

1 State of Arkansas *As Engrossed: H2/8/11 H2/24/11 H3/2/11*

2 88th General Assembly

A Bill

3 Regular Session, 2011

HOUSE BILL 1296

4

5 By: Representative Carnine

6 By: Senator J. Key

7

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For An Act To Be Entitled

9 AN ACT TO CLARIFY THE DEFINITION OF REVENUE RECEIPTS
10 OF A SCHOOL DISTRICT; AND FOR OTHER PURPOSES.

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Subtitle

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TO CLARIFY THE DEFINITION OF REVENUE

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RECEIPTS OF A SCHOOL DISTRICT.

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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 § 6-20-401(4), concerning the definition of
21 revenue receipts of a school district, is amended to read as follows:

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(4) "Revenue receipts of a school district" means those receipts
that do not result in increasing school indebtedness or in depleting school
property. Specifically, revenue receipts of a school district for any fiscal
year shall consist of the following funds:

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(A) Net cash balance on hand at the beginning of the
school fiscal year, July 1;

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(B) The remaining net proceeds of local taxes collected in
the calendar year in which the school fiscal year started ~~plus forty percent~~
~~(40%) of the proceeds of the local taxes that are not pledged to secure~~
~~bonded indebtedness or forty percent (40%) of the revenue from the uniform~~
~~rate of tax whichever is greater collected in the succeeding calendar year.~~
~~This forty percent (40%) shall be determined by applying the following~~
~~formula: The greater of the assessed valuation multiplied by the tax rate~~
~~which is not pledged to secure bonded indebtedness multiplied by forty~~
~~percent (40%) or the assessed valuation multiplied by the uniform rate of tax~~



1 ~~multiplied by forty percent (40%); and~~

2 (C)(i) For the 2011-2012 school year, the proceeds of the
3 local taxes collected by June 30 in the succeeding calendar year. If the
4 amount collected is less than thirty-six percent (36%) of the proceeds of the
5 local taxes that are not pledged to secure bonded indebtedness, the amount
6 necessary to equal thirty-six percent (36%) may be accrued.

7 (ii) The percentage under subdivision (4)(C)(i) of
8 this section shall be reduced by four percent (4%) each subsequent school
9 year until it is zero (0), as follows:

10 (a) Thirty-two percent (32%) in the 2012-2013
11 school year;

12 (b) Twenty-eight percent (28%) in the 2013-
13 2014 school year;

14 (c) Twenty-four percent (24%) in the 2014-2015
15 school year;

16 (d) Twenty percent (20%) in the 2015-2016
17 school year;

18 (e) Sixteen percent (16%) in the 2016-2017
19 school year;

20 (f) Twelve percent (12%) in the 2017-2018
21 school year;

22 (g) Eight percent (8%) in the 2018-2019 school
23 year;

24 (h) Four percent (4%) in the 2019-2020 school
25 year; and

26 year.

27 (iii) Declining balances attributed solely to a
28 school district's compliance with the requirements of subdivision (C)(ii) of
29 this section shall not be considered an indicator of fiscal distress; and
30 year; and

31 (D) The net proceeds of all other funds accrued or placed
32 to the credit of the district during the fiscal year from regular revenue
33 sources, including, ~~but not limited to,~~ without limitation state and federal
34 funding.

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36 /s/Carnine

APPROVED: 03/31/2011