

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017

# A Bill

HOUSE BILL 1844

4  
5 By: Representative Beck  
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## For An Act To Be Entitled

8 AN ACT TO AMEND THE DISTRIBUTION OF REVENUES DERIVED  
9 FROM THE SEVERANCE TAX; TO MAKE RELATED AMENDMENTS TO  
10 THE ARKANSAS CODE; AND FOR OTHER PURPOSES.  
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## Subtitle

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14 TO AMEND THE DISTRIBUTION OF REVENUES  
15 DERIVED FROM THE SEVERANCE TAX.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code § 19-6-301(238), concerning the enumeration  
21 of special revenues, is amended to read as follows:

22 (238) Ninety-five percent (95%) of the severance tax collected  
23 on natural gas at the rates enacted by § 26-58-111(5) and ~~the remainder of~~  
24 ~~the five percent (5%) of the severance tax collected on natural gas under §~~  
25 ~~26-58-124(c)(1)(B)~~ 26-58-124(c)(2);  
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27 SECTION 2. Arkansas Code § 19-6-829(b), concerning the Road and Bridge  
28 Repair, Maintenance, and Grants Fund, is amended to read as follows:

29 (b) The fund shall consist of:

30 (1) Moneys collected under § 26-58-124, as designated under §  
31 ~~26-58-124(c)(1)(B)~~ 26-58-124(c)(2); and

32 (2) Any other revenues authorized by law.  
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34 SECTION 3. Arkansas Code § 26-58-124(c), concerning the distribution  
35 of severance taxes, is amended to read as follows:

36 (c) All taxes, penalties, and costs collected by the director on



1 natural gas shall be deposited into the State Treasury as follows:

2 (1) ~~In accordance with the Severance Tax Agreement of 2008, five~~  
 3 ~~percent (5%) of the funds shall be deposited as follows:~~

4 ~~(A)~~ The first six hundred seventy-five thousand dollars  
 5 (\$675,000) collected each fiscal year shall be deposited as general revenues;  
 6 ~~and~~

7 ~~(B)(i)~~ The (2)(A) Five percent (5%) of the remainder  
 8 shall be deposited as special revenues into the Road and Bridge Repair,  
 9 Maintenance, and Grants Fund to be used exclusively for grants to counties  
 10 for damages resulting from trucks and other heavy machinery used in the  
 11 extraction of natural gas.

12 ~~(i)~~ (B) The grants awarded under subdivision  
 13 ~~(e)(1)(B)(i)~~ (c)(2)(A) of this section shall be distributed to counties on a  
 14 pro-rata basis based on the number of active unconventional natural gas wells  
 15 located within each county; and

16 ~~(2)~~ (3) Ninety-five percent (95%) of the ~~funds~~ remainder shall  
 17 be classified as special revenues and shall be distributed as set forth in  
 18 the Arkansas Highway Revenue Distribution Law, § 27-70-201 et seq.

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