## Stricken language will be deleted and underlined language will be added. Act 72 of the Fiscal Session

| 1      | State of Arkansas   | A Bill                              |                        |  |
|--------|---|-------------------------------------|------------------------|--|
| 2      | 87th General Assembly   | 71 Billi                            | HOUSE BILL 1097        |  |
| 3      | Fiscal Session, 2010  |                                     | HOUSE BILL 1097        |  |
| 4<br>5 | By: Joint Budget Committee  | 2                                   |                        |  |
| 6      | by. Joint Budget Committee  | <del>2</del>                        |                        |  |
| 7      |   |                                     |                        |  |
| 8      |   | For An Act To Be Entitled           |                        |  |
| 9      | AN ACT TO MAKE AN APPROPRIATION FOR STATE                                   |                                     |                        |  |
| 10     | TURNBACK FOR COUNTIES AND MUNICIPALITIES BY THE                             |                                     |                        |  |
| 11     | OFFICE OF THE TREASURER OF STATE FOR THE FISCAL                             |                                     |                        |  |
| 12     | YEAR ENDING JUNE 30, 2011; AND FOR OTHER                                    |                                     |                        |  |
| 13     | PURPOSI   | ·                                   |                        |  |
| 14     |   |                                     |                        |  |
| 15     |   |                                     |                        |  |
| 16     |   | Subtitle                            |                        |  |
| 17     | AN A  | ACT FOR THE OFFICE OF TREASURER OF  |                        |  |
| 18     | STATE - FOR STATE TURNBACK FOR COUNTIES                                     |                                     |                        |  |
| 19     | AND MUNICIPALITIES APPROPRIATION FOR THE                                    |                                     |                        |  |
| 20     | 2010-2011 FISCAL YEAR.  |                                     |                        |  |
| 21     |   |                                     |                        |  |
| 22     |   |                                     |                        |  |
| 23     | BE IT ENACTED BY THE  | GENERAL ASSEMBLY OF THE STATE OF A  | ARKANSAS:              |  |
| 24     |   |                                     |                        |  |
| 25     | SECTION 1. APPROPR  | RIATION - GENERAL REVENUES TO CITIE | ES. There is hereby    |  |
| 26     | appropriated, to the  | Office of the Treasurer of State,   | to be payable from the |  |
| 27     | Municipal Aid Fund, f   | or the purpose of distributing Ger  | neral Revenue accruing |  |
| 28     | therein for the benefit of municipalities as provided by law, by the Office |                                     |                        |  |
| 29     | of the Treasurer of State for the fiscal year ending June 30, 2011, the     |                                     |                        |  |
| 30     | following:  |                                     |                        |  |
| 31     |   |                                     |                        |  |
| 32     | ITEM  |                                     | FISCAL YEAR            |  |
| 33     | NO.   |                                     | 2010-2011              |  |
| 34     | (01) GENERAL REVENUE  | S - CITIES                          | \$ 27,506,526          |  |
| 35     |   |                                     |                        |  |
| 34     | (01) GENERAL REVENUE  | CS - CITIES                         | \$ 27,506,526          |  |

