

REFERENCE TITLE: urban revenue sharing increase

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2335

Introduced by
Representatives Farley, Ableser, Kirkpatrick, Lopes, Saradnik, Schapira,
Sinema: Alvarez, Bradley, Campbell CL, Meza, Prezelski, Thrasher

AN ACT

AMENDING SECTION 43-206, ARIZONA REVISED STATUTES; RELATING TO THE URBAN
REVENUE SHARING FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 43-206, Arizona Revised Statutes, is amended to
3 read:

4 43-206. Urban revenue sharing fund; allocation; distribution

5 A. There is established an urban revenue sharing fund. ~~For fiscal~~
6 ~~year 2000-2001 and fiscal year 2001-2002, the urban revenue sharing fund~~
7 ~~shall consist of an amount equal to fifteen per cent of the net proceeds of~~
8 ~~the state income taxes for fiscal year 1998-1999 and 1999-2000,~~
9 ~~respectively. For fiscal years 2002-2003 and 2003-2004, the fund shall~~
10 ~~consist of an amount equal to fifteen per cent of the amount of monies~~
11 ~~transferred pursuant to law in fiscal year 2000-2001 and 2001-2002,~~
12 ~~respectively, from the budget stabilization fund to the tax refund account of~~
13 ~~the state general fund plus fourteen and eight-tenths per cent of the net~~
14 ~~proceeds of the state income taxes, not including any amounts transferred~~
15 ~~from the budget stabilization fund to the tax refund account, for fiscal year~~
16 ~~2000-2001 and 2001-2002, respectively. For fiscal year 2004-2005 and each~~
17 ~~fiscal year thereafter~~ THROUGH FISCAL YEAR 2008-2009, the fund shall consist
18 of an amount equal to fifteen per cent of the net proceeds of the state
19 income taxes for FISCAL YEAR 2002-2003 THROUGH FISCAL YEAR 2006-2007,
20 RESPECTIVELY. FOR FISCAL YEAR 2009-2010 AND EACH FISCAL YEAR THEREAFTER, THE
21 FUND SHALL CONSIST OF AN AMOUNT EQUAL TO 15.8 PER CENT OF THE NET PROCEEDS OF
22 THE STATE INCOME TAXES FOR the fiscal year two years preceding the current
23 fiscal year. The fund shall be distributed to incorporated cities and towns
24 as provided in this section. The transfer of net proceeds prescribed by
25 section 49-282, subsection B does not affect the calculation of net proceeds
26 prescribed by this subsection.

27 B. Each city or town shall share in the urban revenue sharing fund in
28 the proportion that the population of each bears to the population of
29 all. Except as provided by sections 42-5033 and 42-5033.01, the population
30 of a city or town as determined by the most recent United States decennial
31 census plus any revisions to the decennial census certified by the United
32 States bureau of the census shall be used as the basis for apportioning
33 monies pursuant to this subsection.

34 C. The treasurer, upon instruction from the department, shall
35 transmit, no later than the tenth day of each month, to each city or town an
36 amount equal to one-twelfth of that city's or town's total entitlement for
37 the current fiscal year from the urban revenue sharing fund as determined by
38 the department.

39 D. A newly incorporated city or town shall share in the urban revenue
40 sharing fund beginning the first month of the first full fiscal year
41 following incorporation.

42 E. On receipt of a certificate of default from the greater Arizona
43 development authority pursuant to section 41-1554.06 or 41-1554.07, the state
44 treasurer, to the extent not otherwise expressly prohibited by law, shall
45 withhold from the next succeeding distribution of monies pursuant to this

1 section due to the city or town the amount specified in the certificate of
2 default and immediately deposit the amount withheld in the greater Arizona
3 development authority revolving fund. The state treasurer shall continue to
4 withhold and deposit the monies until the authority certifies to the state
5 treasurer that the default has been cured. In no event shall the state
6 treasurer withhold any amount that is necessary, as certified by the
7 defaulting political subdivision to the state treasurer and the authority, to
8 make any required deposits then due for the payment of principal and interest
9 on bonds of the political subdivision that were issued prior to the date of
10 the loan repayment agreement or bonds and that have been secured by a pledge
11 of distributions made pursuant to this section.