

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**

HOUSE BILL 2240

5 By: Representatives Green, Cleveland, Seawel, *C. Johnson, Willis, White*  
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8 **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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17 **Subtitle**

18 AUTHORIZING AN INCREASE IN SCHOOL  
19 DISTRICT BOND DEBT TO THIRTY-FIVE  
20 PERCENT OF THE ASSESSED VALUE OF REAL  
21 AND PERSONAL PROPERTY IN THE DISTRICT IN  
22 CASES OF UNEXPECTED, UNFORESEEN OR  
23 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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8 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
9 General Assembly that the existing bonded indebtedness limit on school  
10 districts that are facing unexpected, unforeseen or extreme hardship is too  
11 low and that the immediate passage of this act is necessary for the increase  
12 of the limitation. Therefore, an emergency is declared to exist and this act  
13 being immediately necessary for the preservation of the public peace, health  
14 and safety shall become effective on the date of its approval by the  
15 Governor. If the bill is neither approved nor vetoed by the Governor, it  
16 shall become effective on the expiration of the period of time during which  
17 the Governor may veto the bill. If the bill is vetoed by the Governor and  
18 the veto is overridden, it shall become effective on the date the last house  
19 overrides the veto.

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*/s/ Green, et al.*

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