

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

State of Arkansas  
94th General Assembly  
Regular Session, 2023

# A Bill

HOUSE BILL 1530

By: Representative Maddox

By: Senator J. Boyd

## For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING ILLEGAL EXACTION CASES; TO ALLOW FOR THE AWARD OF ATTORNEY'S FEES IN ILLEGAL EXACTION CASES; TO CLARIFY THE DISPOSITION OF RESIDUAL FUNDS IN ILLEGAL EXACTION CASES; AND FOR OTHER PURPOSES.

## Subtitle

TO ALLOW FOR THE AWARD OF ATTORNEY'S FEES IN ILLEGAL EXACTION CASES; AND TO CLARIFY THE DISPOSITION OF RESIDUAL FUNDS IN ILLEGAL EXACTION CASES.

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

SECTION 1. Arkansas Code § 26-35-902 is amended to read as follows:

26-35-902. Award of attorney's fees in illegal exaction cases -  
Disposition of residual funds.

(a) It is the public policy of this state that circuit courts may, in meritorious litigation brought under Arkansas Constitution, Article 16, § 13, ~~in which the circuit court orders any county, city, or town to refund or return to taxpayers moneys illegally exacted by the county, city, or town, apportion a reasonable part of the recovery of the class members to attorneys of record and order the return or refund of the balance to the members of the class represented~~ award the prevailing taxpayer reasonable attorney's fees, which, if awarded, shall be assessed by the court and collected as costs against the state, county, city, or other governmental entity against which



the taxpayer prevailed.

(b) If a circuit court orders repayment of moneys to claimants in litigation brought under Arkansas Constitution, Article 16, § 13, and, after expiration of a reasonable period of time for ~~the filing of claims for the illegally exacted moneys as ordered by the circuit court,~~ residual funds exist, said residual funds shall be deemed abandoned and escheat to the state, county, city, or town which other governmental entity that exacted same.