

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: H4/4/13

HJR 1008

By: Representatives D. Douglas, *Barnett, Hickerson*

HOUSE JOINT RESOLUTION

FOR A CONSTITUTIONAL AMENDMENT TO GRADUALLY DEDICATE OVER TEN (10) YEARS UP TO SIX PERCENT (6%) OF GENERAL REVENUES COLLECTED AS SALES AND USE TAXES AND UP TO ONE HUNDRED PERCENT (100%) OF GENERAL REVENUES COLLECTED AS SALES AND USE TAXES ON THE SALE OF NEW OR USED MOTOR VEHICLES, TRAILERS, OR SEMITRAILERS REQUIRED TO BE LICENSED IN ARKANSAS FOR THE CONSTRUCTION, RECONSTRUCTION, AND MAINTENANCE OF HIGHWAYS, ROADS, STREETS, BRIDGES, AND EXTENSIONS OF HIGHWAYS, ROADS, STREETS, AND BRIDGES LOCATED IN THE STATE WHEN THE GROSS COLLECTION OF GENERAL REVENUE FOR SALES AND TAX EXCEEDS TWO BILLION TWO HUNDRED MILLION DOLLARS (\$2,200,000,000) IN A YEAR.

Subtitle

TO GRADUALLY DEDICATE OVER TEN YEARS GENERAL REVENUES FROM CERTAIN SALES AND USE TAXES FOR CONSTRUCTION, RECONSTRUCTION, AND MAINTENANCE OF STATE HIGHWAYS, COUNTY ROADS, AND CITY STREETS WHEN CERTAIN CONDITIONS ARE MET.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-NINTH GENERAL ASSEMBLY OF THE STATE OF ARKANSAS AND BY THE SENATE, A MAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:

THAT the following is proposed as an amendment to the Constitution of



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the State of Arkansas, and upon being submitted to the electors of the state for approval or rejection at the next general election for Representatives and Senators, if a majority of the electors voting thereon at the election adopt the amendment, the amendment shall become a part of the Constitution of the State of Arkansas, to wit:

SECTION 1. Dedication of certain sales and use tax revenues.

(a)(1) Beginning the first day of September following the issuance of an annual report certified to the Chief Fiscal Officer of the State by the Treasurer of State in which the gross collection of general revenue for sales and use tax exceeds two billion two hundred million dollars (\$2,200,000,000), the Chief Fiscal Officer of the State shall determine as a monthly allocation an amount equivalent to the percentages stated in subsection (b) of this section of the total net general revenues that were collected as sales and use tax under the laws determined by the General Assembly.

(2) On the last day of each month, the Chief Fiscal Officer of the State shall certify the allocation determined under subdivision (a)(1) of this section to the Treasurer of State, who shall transfer the certified allocation as follows:

(A) Seventy percent (70%) credited to the State Highway and Transportation Department Fund, which shall be used for the construction, reconstruction, and maintenance of highways, roads, streets, bridges, and extensions of highways, roads, streets, and bridges located within the state;

(B) Fifteen percent (15%) credited to the County Aid Fund, which shall be used for the construction, reconstruction, and maintenance of highways, roads, streets, bridges, and extensions of highways, roads, streets, and bridges located within the county; and

(C) Fifteen percent (15%) credited to the Municipal Aid Fund, which shall be used for the construction, reconstruction, and maintenance of highways, roads, streets, bridges, and extensions of highways, roads, streets, and bridges located within the municipality.

(3) Once the initial determination is made under subdivision (a)(1) of this section, the allocations under this section shall continue regardless of whether the gross collection of general revenue for sales and use tax drops below two billion two hundred million dollars (\$2,200,000,000) in a subsequent year.

(b) In making the determination required under subdivision (a)(1) of this section, the Chief Fiscal Officer of the State shall use the following percentages for each month:

(1) Beginning September 1 of the first year, six-tenths of one percent (0.6%);

(2) Beginning July 1 of the second year, one and two-tenths percent (1.2%);

(3) Beginning July 1 of the third year, one and eight-tenths percent (1.8%);

(4) Beginning July 1 of the fourth year, two and four-tenths percent (2.4%);

(5) Beginning July 1 of the fifth year, three percent (3%);

(6) Beginning July 1 of the sixth year, three and six-tenths percent (3.6%);

(7) Beginning July 1 of the seventh year, four and two-tenths percent (4.2%);

(8) Beginning July 1 of the eighth year, four and eight-tenths percent (4.8%);

(9) Beginning July 1 of the ninth year, five and four-tenths percent (5.4%); and

(10) Beginning July 1 of the tenth year and thereafter, six percent (6%).

SECTION 2. Dedication of sales and use tax revenue derived from sales of new or used motor vehicles, trailers, or semitrailers.

(a)(1) Beginning the first day of September following the issuance of an annual report certified to the Chief Fiscal Officer of the State by the Treasurer of State in which the gross collection of general revenue for sales and use tax exceeds two billion two hundred million dollars (\$2,200,000,000), the Chief Fiscal Officer of the State shall determine as a monthly allocation an amount equivalent to the percentages stated in subsection (b) of this section of the total net general revenues that were collected as sales and use tax on the sale of new or used motor vehicles, trailers, or semitrailers required to be licensed in this state under the laws determined by the General Assembly.

(2) On the last day of each month, the Chief Fiscal Officer of

the State shall certify the allocation determined under subdivision (a)(1) of this section to the Treasurer of State, who shall transfer the certified allocation as follows:

(A) Seventy percent (70%) credited to the State Highway and Transportation Department Fund, which shall be used for the construction, reconstruction, and maintenance of highways, roads, streets, bridges, and extensions of highways, roads, streets, and bridges located within the state;

(B) Fifteen percent (15%) credited to the County Aid Fund, which shall be used for the construction, reconstruction, and maintenance of highways, roads, streets, bridges, and extensions of highways, roads, streets, and bridges located within the county; and

(C) Fifteen percent (15%) credited to the Municipal Aid Fund, which shall be used for the construction, reconstruction, and maintenance of highways, roads, streets, bridges, and extensions of highways, roads, streets, and bridges located within the municipality.

(3) Once the initial determination is made under subdivision (a)(1) of this section, the allocations under this section shall continue regardless of whether the gross collection of general revenue for sales and use tax drops below two billion two hundred million dollars (\$2,200,000,000) in a subsequent year.

(b) In making the determination required under subdivision (a)(1) of this section, the Chief Fiscal Officer of the State shall use the following percentages each month:

(1) Beginning September 1 of the first year, ten percent (10%);

(2) Beginning July 1 of the second year, twenty percent (20%);

(3) Beginning July 1 of the third year, thirty percent (30%);

(4) Beginning July 1 of the fourth year, forty percent (40%);

(5) Beginning July 1 of the fifth year, fifty percent (50%);

(6) Beginning July 1 of the sixth year, sixty percent (60%);

(7) Beginning July 1 of the seventh year, seventy percent (70%);

(8) Beginning July 1 of the eighth year, eighty percent (80%);

(9) Beginning July 1 of the ninth year, ninety percent (90%);

and

(10) Beginning July 1 of the tenth year and thereafter, one hundred percent (100%).

SECTION 3. Administration.

The General Assembly shall provide for the proper administration, implementation, and enforcement of this amendment by law.

/s/D. Douglas