

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995

A Bill

HOUSE BILL 1013

4 By: Representatives Flanagin and Baker

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARK. CODE ANN. § 6-20-402(a) TO REQUIRE
9 STATE BOARD OF EDUCATION APPROVAL BEFORE LOCAL SCHOOL
10 DISTRICTS CAN ISSUE POSTDATED WARRANTS OR ENTER INTO
11 INSTALLMENT CONTRACTS OR LEASE PURCHASE AGREEMENTS WHEN
12 PAYMENT WILL EXTEND BEYOND ONE YEAR; AND FOR OTHER
13 PURPOSES."

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Subtitle

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16 "TO REQUIRE STATE BOARD APPROVAL BEFORE
17 SCHOOL DISTRICTS CAN INCUR CERTAIN FORMS
18 OF DEBT WHEN PAYMENT WILL EXTEND BEYOND
19 1 YEAR."

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

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23 SECTION 1. Arkansas Code Annotated § 6-20-402(a) is hereby amended to
24 read as follows:

25 "(a)(1) The amount of obligations incurred by a school district for
26 any school fiscal year shall not be in excess of the revenue receipts of the
27 district for that year except as provided herein and in §§ 6-20-801 et seq.
28 and 6-20-1201 et seq. Subject to the provisions of subdivision (2) of this
29 subsection, school districts may issue postdated warrants or enter into
30 installment contracts or lease purchase agreements for the following
31 purposes:

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(A) Purchase of school buses;

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(B) Payment of premiums of insurance policies on school
34 buildings, facilities, and equipment in instances where the insurance
35 coverage extends three (3) years or longer;

1 (C) Purchase of equipment;
2 (D) Repair and renovation of school facilities;
3 (E) Purchase of school sites; and
4 (F) Payment of the district_s pro rata part of employing
5 professional appraisers as authorized by laws providing for the appraisal, or
6 reappraisal, and assessment of property for ad valorem tax purposes.
7 (2) School districts may not issue postdated warrants or enter
8 into installment contracts or lease purchase agreements without State Board
9 of Education approval when payment will extend beyond one (1) year."

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11 SECTION 2. All provisions of this act of a general and permanent
12 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
13 Code Revision Commission shall incorporate the same in the Code.

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15 SECTION 3. If any provision of this act or the application thereof to
16 any person or circumstance is held invalid, such invalidity shall not affect
17 other provisions or applications of the act which can be given effect without
18 the invalid provision or application, and to this end the provisions of this
19 act are declared to be severable.

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21 SECTION 4. All laws and parts of laws in conflict with this act are
22 hereby repealed.

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