

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

A Bill

HOUSE BILL 1084

5 By: Joint Budget Committee
6

For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR STATE
9 TURNBACK FOR COUNTIES AND MUNICIPALITIES BY THE
10 OFFICE OF THE TREASURER OF STATE FOR THE FISCAL
11 YEAR ENDING JUNE 30, 2012; AND FOR OTHER
12 PURPOSES.
13
14

Subtitle

15 AN ACT FOR THE OFFICE OF THE TREASURER OF
16 STATE - FOR STATE TURNBACK FOR COUNITIES AND
17 MUNICIPALITIES APPROPRIATION FOR THE 2011-
18 2012 FISCAL YEAR.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. APPROPRIATION - GENERAL REVENUES TO CITIES. There is hereby
25 appropriated, to the Office of the Treasurer of State, to be payable from the
26 Municipal Aid Fund, for the purpose of distributing General Revenue accruing
27 therein for the benefit of municipalities as provided by law by the Office of
28 the Treasurer of State for the fiscal year ending June 30, 2012, the
29 following:
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ITEM	FISCAL YEAR
<u>NO.</u>	<u>2011-2012</u>
(01) GENERAL REVENUES - CITIES	<u>\$27,372,099</u>

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35 SECTION 2. APPROPRIATION - SPECIAL REVENUES TO CITIES. There is hereby
36 appropriated, to the Office of the Treasurer of State, to be payable from the



1 Municipal Aid Fund, for distributing Special Revenues accruing therein for
 2 the benefit of municipalities as provided by law, by the Office of the
 3 Treasurer of State for the fiscal year ending June 30, 2012, the following:

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5 ITEM	FISCAL YEAR
6 <u>NO.</u>	<u>2011-2012</u>
7 (01) SPECIAL REVENUES - CITIES	<u>\$120,000,000</u>

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9 SECTION 3. APPROPRIATION - GENERAL REVENUES TO COUNTIES. There is
 10 hereby appropriated, to the Office of the Treasurer of State, to be payable
 11 from the County Aid Fund, for the purpose of distributing General Revenue
 12 accruing therein for the benefit of counties as provided by law, by the
 13 Office of the Treasurer of State for the fiscal year ending June 30, 2012,
 14 the following:

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16 ITEM	FISCAL YEAR
17 <u>NO.</u>	<u>2011-2012</u>
18 (01) GENERAL REVENUE - COUNTIES	<u>\$19,645,067</u>

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20 SECTION 4. APPROPRIATION - SPECIAL REVENUES TO COUNTIES. There is
 21 hereby appropriated, to the Office of the Treasurer of State, to be payable
 22 from the County Aid Fund, for the purpose of distributing any monies provided
 23 by Highway Turnback, Severance Taxes to counties, and any other monies
 24 provided by the Acts of the General Assembly for the benefit of counties, by
 25 the Office of the Treasurer of State for the fiscal year ending June 30,
 26 2012, the following:

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28 ITEM	FISCAL YEAR
29 <u>NO.</u>	<u>2011-2012</u>
30 (01) SPECIAL REVENUE - COUNTIES	<u>\$160,000,000</u>

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32 SECTION 5. APPROPRIATION - UNANTICIPATED SPECIAL REVENUES. There is
 33 hereby appropriated, to the Office of the Treasurer of State, to be payable
 34 from the County Aid Fund, from unanticipated monies received from the sale or
 35 lease of minerals, oil and gas on federal military lands or from other
 36 unanticipated special revenues, for the transfer to those counties to which

1 such monies are allocated by law, by the Office of the Treasurer of State for
 2 the fiscal year ending June 30, 2012, the following:

4 ITEM	FISCAL YEAR
5 <u>NO.</u>	<u>2011-2012</u>
6 (01) UNANTICIPATED SPECIAL REVENUES	<u>\$20,000,000</u>

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 8 SECTION 6. APPROPRIATION - REAL PROPERTY TAX REDUCTION - COUNTIES.

