

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.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: H3/5/01
A Bill

Act 1214 of 2001
HOUSE BILL 2240

5 By: Representatives Green, Cleveland, Seawel, *C. Johnson, Willis, White*
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For An Act To Be Entitled

9 AN ACT TO AMEND ARKANSAS CODE 6-20-1202 TO
10 AUTHORIZE AN INCREASE IN THE PERCENTAGE OF BONDED
11 INDEBTEDNESS THAT A SCHOOL DISTRICT MAY HAVE IN
12 CASES OF UNEXPECTED, UNFORESEEN OR EXTREME
13 HARDSHIP TO THIRTY-FIVE PERCENT (35%) OF THE
14 THEN-ASSESSED VALUATION OF REAL AND PERSONAL
15 PROPERTY IN THE DISTRICT; AND FOR OTHER PURPOSES.
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Subtitle

17 AUTHORIZING AN INCREASE IN SCHOOL
18 DISTRICT BOND DEBT TO THIRTY-FIVE
19 PERCENT OF THE ASSESSED VALUE OF REAL
20 AND PERSONAL PROPERTY IN THE DISTRICT IN
21 CASES OF UNEXPECTED, UNFORESEEN OR
22 EXTREME HARDSHIP.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code 6-20-1202(c) is amended to read as follows:

29 (c) However, if the State Board of Education shall determine that any
30 school district is unable, due to unexpected, unforeseen, or extreme
31 hardship, or to student growth, or low local assessment per student, to
32 finance needed school facilities because of the limitation imposed above on
33 the borrowing power of the district, the board may permit the district, upon
34 application therefor, to increase its total indebtedness to such amount as
35 may be approved by the board, but not to exceed ~~thirty percent (30%)~~ thirty-
36 five percent (35%) of the then-assessed valuation of the real and personal

1 property in the district as shown by the last county assessment, and an
 2 equivalent assessed value computed as follows: The average of total annual
 3 receipts from federal forest reserve, flood control, mineral leasing, and
 4 payments in lieu of taxes from industries or other sources covered by § 14-
 5 164-201 et seq. for the three (3) immediately preceding years divided by
 6 forty (40) mills.

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SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
General Assembly that the existing bonded indebtedness limit on school
districts that are facing unexpected, unforeseen or extreme hardship is too
low and that the immediate passage of this act is necessary for the increase
of the limitation. Therefore, an emergency is declared to exist and this act
being immediately necessary for the preservation of the public peace, health
and safety shall become effective on the date of its approval by the
Governor. If the bill is neither approved nor vetoed by the Governor, it
shall become effective on the expiration of the period of time during which
the Governor may veto the bill. If the bill is vetoed by the Governor and
the veto is overridden, it shall become effective on the date the last house
overrides the veto.

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/s/ Green, et al.

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APPROVED: 3/30/2001

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