

HOUSE AMENDMENT 1 TO hb2093.

by striking Section 2 of the bill in its entirety;

AND

by striking lines 1 and 2 on page 2 in their entirety and substituting therefor:

"and those of the State Treasurer the sum of \$500,000 from the Budget Stabilization Trust Fund to the Public School Fund.";

AND

by striking SECTION 4 of the bill in its entirety and substituting therefor:

"SECTION 4. SPECIAL LANGUAGE. Arkansas Code Annotated § 6-20-312(b) and (c) are hereby amended to read as follows:

_(b) On or before December 1, 1995, ~~and on or before each subsequent December 1 thereafter,~~ the Director of the Department of Education shall certify to the Director of the Department of Finance and Administration the name of any local school district which ~~has~~ failed to levy at least the base millage.

(c) For the taxable ~~years~~ year beginning on ~~and after~~ January 1, 1996, there is hereby levied an income tax surcharge of ten percent (10%) of the tax liability of every individual resident of each local school district not levying the base millage prior to December 1 of the preceding year, or "certification year"._";

AND

by striking SECTION 5 of the bill in its entirety and substituting therefor:

"SECTION 5. SPECIAL LANGUAGE. Arkansas Code Annotated § 19-6-481 (b) is hereby amended to read as follows:

_(b) At the end of each month, the Treasurer of the State shall certify to the Department of Education such amounts as have accrued in the Public School Support Fund and shall transfer such amounts to the Public School Fund, where the Department of Education shall distribute these additional funds to the local school districts that failed to levy the base millage in a fashion that, when combined with the revenues produced by the millage available for maintenance and operation actually levied by each local school district, provides the same amount of revenue as would have been provided by levying the base millage in such local school district. Further, if for any school district the revenues generated by the income tax surcharge levied by Arkansas Code Annotated § 6-20-312(c) is greater than the revenues that would have been produced if the Base Millage had actually been levied by the school district, then the total amount of revenues generated by the income tax surcharge from the residents of that local school district shall be distributed back by the Department of Education to that local school district. ";

and

by adding a new section immediately after Section 5 to read as follows:

"SECTION 6. SPECIAL LANGUAGE. Notwithstanding the provisions of Arkansas Code Annotated 19-5-501 et seq., or any law to the contrary, up to \$2,000,000 received by the Public School Fund from the Budget Stabilization Trust Fund either by loan or transfer during the 1996-97 fiscal year, shall be repaid from time to time by transfer by the State Treasurer from either the Public School Support Fund or the Public School Fund solely from revenues generated by the income tax surcharge levied by Arkansas Code Annotated §6-20-312(c) after the provisions of Arkansas Code Annotated §19-6-481(b) have been achieved.";

and

by appropriately renumbering subsequent sections of the bill.