

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 85th General Assembly
3 Regular Session, 2005

A Bill

HOUSE BILL 2497

4
5 By: Representative D. Evans
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For An Act To Be Entitled

8
9 AN ACT TO AMEND ARKANSAS CODE § 19-1-504 TO ALLOW
10 SCHOOL DISTRICTS TO INVEST MONEYS HELD FOR
11 REPAYMENT OF QUALIFIED ZONE ACADEMY BONDS IN
12 GUARANTEED INVESTMENT CONTRACTS OR FORWARD
13 DELIVERY AGREEMENTS; AND FOR OTHER PURPOSES.
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Subtitle

15
16 AN ACT TO AMEND ARKANSAS CODE § 19-1-504
17 TO ALLOW SCHOOL DISTRICTS TO INVEST
18 MONEYS HELD FOR REPAYMENT OF QUALIFIED
19 ZONE ACADEMY BONDS IN GUARANTEED
20 INVESTMENT CONTRACTS OR FORWARD DELIVERY
21 AGREEMENTS.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 19-1-504 is amended to read as follows:
27 19-1-504. Investments permitted.

28 (a)(1)(A) County treasurers, with the approval of county depository
29 boards, may convert any funds in their possession or under their control and
30 not presently needed for other purposes into bonds of the United States of
31 America, as defined in § 19-1-501; Arkansas bank certificates of deposit; or
32 Arkansas financial institution repurchase agreements, defined as the purchase
33 of permitted government securities as an obligation in which the seller
34 agrees to repurchase at face value plus interest as determined in the
35 repurchase agreement.

36 (B) All county boards and commissions of every kind may



1 convert funds in their possession or under their control and not presently
 2 needed for other purposes into bonds of the United States of America.

3 (C) All cities of the first class, cities of the second
 4 class, and incorporated towns, and the treasurers and collectors thereof,
 5 with the approval of the governing body, may convert funds in their
 6 possession or under their control and not presently needed for other purposes
 7 into bonds of the United States of America.

8 (D) All municipal boards and commissions of every kind,
 9 including, but without limitation, boards of trustees of policemen’s pension
 10 and relief funds, boards of trustees of firemen’s relief and pension funds,
 11 waterworks commissions, and sewer committees may convert funds in their
 12 possession or under their control and not presently needed for other purposes
 13 into bonds of the United States of America.

14 (E) Drainage districts, levee districts, road improvement
 15 districts, waterworks districts, electric light districts, municipal
 16 improvement districts, and suburban improvement districts may convert funds
 17 in their possession or under their control and not presently needed for other
 18 purposes into bonds of the United States of America.

19 (2) The provisions of this subsection shall not apply to funds
 20 of school districts.

21 (b) Unless otherwise provided by a signed written agreement between
 22 the school district or districts and the county treasurer funds of school
 23 districts shall be invested by school district treasurers in cases where
 24 school districts have treasurers or by county treasurers in cases where
 25 school districts do not have treasurers. These investments shall be in
 26 general obligation bonds of the United States, in bonds, notes, debentures,
 27 or other obligations issued by an agency of the United States Government, in
 28 general obligation bonds of the State of Arkansas, or in bank certificates of
 29 deposit, as and to the extent directed by the boards of directors of the
 30 school districts.

31 (c) A school district may invest moneys held for the repayment of a
 32 federally recognized Qualified Zone Academy Bond under 26 U.S.C. § 1379E in a
 33 guaranteed investment contract or forward delivery agreement in which the
 34 school district is guaranteed a certain rate of interest on its investment if
 35 the guaranteed investment contract or the forward delivery agreement is
 36 entered into between the school district and the purchaser of the Qualified

1 Zone Academy Bond.
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