9 There is hereby appropriated, to the Office of the Treasurer of State, to be
 10 payable from the Property Tax Relief Trust Fund, for distributing funds
 11 provided by a statewide property tax reduction to counties, by the Office of
 12 the Treasurer of State for the fiscal year ending June 30, 2012, the
 13 following:

15 ITEM	FISCAL YEAR
16 <u>NO.</u>	<u>2011-2012</u>
17 (01) DISTRIBUTION TO COUNTIES FOR PROPERTY 18 TAX RELIEF	<u>\$250,000,000</u>

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 20 SECTION 7. APPROPRIATION - PROPERTY TAX RELIEF FUND REVENUES

21 DISTRIBUTION TO COUNTIES. There is hereby appropriated, to the Office of the
 22 Treasurer of State, to be payable from the Property Tax Relief Trust Fund,
 23 for accruing therein for the benefit of counties to be distributed using the
 24 formula for the County Aid Fund under §19-5-602(c), by the Office of the
 25 Treasurer of State for the fiscal year ending June 30, 2012, the following:

27 ITEM	FISCAL YEAR
28 <u>NO.</u>	<u>2011-2012</u>
29 (01) DISTRIBUTION TO COUNTIES	<u>\$4,000,000</u>

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 31 SECTION 8. APPROPRIATION - PROPERTY TAX RELIEF FUND REVENUES

32 DISTRIBUTION TO CITIES. There is hereby appropriated, to the Office of the
 33 Treasurer of State, to be payable from the Property Tax Relief Trust Fund,
 34 for accruing therein for the benefit of municipalities to be distributed
 35 using the formula for the Municipal Aid Fund under §19-5-601(c), by the
 36 Office of the Treasurer of State for the fiscal year ending June 30, 2012,

1 the following:

3	ITEM	FISCAL YEAR
4	<u>NO.</u>	<u>2011-2012</u>
5	(01) DISTRIBUTION TO CITIES	<u>\$4,000,000</u>

7 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

9 DISTRIBUTION OF FUNDS. Funding provided in Sections 7 and 8 of this Act from
 10 the Property Tax Relief Trust Fund shall not be distributed unless there are
 11 sufficient funds in the Property Tax Relief Trust Fund as of the date that the
 12 Chief Fiscal Officer of the State certifies the amount in excess of the
 13 required reimbursement to the counties as provided in §26-26-310(b)(2)(C)(i).
 14 If there are sufficient funds remaining in the Property Tax Relief Trust Fund
 15 on December 31, ~~2010~~ 2011, as certified, the Treasurer shall distribute four
 16 million dollars (\$4,000,000) to counties and four million dollars (\$4,000,000)
 17 to cities for the fiscal year ending June 30, ~~2011~~ 2012 from the balance
 18 remaining on December 31, ~~2010~~ 2011 from the Property Tax Relief Trust Fund.
 19 The distribution to counties shall be made in accordance with the distribution
 20 formula in §19-5-602(c). The distribution to cities shall be made in
 21 accordance with the distribution formula in §19-5-601(b). The funds
 22 attributable to sales and use taxes levied prior to July 1, ~~2010~~ 2011 shall
 23 not be transferred from the Property Tax Relief Trust Fund to the cities and
 24 counties.

25 The provisions of this section shall be in effect only from July 1,
 26 ~~2010~~ 2011 through June 30, ~~2011~~ 2012.

28 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 29 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. COUNTY
 30 TURNBACK - UNANTICIPATED FUNDS. The appropriation authorized for General
 31 Revenue to Counties in Section 3, ~~Military Land Sale in Section 6 and~~
 32 ~~Military Land Taxing Unit Distribution in Section 7 of this Act,~~ or any other
 33 appropriation as provided by the General Assembly for aid to counties may be
 34 supplemented, if necessary, by a transfer from the appropriation provided for
 35 Unanticipated Special Revenues in Section 5 of this Act.

36 The provisions of this section shall be in effect only from July 1, ~~2010~~

1 2011 through June 30, ~~2011~~ 2012.

2
3 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
4 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. LOANS TO
5 CITIES AND COUNTIES. On July 1 of each fiscal year, the Chief Fiscal Officer
6 of the State shall request a transfer by the State Treasurer from the Budget
7 Stabilization Trust Fund to the County Aid Fund and to the Municipal Aid Fund
8 to assist the various cities and counties in meeting cash flow needs early in
9 the state fiscal year. The transfer shall be a loan to be repaid in equal
10 installments from general revenue distributions each month during the fiscal
11 year for which the loan was made and shall be in addition to any other loans
12 authorized by law for the County Aid and Municipal Aid Funds. The amount of
13 such loan for each fiscal year shall be \$3,517,657 to the Municipal Aid Fund
14 and \$1,906,079 to the County Aid Fund, or so much thereof as may be available
15 in the Budget Stabilization Trust Fund as determined by the Chief Fiscal
16 Officer of the State. Upon such transfer being completed, the State
17 Treasurer shall immediately distribute such funds to each of the several
18 municipalities and counties in the same manner as general revenues are
19 distributed.

