

# A Bill

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6 By: Representatives King, Westerman, Johnston, Clemmer, English, Hobbs, D. Hutchinson, Kerr,  
7 Sanders

8 By: Senators B. Sample, Burnett, J. Hutchinson, Rapert

9 Filed with: Interim House Committee on Education  
10 pursuant to A.C.A. §10-3-217.

## 11 For An Act To Be Entitled

12 AN ACT TO ALLOW A SCHOOL DISTRICT TO KEEP ANY EXCESS  
13 UNIFORM RATE OF TAX COLLECTION REVENUES THAT REMAIN  
14 AFTER FULLY FUNDING STUDENT FOUNDATION FUNDING FOR  
15 THE SCHOOL DISTRICT FROM THE UNIFORM RATE OF TAX  
16 COLLECTION; AND FOR OTHER PURPOSES.

## 17 18 19 Subtitle

20 TO ALLOW A SCHOOL DISTRICT TO KEEP ANY  
21 EXCESS UNIFORM RATE OF TAX COLLECTION  
22 REVENUES THAT REMAIN AFTER FULLY FUNDING  
23 STUDENT FOUNDATION FUNDING FOR THE SCHOOL  
24 DISTRICT FROM THE UNIFORM RATE OF TAX  
25 COLLECTION.

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28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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30 SECTION 1. Arkansas Code § 6-20-2305(a)(4)(B) and (C), concerning  
31 uniform rate of tax revenues, is amended to read as follows:

32 (B) For a school district whose net revenues are more than  
33 the sum of ninety-eight percent (98%) of the uniform rate of tax multiplied  
34 by the property assessment of the school district and the school district  
35 received state foundation funding aid, the Department of Education, under ~~the~~

1 ~~authority of~~ § 6-20-2306, shall recoup from the school district an amount  
2 equal to the difference between:

- 3 (i) The net revenues of the school district; and
- 4 (ii) The sum of ninety-eight percent (98%) of the  
5 uniform rate of tax multiplied by the property assessment of the school  
6 district.

7 (C) Beginning with the 2009-2010 school year, a school  
8 district whose net revenues from the uniform rate of tax are sufficient to  
9 cover foundation funding without state foundation funding aid may retain all  
10 uniform-rate-of-tax revenues collected for the benefit of the school  
11 district.

12 ~~(C)(D)~~(i) Data to verify the timely receipt of revenues  
13 applicable to the required ninety-eight percent (98%) of the uniform rate of  
14 tax multiplied by the property assessment of the school district shall be  
15 collected annually by the Department of Education in cooperation with the  
16 Assessment Coordination Department.

17 (ii)(a) Data may be appropriately adjusted by the  
18 Department of Education if it is determined that irregular distributions by a  
19 county treasurer of excess commissions cause a school district's property tax  
20 collection rate from the uniform rate of tax to exceed ninety-eight percent  
21 (98%).

22 (b) The Department of Education may adjust the  
23 uniform rate of tax from an irregular distribution to an amount not in excess  
24 of ninety-eight percent (98%) and apply the excess distribution amount the  
25 following school year.

26 (iii) Evidence of irregular distributions shall be  
27 in the form required by the Department of Education.

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29 SECTION 2. Arkansas Code § 19-5-305(b), concerning the Public School  
30 Fund, is amended to read as follows:

31 (b) The Public School Fund shall consist of those moneys as may be  
32 provided by:

- 33 (1) The Revenue Stabilization Law, § 19-5-101 et seq.;
- 34 (2) Any federal mineral leasing funds, federal forest reserve  
35 funds, federal flood control funds, or any other similar turnback funds in

1 the State Treasury for which the eligible county or school district cannot be  
2 identified;

3 (3) Fines collected pursuant to § 6-21-410 under the Free  
4 Textbook Act of 1975, § 6-21-401 et seq.;

5 (4) Funds remitted by county treasurers for those school  
6 districts ~~which have local revenue per student in excess of the local base~~  
7 ~~per student~~, as set out in § 26-80-101(c);

8 (5) Amusement machine revenues up to and including thirty  
9 thousand dollars (\$30,000), as set out in § 26-57-407;

10 (6) Additional rental vehicle tax revenues in excess of two  
11 million eight hundred ~~and~~ fifty thousand dollars (\$2,850,000), as set out in  
12 § 26-63-302, to be used exclusively for teacher salaries; and

13 (7) Such other funds as may be authorized by law.  
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15 SECTION 3. Arkansas Code § 26-80-202(b)(1)(A) and (B), concerning the  
16 uniform rate of tax, is amended to read as follows:

17 (b)(1)(A) The uniform rate of tax shall be assessed and collected in  
18 the same manner as other school property taxes, but the net revenues from the  
19 uniform rate of tax shall be remitted to the Treasurer of State and  
20 distributed by the state to the county treasurer of each county for  
21 distribution to the school districts in that county as provided by subsection  
22 (c) of this section.

23 (B) ~~No portion of the revenues~~ Revenues from the uniform  
24 rate of tax shall not be retained by the state but shall be distributed back  
25 to the school district from which the revenues were received ~~or to other~~  
26 ~~school districts pursuant to~~ under subsection (c) of this section.  
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28 /s/King  
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30 Referred by the Arkansas House of Representatives

31 Prepared by: SAG/VJF  
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