

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.
Act 451 of the Regular Session

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

A Bill

HOUSE BILL 1557

5 By: Representative Reep
6
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For An Act To Be Entitled

9 AN ACT TO ALLOW A SUBURBAN IMPROVEMENT DISTRICT
10 TO CONVEY ASSETS TO A LOCAL SCHOOL DISTRICT; AND
11 FOR OTHER PURPOSES.
12

Subtitle

13 TO ALLOW A SUBURBAN IMPROVEMENT DISTRICT
14 TO CONVEY ASSETS TO A LOCAL SCHOOL
15 DISTRICT.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 14-92-237(c), concerning the dissolution of
22 a suburban improvement district and the disposal of any remaining assets, is
23 amended to read as follows:

24 (c)(1)(A) ~~In the event~~ If the commissioners vote to dissolve the
25 district or the district is dissolved by vote of the realty owners at a
26 public hearing, the board ~~shall convert all assets into cash and~~ shall first
27 pay from ~~such~~ surplus funds all debts of the district, including any
28 reasonable legal and other expenses incurred in connection with the
29 dissolution, and dispose of the remaining assets under subdivision (c)(1)(B)
30 of this section or subdivision (c)(2) of this section.

31 ~~(2)(A)(B)(i)~~ The commissioners ~~then~~ shall convert all assets
32 into cash and may refund all remaining funds of the district, pro rata, to
33 the property owners who hold title to the property in the district at the
34 time the refund is made.

35 ~~(B)(i)(ii)(a)~~ The pro rata refund to the property owners



1 shall be made on the basis of the most recent assessment or reassessment of
2 benefits on the parcels of property ~~prior to~~ before dissolution and shall be
3 in the same proportion that the assessed benefits of each individual parcel
4 of property bears to the total of the assessed benefits of all the property
5 in the district.

6 ~~(ii)(b)~~ No A property or owner whose property is
7 delinquent in any sum for district assessments, penalties, or interest, at
8 the time the refund is made shall not be counted in calculating the pro rata
9 distribution, or receive any portion of the refund.

10 (C) Within ninety (90) days after the distribution of the
11 surplus funds has been completed, the board shall file a copy of the
12 resolution of dissolution and a financial statement of the district, verified
13 by all commissioners, in the office of the county clerk in the county in
14 which the district is located.

15 (2)(A) The commissioners may transfer all remaining cash and
16 other monetary assets and any real property and personal property to a school
17 district located within ten (10) miles of any boundary of the district.

18 (B)(i) The transfer shall be made under a valid contract
19 between the suburban improvement district and the school district.

20 (ii)(a) The contract shall be supported by adequate
21 consideration.

22 (b) As used in this section, "adequate
23 consideration" includes public advantage that promotes a general, suitable,
24 and efficient system of free public schools.

25 (C) Within ninety (90) days after the transfer of all
26 remaining funds and property has been completed, the board shall file a copy
27 of the resolution of dissolution and a financial statement of the suburban
28 improvement district, verified by all commissioners, in the office of the
29 county clerk in the county in which the suburban improvement district is
30 located.

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32 **APPROVED: 3/18/2009**