

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

# A Bill

HOUSE BILL 1527

5 By: Representative Cheatham  
6 By: Senator J. Jeffress  
7

## For An Act To Be Entitled

9 AN ACT TO CLARIFY CERTAIN DEFINITIONS RELATED TO  
10 BONDED DEBT ASSISTANCE FOR SCHOOL DISTRICTS; AND FOR  
11 OTHER PURPOSES.  
12  
13

## Subtitle

15 TO CLARIFY CERTAIN DEFINITIONS RELATED TO  
16 BONDED DEBT ASSISTANCE FOR SCHOOL  
17 DISTRICTS.  
18  
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
21

22 SECTION 1. Arkansas Code § 6-20-2503(a)(3) – (5), concerning  
23 definitions relating to bonded debt assistance, are amended to read as  
24 follows:

25 (3) ~~“Local revenue per student”~~ “Projected revenue from the  
26 uniform rate of tax” means in each school year ninety-eight percent (98%) of  
27 the amount of revenue available, ~~whether or not collected,~~ in a school  
28 district solely from the levy of the uniform rate of tax ~~plus the average~~  
29 ~~miscellaneous funds collected in the previous five (5) years divided by the~~  
30 ~~average daily membership of the school district;~~

31 (4)(A) “Miscellaneous funds” means ~~those~~ funds calculated as  
32 follows:

33 (i) The average of funds collected in the five (5)  
34 school years immediately preceding the previous school year that were  
35 received by a local school district;

36 (a) from ~~From~~ federal forest reserves, federal



1 grazing rights, federal mineral rights, federal impact aid, federal flood  
 2 control, wildlife refuge funds, and severance taxes;  
 3

4 (b) funds received by the district in lieu  
 5 of taxes; and

6 (c) From local sales and use taxes for capital  
 7 improvements dedicated to education pursuant to under § 26-74-201 et seq., §  
 8 26-74-301 et seq., and § 26-75-301 et seq.; and the Local Government Bond  
 9 Act of 1985, § 14-164-301 et seq.; and

10 (ii) Multiplied by the ratio of the uniform rate of  
 11 tax to the school district's total millage rate in effect as of January 1 of  
 12 the fiscal year prior to the current funding year.

13 (B) If the school district did not receive funds from a  
 14 source of funds listed in subdivision (4)(A) of this section during the most  
 15 recent school year used to calculate the five-year average, then previous  
 16 collections from that source of funds shall not be included in the five-year  
 17 average.

18 (C) For the purpose of calculating the amount of  
 19 miscellaneous funds of a school district under this subdivision (4), a school  
 20 year is the period beginning on July 1 of a calendar year and ending on June  
 21 30 of the next calendar year;

22 (5) "Per-student revenue" means the sum of projected revenue  
 23 from the uniform rate of tax and miscellaneous funds divided by the average  
 24 daily membership for the school district for the previous school year; and

25 ~~(5)(6)~~ (6) "State wealth index" means the result of one (1) minus  
 26 the ratio derived by dividing per-student revenue of local revenue per  
 27 student divided by the difference between the per-student foundation funding  
 28 amount under § 6-20-2305 and local revenue per student per-student revenue.