

House Bill 782 (AS PASSED HOUSE AND SENATE)

By: Representatives Rogers of the 29th, Hawkins of the 27th, Dunahoo of the 30th, Barr of the 103rd, Coleman of the 97th, and others

A BILL TO BE ENTITLED
AN ACT

1 To provide for the continuation of an alternative method of distribution of the net proceeds
2 of the sales and use tax for educational purposes authorized under Article VIII, Section VI,
3 Paragraph IV of the Constitution among the Hall County School District, Gainesville City
4 School District, and Buford City School District; to provide for an effective date,
5 applicability, and automatic repeal; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 (a) As used in this Act, the term "ESPLOST V" means the sales and use tax for
9 educational purposes authorized under Article VIII, Section VI, Paragraph IV of the
10 Constitution and which may be imposed as a result of the referendum held on November
11 3, 2015.

12 (b) The net proceeds of ESPLOST V shall be distributed among the Hall County School
13 District, Gainesville City School District, and Buford City School District in accordance
14 with the method set forth below:

15 (1) First, after a sum equaling 1 percent of the amount collected is paid into the general
16 fund of the state treasury, the next \$3.2 million of proceeds shall be deposited in an
17 account specified by the Buford City School District. After remittance to the Buford City
18 School District of the aggregate amount of \$3.2 million, the escrow agent shall remit all
19 remaining proceeds to the Hall County School District and Gainesville City School
20 District in the manner set forth below;

21 (2) After remittance to the Buford City School District as set forth in paragraph (1) of
22 this subsection, all remaining proceeds received by the escrow agent shall be distributed
23 between the Hall County School District and Gainesville City School District according
24 to the ratio the student enrollment in each school district bears to the total enrollment of
25 such school districts. Student enrollment in each such school district shall be determined
26 in the manner specified in the ESPLOST Law;

27 (3) At the time of the FTE count that immediately precedes the halfway completion of
 28 the collection period for sales tax proceeds as authorized by the voters, the percentage of
 29 student enrollment of students living in the geographical boundaries of Hall County
 30 attending each school district shall be determined using the FTE counts of the Hall
 31 County School District and Gainesville City School District and calculating the portion
 32 of the FTE count of the Buford City School District attributable to students living in the
 33 geographical boundaries of Hall County. The Buford City School District will provide
 34 its calculation to the other school districts showing the addresses of the students counted
 35 and the corresponding FTE for each student;

36 (4) As of the date of the FTE count described in paragraph (3) of this subsection, a
 37 calculation will be made as to the distribution of proceeds that would have been made to
 38 the Buford City School District as of the halfway completion date of the collection if
 39 distribution had been based solely on student enrollment as defined in the ESPLOST Law
 40 but using the FTE count of the Buford City School District determined under paragraph
 41 (3) of this subsection. If the amount using this calculation exceeds \$1.6 million, the Hall
 42 County School District will pay the balance to the Buford City School District and be
 43 reimbursed by the Gainesville City School District for its proportionate share based on
 44 paragraph (2) of this subsection; provided, however, that in no event shall the Buford City
 45 School District be required to reimburse any of the original amount distributed to it
 46 pursuant to paragraph (1) of this subsection; and

47 (5) As of the end of the collection period for ESPLOST V as authorized by the voters,
 48 the calculation described in paragraph (4) of this subsection will be made using the FTE
 49 count that immediately precedes the end of the collection period for ESPLOST V as
 50 authorized by the voters. If the amount using such calculation is greater than the
 51 aggregate amount of the distribution of proceeds to the Buford City School District at that
 52 time, the Hall County School District will pay the balance to the Buford City School
 53 District and be reimbursed by the Gainesville City School District for its proportionate
 54 share based on paragraph (2) of this subsection; provided, however, that in no event shall
 55 the Buford City School District be required to reimburse any of the original amount
 56 distributed to it pursuant to paragraph (1) of this subsection."

57 **SECTION 2.**

58 This Act is enacted pursuant to the specific authority provided for in Article VIII, Section VI,
 59 Paragraph IV(g) of the Constitution.

60 **SECTION 3.**

61 This Act shall become effective upon its approval by the Governor or upon its becoming law
62 without such approval and shall apply to all distributions made by the Georgia Department
63 of Revenue on or after such effective date pursuant to the filing of the proper distribution
64 certificate.

65 **SECTION 4.**

66 This Act shall stand repealed in its entirety at the completion of the distribution of the
67 proceeds of ESPLOST V.

68 **SECTION 5.**

69 All laws and parts of laws in conflict with this Act are repealed.