

1 State of Arkansas
2 85th General Assembly
3 First Extraordinary Session, 2006
4

Call Item 13

A Bill

HOUSE BILL 1048

5 By: Representative Bright
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For An Act To Be Entitled

9 AN ACT TO ALLOW AN OPEN-ENROLLMENT CHARTER SCHOOL
10 TO BORROW MONEY FROM THE REVOLVING LOAN FUND; AND
11 FOR OTHER PURPOSES.
12

Subtitle

13 TO ALLOW AN OPEN-ENROLLMENT CHARTER
14 SCHOOL TO BORROW MONEY FROM THE
15 REVOLVING LOAN FUND.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 6-20-802 is amended to read as follows:
22 6-20-802. Purposes of loan.

23 (a) As used in this subchapter, "school district" or "district"
24 include an open-enrollment charter school established under §§ 6-23-301 – 6-
25 23-310.

26 (b) Subject to the conditions and limitations contained in this
27 subchapter, any school district may borrow and the State Board of Education
28 may lend moneys in the Revolving Loan Fund for any of the following purposes:

29 (1) The funding of its legally issued and outstanding postdated
30 warrants;

31 (2) The purchase of new or used school buses or the refurbishing
32 of school buses;

33 (3) The payment of premiums on insurance policies covering its
34 school buildings, facilities, and equipment in instances where the insurance
35 coverage extends three (3) years or longer;

36 (4) The replacement of or payment of the district's pro rata



1 part of the expense of employing professional appraisers as authorized by §
2 26-26-601 et seq. or other laws providing for the appraisal or reappraisal
3 and assessment of property for ad valorem tax purposes;

4 (5) The making of major repairs and the construction of
5 additions to existing school buildings and facilities;

6 (6) The purchase of surplus buildings and equipment;

7 (7) The purchase of sites for and the cost of construction
8 thereon of school buildings and facilities and the purchase of equipment for
9 the buildings;

10 (8) The purchase of its legally issued and outstanding
11 commercial bonds at a discount provided that a substantial savings in gross
12 interest charges can be thus effected;

13 (9) The refunding of all or any part of its legally issued and
14 outstanding debt, both funded and unfunded;

15 (10) The purchase of equipment;

16 (11) The payment on loans secured for settlement resulting from
17 litigation against a school district;

18 (12) The purchase of energy conservation measures as defined in
19 § 6-20-401; and

20 (13)(A)(i) The maintenance and operation of the school district
21 in an amount equal to delinquent property taxes resulting from bankruptcies
22 or receiverships of taxpayers; and

23 (ii) Loans to school districts in an amount equal to
24 insured facility loss or damage when the insurance claim is being litigated
25 or arbitrated.

26 (B) For purposes of this subdivision (13), the loans
27 become payable and due when the final settlement is made, and the loan limits
28 prescribed by § 6-20-803 shall not apply.

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