

LAW OFFICE

HARBEN, HARTLEY & HAWKINS, LLP

340 JESSE JEWELL PARKWAY
WELLS FARGO CENTER, SUITE 750
GAINESVILLE, GEORGIA 30501
(770) 534-7341
FAX: (770) 532-0399

September 2, 2015

VIA E-MAIL/FIRST CLASS MAIL

Representative Carl Rogers - carl.rogers@house.ga.gov
District 29, Georgia General Assembly
P. O. Box 639
Gainesville, Georgia 30503

Re: Introduction of Legislation for Alternative Method of Distribution of Net
Proceeds of the SPLOST

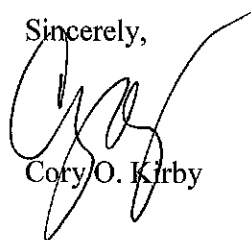
Representative Rogers:

This firm represents the Hall County and Gainesville City Boards of Education and we have been asked to help in the introduction of local legislation for the Hall County and Gainesville and Buford City School Districts. It is the Boards of Education's desire to introduce local legislation for an alternative method of distributing net proceeds of a renewal sales and use tax for educational purposes pursuant to Georgia Constitution Art. VII, Section VI, Para. IV. I understand you have been contacted by Will Schofield about this. As you know, a special referendum has been called by all three boards of education for November 3, 2015 to renew the SPLOST. This is the fourth time that these three boards of education have introduced local legislation creating an alternative method for distributing sales and use tax.

I have taken the liberty of drafting a proposed local act to be introduced into the General Assembly for the 2016 Session. Enclosed with this letter, you will find a copy of the draft local act as well as a Notice of Intent to Introduce Local Legislation. It is my intent to place this Notice in the Gainesville Times pursuant to O.C.G.A. § 28-1-14. I will provide you with a copy of a tear sheet and a publisher's affidavit once the notice has run in the Gainesville Times.

I appreciate your assistance with this matter. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Cory O. Kirby

COK:drj

Enclosures

c: Mr. Will Schofield, Superintendent, Hall County School District
Dr. Wanda Creel, Superintendent, Gainesville City School District
Dr. Geye Hamby, Superintendent, Buford City School District

**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 Escrow Agent 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), a calculation will be made as to the distribution of Sales Tax Proceeds that would have been made to Buford as of the collection halfway completion date if distribution had been based solely on student enrollment as defined in the Education SPLOST Law but using the FTE count of Buford City School District determined under (iii) above. If the amount using this calculation exceeds \$1,600,000, 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);
- (v) As of the end of the collection period for Sales Tax Proceeds as authorized by the voters, the 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 such calculation is greater than the aggregate amount of the distribution of Sales Tax Proceeds to Buford City School District at that time, 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.