20 It is the intent of the General Assembly that the Chief Fiscal Officer of
21 the State and the State Treasurer shall make every reasonable, and
22 financially sound effort to insure that local governments receive the full
23 amount of the loan authorized herein on July 1 of each year and that the
24 monies authorized for local governments from general revenues be distributed
25 in equal monthly payments.

26 The provisions of this section shall be in effect only from July 1, ~~2010~~
27 2011 through June 30, ~~2011~~ 2012.

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29 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY
31 FORWARD. At the close of each fiscal year any unexpended funds for the
32 County Aid and Municipal Aid line items shall be carried forward and made
33 available for the same purpose for the next fiscal year.

34 Any carry forward of unexpended balance of funding as authorized
35 herein, may be carried forward under the following conditions:

36 (1) Prior to June 30, 2012 the Agency shall by written statement

1 set forth its reason(s) for the need to carry forward said funding to the
2 Department of Finance and Administration Office of Budget;

3 (2) The Department of Finance and Administration Office of
4 Budget shall report to the Arkansas Legislative Council all amounts carried
5 forward by the September Arkansas Legislative Council or Joint Budget
6 Committee meeting which report shall include the name of the Agency, Board,
7 Commission or Institution and the amount of the funding carried forward, the
8 program name or line item, the funding source of that appropriation and a
9 copy of the written request set forth in (1) above;

10 (3) Each Agency, Board, Commission or Institution shall provide
11 a written report to the Arkansas Legislative Council or Joint Budget
12 Committee containing all information set forth in item (2) above, along with
13 a written statement as to the current status of the project, contract,
14 purpose etc. for which the carry forward was originally requested no later
15 than thirty (30) days prior to the time the Agency, Board, Commission or
16 Institution presents its budget request to the Arkansas Legislative
17 Council/Joint Budget Committee; and

18 (4) Thereupon, the Department of Finance and Administration
19 shall include all information obtained in item (3) above in the budget
20 manuals and/or a statement of non-compliance by the Agency, Board, Commission
21 or Institution.

22 The provisions of this section shall be in effect only from July 1,
23 ~~2010~~ 2011 through June 30, ~~2011~~ 2012.

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25 SECTION 13. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
26 authorized by this act shall be limited to the appropriation for such agency
27 and funds made available by law for the support of such appropriations; and
28 the restrictions of the State Procurement Law, the General Accounting and
29 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
30 Procedures and Restrictions Act, or their successors, and other fiscal
31 control laws of this State, where applicable, and regulations promulgated by
32 the Department of Finance and Administration, as authorized by law, shall be
33 strictly complied with in disbursement of said funds.

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35 SECTION 14. LEGISLATIVE INTENT. It is the intent of the General
36 Assembly that any funds disbursed under the authority of the appropriations

1 contained in this act shall be in compliance with the stated reasons for
2 which this act was adopted, as evidenced by the Agency Requests, Executive
3 Recommendations and Legislative Recommendations contained in the budget
4 manuals prepared by the Department of Finance and Administration, letters, or
5 summarized oral testimony in the official minutes of the Arkansas Legislative
6 Council or Joint Budget Committee which relate to its passage and adoption.
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8 SECTION 15. EMERGENCY CLAUSE. It is found and determined by the
9 General Assembly, that the Constitution of the State of Arkansas prohibits
10 the appropriation of funds for more than a one (1) year period; that the
11 effectiveness of this Act on July 1, 2011 is essential to the operation of
12 the agency for which the appropriations in this Act are provided, and that in
13 the event of an extension of the legislative session, the delay in the
14 effective date of this Act beyond July 1, 2011 could work irreparable harm
15 upon the proper administration and provision of essential governmental
16 programs. Therefore, an emergency is hereby declared to exist and this Act
17 being necessary for the immediate preservation of the public peace, health
18 and safety shall be in full force and effect from and after July 1, 2011.
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