

**HALL COUNTY – DISTRIBUTION OF SALES TAX FOR EDUCATIONAL
PURPOSES AMONG HALL COUNTY SCHOOL DISTRICT, CITY OF GAINESVILLE
SCHOOL DISTRICT, AND CITY OF BUFORD SCHOOL DISTRICT**

House Bill No. _____

AN ACT

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA;

SECTION 1.

(1) As used in this Act, the term:

“ESPLOST V” means the sales and use for educational purposes authorized under Article VIII, Section VI, Paragraph IV of the Constitution and which may be imposed as a result of the referendum held on November 3, 2015.

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

- (i) First, after a sum equaling one percent of the amount collected is paid into the general fund of the State Treasury, the next \$3,200,000 of proceeds shall be deposited in an account specified by Buford City School District. After the remittance to Buford City School District of the aggregate amount of \$3,200,000, the Bank shall remit all remaining proceeds to Hall County School District and Gainesville City School District, in the manner set forth below;
- (ii) After the remittance to Buford City School District as set forth in (i), all remaining Sales Tax proceeds received by the Escrow Agent shall be distributed between Hall County School District and Gainesville City School District according to the ratio the student enrollment in each School District bears to the total student enrollment of such School Districts. Student enrollment in each such School District shall be determined in the manner specified in the Education SPLOST Law;
- (iii) At the time of the FTE count that immediately precedes the half way completion of the collection period for Sales Tax Proceeds as authorized

by the voters, the percentage of student enrollment of students living in the geographical boundaries of Hall County attending each School District shall be determined using the FTE counts of Hall County School District and Gainesville City School District and calculating the portion of the FTE count of the Buford City School District attributable to students living in the geographical boundaries of Hall County. Buford City School District will provide its calculation to the other Districts showing the addresses of the students counted and the corresponding FTE for each student;

- (iv) As of the date of the FTE count described in (iii), calculations will be made as to the percentage of the total distribution of Sales Tax proceeds that have been made and that percentage will be multiplied by the amount distributed to Buford in (i)(the first calculation) and a further calculation will be made as to the distribution that would have been made to Buford as of that date if distribution had been based solely on student enrollment as defined in the Education SPLOST Law (the second calculation). If the amount using the second calculation exceeds the amount using the first calculation, Hall County School District will pay the balance to Buford City School District and be reimbursed by Gainesville City School District for its proportionate share based on (ii). Provided, however, in no event, shall Buford City School District be required to reimburse any of its original amount distributed to it pursuant to (i);

- (v) As of the end of the collection period for Sales Tax Proceeds as authorized by the voters, the second calculation described in (iv) will be made using the FTE Count that immediately precedes the end of the collection period for Sales Tax Proceeds as authorized by the voters. If the amount using the second calculation is greater than \$3,200,000, Hall County School District will pay the balance to Buford City School District and be reimbursed by Gainesville City School District for its proportionate share based on (ii). Provided, however, in no event, shall Buford City School District be required to reimburse any of its original amount distributed to it pursuant to (i).

SECTION 2.

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

SECTION 3.

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

SECTION 4.

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

SECTION 5.

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