

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

A Bill

SENATE BILL

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

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

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

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

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

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

1 paying agent's fees in connection with other bonds of the district, or may
2 transfer the surplus to other funds to be utilized for general operating
3 expenses or capital outlay expenses of the district, all as the local board of
4 the district shall determine and specify in the resolution authorizing the
5 issuance of bonds and which resolution may also pledge the continuing annual
6 tax as security for the payment of the bonds; or

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

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

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

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34 SECTION 2. All provisions of this act of a general and permanent nature
35 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

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

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

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