

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1844

5 By: Representative Beck
6

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.
11

Subtitle

12
13 TO AMEND THE DISTRIBUTION OF REVENUES
14 DERIVED FROM THE SEVERANCE TAX.
15
16
17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
19

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(e)(1)(B)~~ 26-58-124(c)(2);
26

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(e)(1)(B)~~ 26-58-124(c)(2); and

32 (2) Any other revenues authorized by law.
33

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.

19
20
21 **APPROVED: 04/06/2017**
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36