

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

# A Bill

**ACT 913 OF 1995**  
**HOUSE BILL 2102**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARK. CODE §§ 6-20-803 AND 6-20-806 TO  
9 MODIFY LIMITATIONS ON THE MAXIMUM AMOUNT OF MONEY THAT  
10 LOCAL SCHOOL DISTRICTS MAY BORROW FROM THE REVOLVING LOAN  
11 FUND AND TO EXTEND THE PERIOD OF TIME IN WHICH SUCH LOANS  
12 MUST BE AMORTIZED OR PAID IN FULL TO EIGHT (8) YEARS; TO  
13 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

## Subtitle

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15 "TO AMEND A.C.A. §§ 6-20-803 AND  
16 6-20-806 TO MODIFY LIMITATIONS ON LOANS  
17 TO LOCAL SCHOOL DISTRICTS FROM THE  
18 REVOLVING LOAN FUND."  
19  
20

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

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23 SECTION 1. Arkansas Code Annotated § 6-20-803 is hereby amended to read  
24 as follows:

25 "6-20-803. Loans to local school districts.

26 (a) The maximum amount of money a local school district may borrow from  
27 the Revolving Loan Fund shall be five hundred thousand dollars (\$500,000).

28 (b) The maximum amount of money a local school district may borrow from  
29 the Revolving Loan Fund shall also be subject to the limitation on bonded  
30 indebtedness provided in § 6-20-1202."  
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32 SECTION 2. Arkansas Code Annotated § 6-20-806(a) is hereby amended to  
33 read as follows:

34 "(a) Each such loan which is to be amortized or paid in full, both  
35 principal and interest, within or at the end of eight (8) years from the date  
36 of its approval by the State Board of Education shall be evidenced by the

1 school district's obligations which shall be designated and known as revolving  
2 loan certificates of indebtedness; and each such loan, the date of the final  
3 principal and interest maturity of which extends beyond such eight-year  
4 period, shall be evidenced by the school district's obligations which shall be  
5 designated and known as revolving loan bonds."

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

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

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

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20 SECTION 6. EMERGENCY. It is hereby found and determined by the  
21 General Assembly that present laws with respect to revolving loans to school  
22 districts contain restrictions which unduly inhibit current operations of the  
23 Revolving Loan Program under the exclusive jurisdiction of the State Board of  
24 Education and that the immediate implementation of the provisions of this act  
25 are necessary for a more efficient operation of the program. Therefore, an  
26 emergency is hereby declared to exist and this act being necessary for the  
27 preservation of the public peace, health, and safety shall be in full force  
28 and effect from and after its passage and approval.

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30 APPROVED: 4-5-95

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