

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

# A Bill

HOUSE BILL 1522

5 By: Representative Womack  
6 By: Senator A. Clark  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE DISTRIBUTION  
10 OF CERTAIN FUNDS TO MUNICIPALITIES; TO AMEND THE LAW  
11 TO ALLOW FOR THE DISTRIBUTION OF FUNDS IN THE  
12 MUNICIPAL AID FUND, TURNBACK FUNDS, AND COUNTY SALES  
13 AND USE TAX REVENUES TO NEWLY INCORPORATED  
14 MUNICIPALITIES; TO DECLARE AN EMERGENCY; AND FOR  
15 OTHER PURPOSES.  
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## Subtitle

18 TO AMEND THE LAW TO ALLOW FOR THE  
19 DISTRIBUTION OF FUNDS IN THE MUNICIPAL  
20 AID FUND, TURNBACK FUNDS, AND COUNTY  
21 SALES AND USE TAX REVENUES TO NEWLY  
22 INCORPORATED MUNICIPALITIES; AND TO  
23 DECLARE AN EMERGENCY.  
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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28 SECTION 1. Arkansas Code § 19-5-601(c)(6), concerning the Municipal  
29 Aid Fund, is amended to read as follows:

30 (6) If When a municipality incorporates ~~during a year in which a~~  
31 ~~federal decennial census is conducted~~, then for purposes of this section and  
32 until data from a federal decennial or special census is made available to  
33 the municipality, the population of the municipality shall be based on the  
34 most recent federal decennial census as calculated by the Arkansas Geographic  
35 Information Systems Office.  
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1 SECTION 2. Arkansas Code § 26-74-313(d)(8)(B), concerning the  
2 disposition of funds generated from a municipal sales tax levied for capital  
3 improvements, is amended to read as follows:

4 (B) ~~If~~ When a municipality incorporates ~~during a year in~~  
5 ~~which a federal decennial census is conducted~~, then for purposes of this  
6 section and until data from a federal decennial or special census is made  
7 available to the municipality, the population of the municipality shall be  
8 based on the most recent federal decennial census as calculated by the  
9 Arkansas Geographic Information Systems Office.

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11 SECTION 3. Arkansas Code § 27-70-207(c)(2)(B), concerning the  
12 distribution of highway revenues to county and city funds, is amended to read  
13 as follows:

14 (B) ~~If~~ When a municipality incorporates ~~during a year in~~  
15 ~~which a federal decennial census is conducted~~, then for purposes of this  
16 section and until data from a federal decennial or special census is made  
17 available to the municipality, the population of the municipality shall be  
18 based on the most recent federal decennial census as calculated by the  
19 Arkansas Geographic Information Systems Office.

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21 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the  
22 General Assembly of the State of Arkansas that federal population data from  
23 the federal decennial census or a special census is required for the  
24 Treasurer of State to distribute moneys received as municipal turnback funds  
25 or generated from existing county sales and use taxes; that a procedure is  
26 necessary to allow a newly incorporated municipality to use alternative  
27 population data until a special census or the federal decennial census is  
28 conducted for the purpose of distributing municipal turnback funds and county  
29 sales and use tax revenues; that without a proper procedure, a newly  
30 incorporated municipality may not have federal census data for over a year  
31 and will not be able to receive proper disbursement of turnback funds or  
32 county sales and use tax revenues; and that this act is immediately necessary  
33 to enable a newly incorporated municipality to provide the residents of the  
34 municipality with services that are necessary for the health, safety, and  
35 welfare of the community. Therefore, an emergency is declared to exist, and  
36 this act being immediately necessary for the preservation of the public

1 peace, health, and safety shall become effective on:

2 (1) The date of its approval by the Governor;

3 (2) If the bill is neither approved nor vetoed by the Governor,  
4 the expiration of the period of time during which the Governor may veto the  
5 bill; or

6 (3) If the bill is vetoed by the Governor and the veto is  
7 overridden, the date the last house overrides the veto.

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