

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

# A Bill

HOUSE BILL 1060

5 By: Representative Altes  
6  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND ARKANSAS CODE 19-8-104 TO PROVIDE THAT  
10 COUNTIES MAY INVEST PUBLIC FUNDS IN UNITED STATES  
11 GOVERNMENT BONDS; AND FOR OTHER PURPOSES.  
12

## Subtitle

13 TO AMEND ARKANSAS CODE 19-8-104 TO  
14 PROVIDE THAT COUNTIES MAY INVEST PUBLIC  
15 FUNDS IN UNITED STATES GOVERNMENT BONDS.  
16  
17  
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

21 SECTION 1. Arkansas Code 19-8-104 is amended to read as follows:  
22 19-8-104. Investment of public funds.

23 (a) Except as provided in subsections (b), ~~and (c), and (d)~~ of this  
24 section, all public funds as defined in § 19-8-101 shall be deposited in banks  
25 located in the State of Arkansas.

26 (b) A school district may seek a hardship waiver from the Legislative  
27 Joint Auditing Committee from the provisions of this section and deposit state  
28 funds in an out-of-state bank under the following conditions:

29 (1) The school district is designated as an isolated school  
30 district under the provisions of §§ 6-20-601 ~~[see Publisher's Note]~~ and 6-20-  
31 602 ~~[repealed]~~;

32 (2) The school district lies on the borders of the state line;

33 (3) The nearest Arkansas bank is located at least eighteen (18)  
34 miles from the administrative offices of the district;

35 (4) The administrative offices of the district are located within  
36 six (6) miles from an out-of-state bank; and

1           (5) The out-of-state bank meets all other requirements concerning  
2 collateralization of state funds.

3           (c) Any private donations to cities of the first class or the second  
4 class or incorporated towns, unless restrictions are established by the donor,  
5 may be invested in accordance with the "prudent man rule" established by § 28-  
6 71-105.

7           (d) A county may invest excess public funds in United States Government  
8 Bonds.

9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36