| 1  | appropriated, to the Office of the Treasurer of State, to be payable from the |
|----|---|
| 2  | Municipal Aid Fund, for distributing Special Revenues accruing therein for    |
| 3  | the benefit of municipalities as provided by law, by the Office of the        |
| 4  | Treasurer of State for the fiscal year ending June 30, 2011, the following:   |
| 5  |   |
| 6  | ITEM FISCAL YEAR  |
| 7  | NO. 2010-2011   |
| 8  | (01) SPECIAL REVENUES - CITIES \$ 120,000,000                                 |
| 9  |   |
| 10 | SECTION 3. APPROPRIATION - GENERAL REVENUES TO COUNTIES. There is hereby      |
| 11 | appropriated, to the Office of the Treasurer of State, to be payable from the |
| 12 | County Aid Fund, for the purpose of distributing General Revenue accruing     |
| 13 | therein for the benefit of counties as provided by law, by the Office of the  |
| 14 | Treasurer of State for the fiscal year ending June 30, 2011, the following:   |
| 15 |   |
| 16 | ITEM FISCAL YEAR  |
| 17 | NO. 2010-2011   |
| 18 | (01) GENERAL REVENUE - COUNTIES \$ 19,741,546                                 |
| 19 |   |
| 20 | SECTION 4. APPROPRIATION - SPECIAL REVENUES TO COUNTIES. There is hereby      |
| 21 | appropriated, to the Office of the Treasurer of State, to be payable from the |
| 22 | County Aid Fund, for the purpose of distributing any monies provided by       |
| 23 | Highway Turnback, Severance Taxes to counties, and any other monies provided  |
| 24 | by the Acts of the General Assembly for the benefit of counties, by the       |
| 25 | Office of the Treasurer of State for the fiscal year ending June 30, 2011,    |
| 26 | the following:  |
| 27 |   |
| 28 | ITEM FISCAL YEAR  |
| 29 | NO. 2010-2011   |
| 30 | (01) SPECIAL REVENUE - COUNTIES \$ 160,000,000                                |
| 31 |   |
| 32 | SECTION 5. APPROPRIATION - UNANTICIPATED SPECIAL REVENUES. There is hereby    |
| 33 | appropriated, to the Office of the Treasurer of State, to be payable from the |
| 34 | County Aid Fund, from unanticipated monies received from the sale or lease of |
| 35 | minerals, oil and gas on federal military lands or from other unanticipated   |
| 36 | special revenues, for the transfer to those counties to which such monies are |

| 1  | allocated by law, by the Office of the Treasurer of State for the fiscal year |                         |  |  |  |
|----|---|-------------------------|--|--|--|
| 2  | ending June 30, 2011, the following:  |                         |  |  |  |
| 3  |   |                         |  |  |  |
| 4  | ITEM  | FISCAL YEAR             |  |  |  |
| 5  | NO.   | 2010-2011               |  |  |  |
| 6  | (01) UNANTICIPATED SPECIAL REVENUES   | \$ 20,000,000           |  |  |  |
| 7  |   |                         |  |  |  |
| 8  | SECTION 6. APPROPRIATION - MILITARY LAND SALE. The                            | re is hereby            |  |  |  |
| 9  | appropriated, to the Office of the Treasurer of State, to be payable from the |                         |  |  |  |
| 10 | County Aid Fund, from monies received from the sale or lease of minerals, oi  |                         |  |  |  |
| 11 | and gas on federal military lands to the County Road Fund of the counties to  |                         |  |  |  |
| 12 | which such monies are allocated by law, by the Office of the Treasurer of     |                         |  |  |  |
| 13 | State for the fiscal year ending June 30, 2011, the s                         | um of \$750,000.        |  |  |  |
| 14 |   |                         |  |  |  |
| 15 | SECTION 7. APPROPRIATION - MILITARY LAND TAXING UN                            | IT DISTRIBUTION. There  |  |  |  |
| 16 | is hereby appropriated, to the Office of the Treasure                         | r of State, to be       |  |  |  |
| 17 | payable from the County Aid Fund, from monies received from the sale or lease |                         |  |  |  |
| 18 | of minerals, oil and gas on federal military lands to the County Treasurer o  |                         |  |  |  |
| 19 | the counties to which such monies are allocated by law, for distribution to   |                         |  |  |  |
| 20 | the various taxing units of said count as provided by law, by the Office of   |                         |  |  |  |
| 21 | the Treasurer of State for the fiscal year ending June 30, 2011, the sum of   |                         |  |  |  |
| 22 |   | \$1,250,000.            |  |  |  |
| 23 |   |                         |  |  |  |
| 24 | SECTION 8. APPROPRIATION - REAL PROPERTY TAX REDUCTION - COUNTIES. There      |                         |  |  |  |
| 25 | is hereby appropriated, to the Office of the Treasurer of State, to be        |                         |  |  |  |
| 26 | payable from the Property Tax Relief Trust Fund, for distributing funds       |                         |  |  |  |
| 27 | provided by a statewide property tax reduction to counties, by the Office of  |                         |  |  |  |
| 28 | the Treasurer of State for the fiscal year ending June 30, 2011, the          |                         |  |  |  |
| 29 | following:  |                         |  |  |  |
| 30 |   |                         |  |  |  |
| 31 | ITEM  | FISCAL YEAR             |  |  |  |
| 32 | NO.   | 2010-2011               |  |  |  |
| 33 | (01) DISTRIBUTION TO COUNTIES FOR PROPERTY                                    |                         |  |  |  |
| 34 | TAX RELIEF  | \$ 250,000,000          |  |  |  |
| 35 |   |                         |  |  |  |
| 36 | SECTION 9. APPROPRIATION - PROPERTY TAX RELIEF FUN                            | D REVENUES DISTRIBUTION |  |  |  |

