

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

A Bill

ACT 486 OF 1993
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)
36 immediately preceding years divided by forty (40) mills."

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

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

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

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

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 All laws and parts of laws in conflict with this act are hereby repealed.

/s/ Senator Yates

APPROVED: 03/12/93