

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

# A Bill

**SENATE BILL 571**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 6-20-1202 TO  
9 AUTHORIZE AN INCREASE IN THE PERCENTAGE OF BONDED  
10 INDEBTEDNESS THAT A SCHOOL DISTRICT MAY HAVE TO TWENTY-TWO  
11 PERCENT (22%) OF THE THEN-ASSESSED VALUATION OF REAL AND  
12 PERSONAL PROPERTY IN THE DISTRICT; AND FOR OTHER  
13 PURPOSES."

## Subtitle

16 "AUTHORIZING AN INCREASE IN SCHOOL DISTRICT BOND DEBT TO  
17 22% OF THE ASSESSED VALUE OF REAL AND PERSONAL PROPERTY IN  
18 THE DISTRICT."

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

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

24 "(a) For acquiring a building site, building or equipping a new school  
25 building, repairing, making additions to, or equipping a present school  
26 building, or purchasing new or used school buses or refurbishing school buses,  
27 any school district of the State of Arkansas is authorized to borrow money and  
28 issue negotiable bonds for the repayment thereof from school funds to an  
29 amount which, together with the bonded indebtedness of the district  
30 outstanding at the time of the issuance, shall not exceed twenty-two percent  
31 (22%) of the sum of the then-assessed valuation of the real and personal  
32 property in the district as shown by the last county assessment, and an  
33 equivalent assessed value computed as follows: Average of total annual  
34 receipts from federal forest reserve, flood control, and mineral leasing  
35 turnback received by the district in lieu of taxes for the three (3)

1 immediately preceding years divided by forty (40) mills."

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

5 "(c) However, if the State Board of Education shall determine that any  
6 school district is unable, due to unexpected, unforeseen, or extreme hardship,  
7 to finance needed school facilities because of the limitation imposed above on  
8 the borrowing power of the district, the board may permit the district, upon  
9 application therefor, to increase its total indebtedness to such amount as may  
10 be approved by the board, but not to exceed *twenty-five percent (25%)* of the  
11 then-assessed valuation of the real and personal property in the district as  
12 shown by the last county assessment, and an equivalent assessed value computed  
13 as follows: the average of total annual receipts from federal forest reserve,  
14 flood control, mineral leasing, and payments in lieu of taxes from industries  
15 or other sources covered by §§ 14-164-201 - 14-164-224 for the three (3)  
16 immediately preceding years divided by forty (40) mills."

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

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

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

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31 /s/ Senator Yates

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