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     TO COUNTIES. There is hereby appropriated, to the Office of the Treasurer of
 2
     State, to be payable from the Property Tax Relief Trust Fund, for accruing
 3
     therein for the benefit of counties to be distributed using the formula for
     the County Aid Fund under $19-5-602(c), by the Office of the Treasurer of
 4
     State for the fiscal year ending June 30, 2011, the following:
 5
 6
 7
     ITEM
                                                                  FISCAL YEAR
8
     NO.
                                                                    2010-2011
 9
     (01) DISTRIBUTION TO COUNTIES
                                                               $
                                                                    4,000,000
10
11
        SECTION 10. APPROPRIATION - PROPERTY TAX RELIEF FUND REVENUES DISTRIBUTION
12
     TO CITIES. There is hereby appropriated, to the Office of the Treasurer of
     State, to be payable from the Property Tax Relief Trust Fund, for accruing
13
14
     therein for the benefit of municipalities to be distributed using the formula
     for the Municipal Aid Fund under $19-5-601(c)$, by the Office of the Treasurer
15
     of State for the fiscal year ending June 30, 2011, the following:
16
17
     ITEM
                                                                  FISCAL YEAR
18
                                                                    2010-2011
19
     NO.
     (01) DISTRIBUTION TO CITIES
20
                                                               $
                                                                    4,000,000
21
22
        SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
     CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
23
24
     DISTRIBUTION OF FUNDS. Funding provided in Sections 9 and 10 of this Act from
25
     the Property Tax Relief Trust Fund shall not be distributed unless there are
26
     sufficient funds in the Property Tax Relief Trust Fund as of the date that the
27
     Chief Fiscal Officer of the State certifies the amount in excess of the
28
     required reimbursement to the counties as provided in \S26-26-310(b)(2)(C)(i).
29
     If there are sufficient funds remaining in the Property Tax Relief Trust Fund
     on December 31, \frac{2009}{2010}, as certified, the Treasurer shall distribute four
30
31
     million dollars ($4,000,000) to counties and four million dollars ($4,000,000)
32
     to cities for the fiscal year ending June 30, 2010 2011 from the balance
33
     remaining on December 31, 2009 2010 from the Property Tax Relief Trust Fund.
34
     The distribution to counties shall be made in accordance with the distribution
     formula in $19-5-602(c). The distribution to cities shall be made in
35
36
     accordance with the distribution formula in §19-5-601(b). The funds
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- 1 attributable to sales and use taxes levied prior to July 1, 2009 2010 shall 2 not be transferred from the Property Tax Relief Trust Fund to the cities and 3 counties. 4 The provisions of this section shall be in effect only from July 1, 2009 5 2010 through June 30, <del>2010</del> 2011. 6 7 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COUNTY 9 TURNBACK - UNANTICIPATED FUNDS. The appropriation authorized for General 10 Revenue to Counties in Section 3, Military Land Sale in Section 6 and 11 Military Land Taxing Unit Distribution in Section 7 of this Act, or any other 12 appropriation as provided by the General Assembly for aid to counties may be supplemented, if necessary, by a transfer from the appropriation provided for 13 14 Unanticipated Special Revenues in Section 5 of this Act. 15 The provisions of this section shall be in effect only from July 1, 16 2009 2010 through June 30, 2010 2011. 17 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 18 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. LOANS TO 19 20 CITIES AND COUNTIES. On July 1 of each fiscal year, the Chief Fiscal Officer 21 of the State shall request a transfer by the State Treasurer from the Budget 22 Stabilization Trust Fund to the County Aid Fund and to the Municipal Aid Fund 23 to assist the various cities and counties in meeting cash flow needs early in 24 the state fiscal year. The transfer shall be a loan to be repaid in equal 25 installments from general revenue distributions each month during the fiscal 26 year for which the loan was made and shall be in addition to any other loans 27 authorized by law for the County Aid and Municipal Aid Funds. The amount of 28 such loan for each fiscal year shall be \$3,517,657 to the Municipal Aid Fund 29 and \$1,906,079 to the County Aid Fund, or so much thereof as may be available 30 in the Budget Stabilization Trust Fund as determined by the Chief Fiscal 31 Officer of the State. Upon such transfer being completed, the State 32 Treasurer shall immediately distribute such funds to each of the several 33 municipalities and counties in the same manner as general revenues are
- It is the intent of the General Assembly that the Chief Fiscal Officer of the State and the State Treasurer shall make every reasonable, and

