1	State of Arkansas	A D'11	
2	88th General Assembly	A Bill	
3	Regular Session, 2011		SENATE BILL 726
4			
5	By: Senator B. Sample		
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7		For An Act To Be Entitled	
8	AN ACT TO AL	LOW A PUBLIC SCHOOL DISTRICT TO RET	AIN
9	TAX REVENUES	FROM THE UNIFORM RATE OF TAX WHEN	THE
10	REVENUES EXC	EED THE AMOUNT OF PER STUDENT FOUND	ATION
11	FUNDING FOR	THE PUBLIC SCHOOL DISTRICT; TO DECL	ARE AN
12	EMERGENCY; A	ND FOR OTHER PURPOSES.	
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15		Subtitle	
16	TO ALLO	OW A PUBLIC SCHOOL DISTRICT TO	
17	RETAIN	THE REVENUES FROM THE UNIFORM RATE	
18	OF TAX	WHEN THE REVENUES EXCEED THE	
19	AMOUNT	OF PER STUDENT FOUNDATION FUNDING	
20	AND TO	DECLARE AN EMERGENCY.	
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22			
23	BE IT ENACTED BY THE GEN	ERAL ASSEMBLY OF THE STATE OF ARKAN	SAS:
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25	SECTION 1. Arkans	as Code $ 6-20-2305(a)(4)(B) $ and (C), concerning the
26	Department of Education's	s authority to recoup from a public	school district
27	certain revenues collecte	ed from the uniform rate of tax, ar	e amended to read
28	as follows:		
29	(B) F o	or a school district whose <u>The Depa</u>	rtment of
30	Education's authority un	der § 6-20-2306 does not authorize	the Department of
31	Education to recoup net	revenues collected by a school dist	rict from the
32	uniform rate of tax when the school district's net revenues are more than the		
33	sum of ninety-eight perce	ent (98%) of the uniform rate of ta	x multiplied by
34	the property assessment of the school district, the Department of Education,		
35	under the authority of §	6-20-2306, shall recoup from the s	chool district an
36	amount equal to the diffe	erence between:	

1	(i) The net revenues of the school district; and
2	(ii) The sum of ninety-eight percent (98%) of the
3	uniform rate of tax multiplied by the property assessment of the school
4	district.
5	(C)(i) Data to verify the timely receipt of revenues applicable
6	to the required ninety-eight percent (98%) of the uniform rate of tax
7	multiplied by the property assessment of the school district shall be
8	collected annually by the Department of Education in cooperation with the
9	Assessment Coordination Department.
10	(ii)(a) Data may be appropriately adjusted by the
11	Department of Education if it is determined that irregular distributions by a
12	county treasurer of excess commissions cause a school district's property tax
13	collection rate from the uniform rate of tax to exceed ninety-eight percent
14	(98%).
15	(b) The Department of Education may adjust the
16	uniform rate of tax from an irregular distribution to an amount not in excess
17	of ninety-eight percent (98%) and apply the excess distribution amount the
18	following school year.
19	(iii) Evidence of irregular distributions shall be in the
20	form required by the Department of Education.
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22	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
23	General Assembly of the State of Arkansas that foundation funding is the
24	minimum amount determined by the General Assembly needed to provide an
25	equitable opportunity for an adequate education to public school students;
26	that under the current law the Department of Education may recoup from a
27	school district revenues collected from the uniform rate of tax when those
28	collections exceed the amount of foundation funding needed for educational
29	adequacy; and that this act is immediately necessary because a recoupment of
30	excess collections from the uniform rate of tax will affect the amount of
31	foundation funding distributed to a school district liable for the recoupment
32	and place the school district's financial stability at risk for the 2010-2011
33	and 2011-2012 school years. Therefore, an emergency is declared to exist and
34	this act being immediately necessary for the preservation of the public
35	peace, health, and safety shall become effective on:
36	(1) The date of its approval by the Covernor:

1	(2) If the bill is neither approved nor veloed by the Governor,
2	the expiration of the period of time during which the Governor may veto the
3	bill; or
4	(3) If the bill is vetoed by the Governor and the veto is
5	overridden, the date the last house overrides the veto.
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