

State of Arkansas
85th General Assembly
Regular Session, 2005

A Bill

HOUSE BILL 2885

By: Representative Mahony

For An Act To Be Entitled

AN ACT TO AMEND THE PROCEDURE CONCERNING A
DEFAULT IN THE PAYMENT OF PRINCIPAL OF OR
INTEREST ON ANY SCHOOL DISTRICT REVOLVING LOAN
BONDS OR REVOLVING LOAN CERTIFICATES OF
INDEBTEDNESS; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO AMEND THE PROCEDURE CONCERNING
A DEFAULT IN THE PAYMENT OF PRINCIPAL OF
OR INTEREST ON ANY SCHOOL DISTRICT
REVOLVING LOAN BONDS OR REVOLVING LOAN
CERTIFICATES OF INDEBTEDNESS.

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

SECTION 1. Arkansas Code § 6-20-814 is amended to read as follows:
6-20-814. Default ~~or threatened default~~.

(a) In the event of a default ~~or threatened default~~ in the payment of the principal of or interest on any revolving loan bonds or revolving loan certificates of indebtedness, the Director of the Department of Education is authorized and directed to withhold from the apportionment otherwise due any borrowing school district, moneys in amounts sufficient to obviate or avoid any default ~~or threatened default~~.

(b) The ~~Chief Fiscal Officer of the State~~ State Board of Education shall prescribe the method of procedure to be followed in any such event to obviate or avoid any default ~~or threatened default~~.

(c) Under such rules and regulations as shall be established by the



1 ~~Chief Fiscal Officer~~ State Board of Education and approved by the Chief
2 Fiscal Officer of the State, all maturities of principal and interest, as and
3 when due, may be withheld from any such apportionments when mutually
4 agreeable to the director and the board of directors of the debtor school
5 district.