34

distributed.

1 financially sound effort to insure that local governments receive the full 2 amount of the loan authorized herein on July 1 of each year and that the 3 monies authorized for local governments from general revenues be distributed 4 in equal monthly payments. 5 The provisions of this section shall be in effect only from July 1, 6 2009 2010 through June 30, 2010 2011. 7 8 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY 9 10 FORWARD. At the close of each fiscal year any unexpended funds for the 11 County Aid and Municipal Aid line items shall be carried forward and made 12 available for the same purpose for the next fiscal year. The provisions of this section shall be in effect only from July 1, 2009 13 14 2010 through June 30, <del>2010</del> 2011. 15 16 SECTION 15. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized 17 by this act shall be limited to the appropriation for such agency and funds 18 made available by law for the support of such appropriations; and the 19 restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary 20 Procedures and Restrictions Act, or their successors, and other fiscal 21 22 control laws of this State, where applicable, and regulations promulgated by 23 the Department of Finance and Administration, as authorized by law, shall be 24 strictly complied with in disbursement of said funds. 25 26 SECTION 16. LEGISLATIVE INTENT. It is the intent of the General Assembly 27 that any funds disbursed under the authority of the appropriations contained 28 in this act shall be in compliance with the stated reasons for which this act 29 was adopted, as evidenced by the Agency Requests, Executive Recommendations 30 and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral 31 32 testimony in the official minutes of the Arkansas Legislative Council or 33 Joint Budget Committee which relate to its passage and adoption. 34 35 SECTION 17. EMERGENCY CLAUSE. It is found and determined by the General

Assembly, that the Constitution of the State of Arkansas prohibits the

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| 1        | appropriation of funds for more than a one (1) year period; that the          |
|----------|---|
| 2        | effectiveness of this Act on July 1, 2010 is essential to the operation of    |
| 3        | the agency for which the appropriations in this Act are provided, and that in |
| 4        | the event of an extension of the legislative session, the delay in the        |
| 5        | effective date of this Act beyond July 1, 2010 could work irreparable harm    |
| 6        | upon the proper administration and provision of essential governmental        |
| 7        | programs. Therefore, an emergency is hereby declared to exist and this Act    |
| 8        | being necessary for the immediate preservation of the public peace, health    |
| 9        | and safety shall be in full force and effect from and after July 1, 2010.     |
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| 11       | APPROVED: 02/19/2010  |
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