

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

A Bill

HOUSE BILL 1850

5 By: Representative Petrus
6 By: Senator Critcher
7
8

For An Act To Be Entitled

10 AN ACT TO APPLY A PORTION OF STATE SURPLUS FUNDS
11 TO FINANCE HIGHWAY CONSTRUCTION, RECONSTRUCTION
12 AND MAINTENANCE, AND TO PROVIDE FUNDS FOR COUNTY
13 AID AND MUNICIPAL AID; TO AUTHORIZE THE TRANSFER
14 OF FUNDS; AND FOR OTHER PURPOSES.
15

Subtitle

16 AN ACT TO FINANCE HIGHWAY CONSTRUCTION
17 AND TO PROVIDE ADDITIONAL COUNTY AID AND
18 MUNICIPAL AID.
19
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. (a) This Act may be referred to and cited as the Highway
25 Improvement Revenue Act of 2007.

26 (b) It is found by the General Assembly that in order to provide for
27 adequate state highway construction, reconstruction, and maintenance, and for
28 providing additional county aid and municipal aid, revenue must be available
29 from the State surplus and dedicated as special revenue for the purpose of
30 constructing, reconstructing and maintaining the state highway system and for
31 providing additional funds for county aid and municipal aid.
32

33 SECTION 2. In order to provide a source of revenue to finance highway
34 construction, reconstruction, maintenance, and to provide additional monies
35 for county aid and municipal aid, immediately upon the effective date of this
36 act, the Chief Fiscal Officer of the State shall transfer on his books and



1 those of the State Treasure and Auditor of State, the sum of one hundred
 2 million dollars (\$100,000,000) from the General Revenue Allotment Reserve
 3 Fund, which immediately such sum shall be declared as special revenue, and
 4 disbursed as follows:

5 (1) Fifteen percent (15%) of the amount thereof to the County Aid
 6 Fund;

7 (2) Fifteen percent (15%) of the amount thereof to the Municipal Aid
 8 Fund; and

9 (3) Seventy percent (70%) of the amount thereof to the State Highway
 10 and Transportation Department Fund.

11 (b) Funds disbursed to the County Aid Fund and Municipal Aid Fund
 12 pursuant to this act may be expended on any legitimate county or municipal
 13 purpose and are not limited to expenditures for highway related purposes.
 14

15 SECTION 3. Arkansas Code 27-70-207 is amended to read as follows:
 16 27-70-207. Distribution to county funds.

17 (a)(1)(A) With the exception of those revenues transferred pursuant to
 18 Section 2 of the Highway Improvement Revenue Act of 2007, All all highway
 19 revenues transferred to the County Aid Fund under this subchapter shall be
 20 paid over by the Treasurer of State to the treasurers of the respective
 21 counties of this state for credit to the county highway fund, there to be
 22 used for the maintenance, construction, and reconstruction of roads and
 23 bridges in the county highway system, provided, however, that no more than
 24 twenty percent (20%) of the revenues received by a county during any fiscal
 25 year may also be used for public transportation.

26 (B) A county may also use these funds to construct and maintain
 27 parking for county courthouses, county administration buildings, county
 28 health units, and county parks and to construct and maintain sidewalks that
 29 serve county courthouses, county administration buildings, county health
 30 units, county parks, public schools, and other publicly owned property.

31 (C) A county may use these funds to pay for local projects
 32 eligible for funding under state programs of the Arkansas State Highway and
 33 Transportation Department and under federal programs of the Federal Highway
 34 Administration of the United States Department of Transportation.

35 (D) Furthermore, the funds may be used to install and maintain
 36 traffic signals where needed to preserve public health, safety, and welfare.

1 (E) A county may provide these funds to a regional mobility
 2 authority to match federal transportation funds for the financing of surface
 3 transportation system improvements on state highways, county roads, and city
 4 streets.

5 (2)(A) Funds disbursed to the County Aid Fund pursuant to Section
 6 2 of the Highway Improvement Revenue Act of 2007 may be expended by the
 7 counties on any legitimate county purpose and are not limited to the uses set
 8 forth in subdivision (a)(1) of this section.

9 (B) Funds disbursed to the County Aid Fund pursuant to Section 2
 10 of the Highway Improvement Revenue Act of 2007 shall be distributed to the
 11 various counties as are other funds contained in the County Aid Fund,
 12 pursuant to subdivision (a)(3) of this section.

