

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4
5 By: Representative Jett

A Bill

HOUSE BILL 1692

For An Act To Be Entitled

8 AN ACT TO AUTHORIZE GENERAL USE OF SEVERANCE GAS
9 TURNBACK FUNDS BY MUNICIPALITIES; TO MAKE TECHNICAL
10 CORRECTIONS; AND FOR OTHER PURPOSES.

Subtitle

14 TO AUTHORIZE GENERAL USE OF SEVERANCE GAS
15 TURNBACK FUNDS BY MUNICIPALITIES; AND TO
16 MAKE TECHNICAL CORRECTIONS.

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

21 SECTION 1. Arkansas Code § 27-70-207(b) and (c), concerning
22 distribution to county and city funds of highway revenue, are amended to read
23 as follows:

24 (b)(1)(A) ~~With the exception of those revenues transferred pursuant to~~
25 ~~Section 2 of the Highway Improvement Revenue Act of 2007, all All highway~~
26 revenues transferred to the County Aid Fund under this subchapter shall be
27 paid over by the Treasurer of State to the treasurers of the respective
28 counties of this state for credit to the county highway fund, there to be
29 used for transportation projects as deemed beneficial by the county to
30 include without limitation:

31 (i) The maintenance, construction, and
32 reconstruction of roads and bridges in the county highway system and for
33 other surface transportation;

34 (ii) Public transportation; or

35 (iii) Any other transportation system improvement or
36 service within the political subdivision, including without limitation those



1 projects defined as a transportation system under § 27-76-103(15) regardless
 2 of whether or not the political subdivision is a member of a regional
 3 mobility authority.

4 (B) A county may also use these funds to construct and
 5 maintain parking for county courthouses, county administration buildings,
 6 county health units, and county parks and to construct and maintain sidewalks
 7 that serve county courthouses, county administration buildings, county health
 8 units, county parks, public schools, and other publicly owned property.

9 (C) A county may use these funds to pay for local projects
 10 eligible for funding under state programs of the Arkansas State Highway and
 11 Transportation Department and the State Highway Commission and under federal
 12 programs of the Federal Highway Administration and the Federal Transit
 13 Administration of the United States Department of Transportation.

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

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

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

25 ~~(B) Funds disbursed to the County Aid Fund pursuant to~~
 26 ~~Section 2 of the Highway Improvement Revenue Act of 2007 shall be distributed~~
 27 ~~to the various counties as are other funds contained in the County Aid Fund~~
 28 ~~pursuant to subdivision (b)(3) of this section.~~

29 ~~(3)~~ (2) The Treasurer of State shall on or before the tenth day
 30 next following the last day of each calendar month make distribution of the
 31 revenues on the following basis:

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

35 (B) Seventeen and one-half percent (17.5%) of the amount
 36 according to the amount of state motor vehicle license fees collected in the

1 calendar year next preceding any distribution as certified to the Treasurer
 2 of State by the Director of the Department of Finance and Administration,
 3 with each county to receive the proportion that the total of fees collected
 4 from the county bears to the total of fees collected in the state;

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

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

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

15 (c)(1)(A) With the exception of those revenues transferred pursuant to
 16 ~~Section 2 of the Highway Improvement Revenue Act of 2007, § 26-58-124(c)(2)~~
 17 related to the severance tax on natural gas, all highway revenues transferred
 18 to the Municipal Aid Fund under the provisions of this subchapter shall be
 19 paid over by the Treasurer of State to the treasurers of the respective
 20 cities of the first class, cities of the second class, and incorporated towns
 21 for credit to the street fund, there to be used for transportation projects
 22 as deemed beneficial by the governing body of the political subdivision to
 23 include without limitation:

24 (i) The maintenance, construction, and
 25 reconstruction of streets that are not continuations of state highways and
 26 for other surface transportation;

27 (ii) Public transportation; or

28 (iii) Any other transportation system improvement or
 29 service within the political subdivision, including without limitation those
 30 projects defined as a transportation system under § 27-76-103(15), regardless
 31 of whether or not the political subdivision is a member of a regional
 32 mobility authority.

33 (B) A city may provide these funds to a regional mobility
 34 authority to match federal transportation funds for the financing of surface
 35 transportation system improvements on state highways, county roads, and city
 36 streets.

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

7 (3)(A) Funds disbursed to the Municipal Aid Fund pursuant to
8 ~~Section 2 of the Highway Improvement Revenue Act of 2007 § 26-58-124(c)(2)~~
9 related to the severance tax on natural gas may be expended by the cities on
10 any legitimate municipal purpose and are not limited to the uses set forth in
11 subdivision (c)(1) of this section.

12 (B) Funds disbursed to the Municipal Aid Fund pursuant to
13 ~~Section 2 of the Highway Improvement Revenue Act of 2007 § 26-58-124(c)(2)~~
14 related to the severance tax on natural gas shall be distributed to the
15 various cities as are other funds contained in the Municipal Aid Fund
16 pursuant to subdivision (c)(2) of this section.

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