts and that the immediate implementation of the

1 provisions of this act are necessary for the efficient operation of the
2 Revolving Loan Program. Therefore, an emergency is hereby declared to exist
3 and this act being necessary for the preservation of the public peace, health
4 and safety shall be in full force and effect from and after its passage and
5 approval.

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APPROVED: 4/9/93