13 ~~(3)~~ (3) The Treasurer of State shall on or before the tenth day
 14 next following the last day of each calendar month make distribution of the
 15 revenues on the following basis:

16 (A) Thirty-one percent (31%) of the amount according to area,
 17 with each county to receive the proportion that its area bears to the area of
 18 the state;

19 (B) Seventeen and one-half percent (17.5%) of the amount
 20 according to the amount of state motor vehicle license fees collected in the
 21 calendar year next preceding any distribution as certified to the Treasurer
 22 of State by the Director of the Department of Finance and Administration,
 23 with each county to receive the proportion that the total of fees collected
 24 from the county bears to the total of fees collected in the state;

25 (C) Seventeen and one-half percent (17.5%) of the amount
 26 according to population based upon the most recent federal decennial census,
 27 with each county to receive the proportion that its population bears to the
 28 population of the state;

29 (D) Thirteen and one-half percent (13.5%) of the amount
 30 according to rural population based upon the most recent federal decennial
 31 census, with each county to receive the proportion that its rural population
 32 bears to the rural population of the state; and

33 (E) Twenty and one-half percent (20.5%) of the amount shall be
 34 divided equally among the seventy-five (75) counties.

35 (b)(1)(A) With the exception of those revenues transferred
 36 pursuant to Section 2 of the Highway Improvement Revenue Act of 2007, All all

1 highway revenues transferred to the Municipal Aid Fund under the provisions
 2 of this subchapter shall be paid over by the Treasurer of State to the
 3 treasurers of the respective cities of the first class, cities of the second
 4 class, and incorporated towns for credit to the street fund, there to be used
 5 for the maintenance, construction, and reconstruction of streets which are
 6 not continuations of state highways.

7 (B)(i) Provided, however, that cities with a population in
 8 excess of fifty thousand (50,000) inhabitants may use no more than ten
 9 percent (10%) of the revenues for public transportation.

10 (ii) All other cities may use no more than twenty percent (20%)
 11 of the revenues for public transportation.

12 (C) A city may provide these funds to a regional mobility
 13 authority to match federal transportation funds for the financing of surface
 14 transportation system improvements on state highways, county roads, and city
 15 streets.

16 (2) The Treasurer of State shall on or before the tenth day next
 17 following the last day of each calendar month make distribution of the funds
 18 on the basis of population according to the most recent federal census, with
 19 the amount to be paid over to each city or incorporated town in the
 20 proportion that its population bears to the total population of all cities
 21 and towns.

22 (3)(A) Funds disbursed to the Municipal Aid Fund pursuant to
 23 Section 2 of the Highway Improvement Revenue Act of 2007 may be expended by
 24 the cities on any legitimate municipal purpose and are not limited to the
 25 uses set forth in subdivision (b)(1) of this section.

26 (B) Funds disbursed to the Municipal Aid Fund pursuant to
 27 Section 2 of the Highway Improvement Revenue Act of 2007 shall be distributed
 28 to the various cities as are other funds contained in the Municipal Aid Fund,
 29 pursuant to subdivision (b)(2) of this section.

30 (c)(1) All highway revenues transferred to the State Highway and
 31 Transportation Department Fund under the provisions of this subchapter shall
 32 be used for the construction, reconstruction, and maintenance of highways and
 33 bridges in the state highway system.

34 (2)(A) However, the department may use highway revenues
 35 transferred to the State Highway and Transportation Department Fund for the
 36 installation, upgrading, or improvement of any highway-railroad crossing

1 safety device, railroad crossing traffic control device, warning lights,
 2 crossing gates, or other railroad crossing safety devices at public highway
 3 railroad crossings and for the construction, reconstruction, and maintenance
 4 of any highway-railroad crossing, including the construction or installation
 5 of any underpasses or overpasses.

6 (B) Except for the construction or installation of underpasses
 7 or overpasses, the department’s goal is to expend one dollar (\$1.00) of state
 8 funds for each dollar of federal funds received to improve railroad crossing
 9 safety and to reduce railroad crossing accidents.

10 (C) It is the intent of this subdivision (c)(2) to encourage the
 11 State Highway Commission to continue to upgrade the state’s highway-railway
 12 crossings with traffic control devices, warning lights, crossing gates, and
 13 other appropriate devices in order to increase the safety of persons using
 14 the state’s highways.

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 16 SECTION 4. Emergency clause. It is hereby found and determined by the
 17 Eighty-sixth General Assembly that there is an immediate need for the
 18 construction, reconstruction, and maintenance of highways and roads
 19 comprising the State highway system and to provide additional funds for
 20 county and municipal aid and that such programs cannot be accomplished
 21 without additional funding. Therefore, an emergency is declared to exist and
 22 this act being immediately necessary for the preservation of the public
 23 peace, health and safety shall become effective on the date of its approval
 24 by the Governor. If the bill is neither approved nor vetoed by the Governor,
 25 it shall become effective on the expiration of the period of time during
 26 which the Governor may veto the bill. If the bill is vetoed by the Governor
 27 and the veto is overridden, it shall become effective on the date the last
 28 house overrides the veto.

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