## Stricken language would be deleted from and underlined language would be added to present law. Act 27 of the 1st Extraordinary Session

1	State of Arkansas	As Engrossed: S4/4/06	Call Item 1	4
2	85th General Assembly	A Bill		
3	First Extraordinary Session, 2	2006	SENATE BILL	6
4				
5	By: Education Committee - Senate			
6	By: Representatives Elliott, Pickett			
7				
8				
9		For An Act To Be Entitled		
10	AN ACT	TO ADDRESS THE ISSUES RAISED IN THE MOS	T	
11	RECENT	LAKEVIEW OPINION REGARDING THE NINETY-		
12	EIGHT P	ERCENT (98%) COLLECTION RATE FOR PROPER	YTY.	
13	TAXES B	Y CREATING A MECHANISM TO PROVIDE FOR		
14	UNIFORM	ACCOUNTING BY ADOPTING A STATEWIDE SET	OF	
15	REPORTI	NG INSTRUCTIONS FOR EACH COUNTY; TO ALL	WO	
16	THE ASS	ESSMENT COORDINATION DEPARTMENT TO CREA	TE.	
17	A UNIFO	RM STATEWIDE SET OF INSTRUCTIONS FOR		
18	REPORTI	NG COUNTY PROPERTY TAX COLLECTION		
19	INFORMA	TION; AND FOR OTHER PURPOSES.		
20				
21		Subtitle		
22	TO A	DDRESS THE ISSUES RAISED IN THE MOST		
23	RECE	NT LAKEVIEW OPINION REGARDING THE		
24	NINE	TY-EIGHT PERCENT (98%) COLLECTION		
25	RATE	FOR PROPERTY TAXES.		
26				
27				
28	BE IT ENACTED BY THE (	GENERAL ASSEMBLY OF THE STATE OF ARKANS	AS:	
29				
30	SECTION 1. Arka	ansas Code  6-20-2202(g), regarding the	e budget and	
31	expenditure reports p	repared by school districts, is amended	to read as	
32	follows:			
33	(g)(l) The Trea	asurer of State shall withhold the mont	hly distribution	
34	of county aid provided	d under § 19-5-602(c) from any county w	hose <del>county clerk</del>	ŧ
35	county official who is	s the preparer of the tax books fails to	o provide by	
36	March 15 of each cale	ndar year information <del>to the department</del>	concerning the	

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As Engrossed: S4/4/06 SB6

T	annual abstract of assessment that reflects the aggregate value of the real
2	and personal property for each school district located wholly or in part in
3	the county as follows:
4	(A) If the county is capable of providing the information
5	electronically, then the information shall be provided to both the Department
6	of Education and the Assessment Coordination Department; and
7	(B) If the county is not capable of providing the
8	information electronically, then the information shall be provided only to
9	the Assessment Coordination Department.
10	(2) The information transmitted to the department shall $\underline{also}$
11	include:
12	(A) The previous calendar year's property assessment that
13	will be used for ad valorem tax collections in the current year; and
14	(B) The millage rates, which shall be listed by the type
15	of millage, levied against that property assessment.
16	
17	SECTION 2. Arkansas Code Title 26, Chapter 26, is amended to add an
18	additional subchapter to read as follows:
19	Subchapter 20.
20	Coordination of Uniform Reporting.
21	26-26-2001. Uniform reporting requirements.
22	(a) The county official who is the preparer of the tax books shall
23	annually report to the Assessment Coordination Department and the State Board
24	of Education the county's property tax assessment, settlement, and collection
25	information as provided under this section.
26	(b)(1) By June 15, 2006, the Assessment Coordination Department shall
27	adopt and implement by rules a statewide set of instructions for reporting
28	county property tax assessment, settlement, and collection information.
29	(2) In developing the statewide set of instructions, the
30	Assessment Coordination Department shall:
31	(A) Collaborate with the Division of Legislative Audit,
32	State Board of Education, the Department of Education, the Commissioner of
33	State Lands, and the appropriate county officials;
34	(B) Consider the comments and suggestions from school
35	districts and other interested parties; and
36	(C) Comply with the Arkansas Administrative Procedure Act,

As Engrossed: S4/4/06 SB6

1	§ 25-15-201 et seq., which may include the adoption of emergency rules as
2	necessary to comply with the June 15, 2006, deadline under subdivision (b)(1)
3	of this section.
4	(c) The statewide set of instructions shall address issues relating to
5	the property tax assessment, settlement, and collection processes to assure
6	uniformity in reporting. In addition to any other instructions relevant to
7	the processes, the statewide set of instructions shall include how to report
8	items related to the county collector's original charge or assessed value
9	used to determine state foundation funding aid under the Public School
10	Funding Act of 2003, § 6-20-2301 et seq.
11	(d)(1)(A) By November 15, 2006, the Assessment Coordination Department
12	shall present its preliminary report to the House Interim Committee on
13	Revenue and Taxation, the Senate Interim Committee on Revenue and Taxation,
14	the House Interim Committee on Education, and the Senate Interim Committee on
15	Education regarding the implementation of this section.
16	(B) The preliminary report shall include:
17	(i) The proposed or promulgated rules;
18	(ii) The status of implementing the rules; and
19	(iii) If the rules have been implemented, a list of
20	the counties that have complied with the rules.
21	(2) By December 15 of each following year, the Assessment
22	Coordination Department shall present an update to the preliminary report
23	that shall include:
24	(A) Any changes to the rules;
25	(B) The status of implementing the rules;
26	(C) A list of the counties that have complied with the
27	rules; and
28	(D) Any additional information requested by a chair of a
29	committee to be included in the update.
30	
31	SECTION 3. Arkansas Code Title 25, Chapter 28, Subchapter 1 is amended
32	to add an additional section to read as follows:
33	25-28-109. Additional authority.
34	The Assessment Coordination Department shall promulgate the necessary
35	rules to fully implement the provisions of uniform reporting requirements as
36	required under § 26-26-2001 with input from all of the following:

As Engrossed: S4/4/06 SB6

1	(1) The State Board of Education;			
2	(2) The Department of Education;			
3	(3) The Division of Legislative Audit;			
4	(4) The Commissioner of State Lands;			
5	(5) The appropriate county officials; and			
6	(6) The appropriate school district officials.			
7				
8	SECTION 4. EMERGENCY CLAUSE. It is found and determined by the			
9	General Assembly of the State of Arkansas that the Arkansas Supreme Court			
10	declared the public school funding system to be inadequate and that the			
11	public schools are operating under a constitutional infirmity which must be			
12	corrected immediately; that to correct the constitutional infirmity and to			
13	ensure adequate funding for public education, the General Assembly must have			
14	more accurate and timely information regarding the assessment, settlement,			
15	and collection of property taxes by the counties; and that this act is			
16	necessary to allow the Assessment Coordination Department, the Department of			
17	Education, and the counties sufficient time to make all necessary rules,			
18	adjustments, calculations, and reports that will be necessary prior to the			
19	convening of the 86th General Assembly. Therefore, an emergency is declared			
20	to exist and this act being necessary for the preservation of the public			
21	peace, health, and safety shall become effective on:			
22	(1) The date of its approval by the Governor;			
23	(2) If the bill is neither approved nor vetoed by the Governor,			
24	the expiration of the period of time during which the Governor may veto the			
25	bill; or			
26	(3) If the bill is vetoed by the Governor and the veto is			
27	overridden, the date the last house overrides the veto.			
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29	/s/ Education Committee - Senate			
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32	APPROVED: 4/11/2006			
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