

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

A Bill

ACT 402 OF 1995
SENATE BILL 183

For An Act To Be Entitled

8 "AN ACT TO AMEND ARK. CODE §§ 19-1-504 and 6-20-222 TO
9 AUTHORIZE LOCAL SCHOOL DISTRICTS TO INVEST DISTRICT FUNDS
10 IN BONDS, NOTES, DEBENTURES, OR OTHER OBLIGATIONS ISSUED
11 BY AN AGENCY OF THE U.S. GOVERNMENT; AND FOR OTHER
12 PURPOSES."

Subtitle

15 "TO AUTHORIZE SCHOOL DISTRICTS TO INVEST
16 DISTRICT FUNDS IN BONDS, NOTES,
17 DEBENTURES OR OTHER OBLIGATIONS ISSUED
18 BY AN AGENCY OF THE U.S. GOVERNMENT."

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

22 SECTION 1. Arkansas Code Annotated § 19-1-504(b) is hereby amended to
23 read as follows:

24 "(b) Funds of school districts shall be invested by school district
25 treasurers in cases where school districts have treasurers or by county
26 treasurers in cases where school districts do not have treasurers. These
27 investments shall be in general obligation bonds of the United States of
28 America, in bonds, notes, debentures, or other obligations issued by an agency
29 of the United States Government, in general obligation bonds of the State of
30 Arkansas, or in bank certificates of deposit, as and to the extent directed by
31 the boards of directors of the school districts."

33 SECTION 2. Arkansas Code Annotated § 6-20-222(a) is hereby amended to
34 read as follows:

35 "(a) All general deposits of school funds in banks shall be secured by
36 general obligation bonds of the United States, bonds, notes, debentures, or

1 other obligations issued by an agency of the United States Government, bonds
2 of the State of Arkansas, or by bonds of a political subdivision thereof which
3 has never defaulted on any of its obligations, in an amount at least equal to
4 the amount of such deposit, or by a bond executed by a surety company
5 authorized to do business in the State of Arkansas, the surety on such bond to
6 be approved by the Director of General Education."

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

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

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

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21 APPROVED: 2-21-95

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