

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

# A Bill

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

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."  
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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 § 6-20-803 is hereby amended to  
24 read as follows:

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

26 (a) The maximum amount of money a local school district may borrow  
27 from the Revolving Loan Fund shall be five hundred thousand dollars  
28 (\$500,000).

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

35 "(a) Each such loan which is to be amortized or paid in full, both

1 principal and interest, within or at the end of eight (8) years from the date  
2 of its approval by the State Board of Education shall be evidenced by the  
3 school district's obligations which shall be designated and known as  
4 revolving loan certificates of indebtedness; and each such loan, the date of  
5 the final principal and interest maturity of which extends beyond such  
6 eight-year period, shall be evidenced by the school district's obligations  
7 which shall be designated and known as revolving loan bonds."

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

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

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20 hereby repealed.

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

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