



SALES TAX ELECTION

Lonoke County Jail and Sheriff's Department Sales Tax Election

ELECTION DATE: Tuesday, June 8, 2021

What is being proposed?

Lonoke County's Quorum Court has called a special election for June 8, 2021. Voters will decide whether to approve a permanent 0.5% sales and use tax to be used for operating, maintaining, constructing, equipping and repairing the existing county jail, and for operating and equipping the sheriff's department.

If approved, the countywide sales tax rate would increase from 1% to 1.5% in October 2021.

When is the election?

The election is Tuesday, June 8, 2021. Early voting starts June 1, 2021.

Registered voters who live in Lonoke County are eligible to vote.. Voters can check their status and find out where they are supposed to vote on Election Day by calling the Lonoke County Clerk's Office at 501-676-2368. You can also check your voter registration status online at www.voterview.ar-nova.org.

Why is this issue on the ballot?

A county sales tax must be approved by the voters.

QUICK LOOK:

What does your vote mean?

0.5% Countywide Sales and Use Tax

FOR: A FOR vote on the 0.5% countywide sales and use tax measure means you are in favor of permanently increasing the Lonoke County sales tax rate by 0.5% to pay for the costs associated with operating, maintaining, constructing and repairing the county jail and for operating the county sheriff's department.

AGAINST: An AGAINST vote on the 0.5% countywide sales and use tax measure means you are not in favor of permanently increasing the Lonoke County sales tax rate to pay for the costs associated with operating, maintaining, constructing and repairing the county jail and for operating the county sheriff's department.

Exercising your voting privilege:

We live in a democratic society where voting is a privilege of citizenship. Democracy works best when informed citizens exercise their voting privilege.

Election Day for this issue is June 8, 2021. Early voting begins June 1, 2021. Please exercise your right to vote on this issue.

PUBLIC POLICY CENTER

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What are the county's plans?

Lonoke County officials are asking for a 0.5% sales tax, which would generate an estimated \$4.5 million a year. When asked about their proposal, county officials said they would use the sales tax revenue to:

1. Increase the total number of sheriff's patrol deputies from 14 to 21 to meet patrol demand across all shifts and days. Two sheriff deputies would be hired each year for a total of seven, for an increase of \$230,000 a year.
2. Increase the number of jailers from 14 to 20 in order to meet staffing needs across all shifts and days. County officials said two new jailers would be hired each year until the jail is fully staffed, for an increase of \$130,000 a year.
3. Help pay competitive wages as a way to retain sheriff department employees.
4. Help pay for more training for sheriff department deputies and jail staff.
5. Provide classes and drug treatment for people in the county jail.
6. Maintain and repair the county jail.
7. Replace outdated radios, equipment and cars for sheriff's deputies.

The following statements are examples of what supporters and opponents have made public either in media statements, campaign literature, on websites or interviews with Public Policy Center staff. The University of Arkansas System Division of Agriculture does not endorse or validate these statements.

What do supporters say?

- We have run out of ways to fund the sheriff's office and the detention center. It is not pleasant, but it is something we have to do.

What do opponents say?

- The Public Policy Center is unaware of any organized opposition to the proposed sales tax. However, in general people may be opposed to paying higher taxes.

These plans are not specifically mentioned in the ballot title voters will see, but they would fall within the scope of the wording used. The ballot title mentions funds for "operating, maintaining, constructing, equipping and repairing County detention center facilities and operating and equipping the County Sheriff's department." County officials said there were no plans to build or add on to the county jail with the funds.

How does the community currently pay for the jail?

Property taxes pay for the cost of running the county jail. The Lonoke County Quorum Court budgeted \$1.7 million to operate and maintain the county jail this year. The jail's budget would increase to \$2.6 million a year if voters approve the sales tax, according to county officials.

Funding for the county jail has been a critical issue for county officials for more than two decades. In 2004, local officials considered multiple ballot issue proposals to finance a new jail after lawsuits and failed inspections. Eventually, the county in 2008 asked voters to approve a temporary sales tax to pay for building the jail.

The measure passed, but did not include funds for maintaining and operating the jail. At the time, county officials said they would operate the larger jail out of existing county general funds. Asked about this, county officials said they operated a jail that doubled in size for 10 years without any new sources of revenue. They said they now need additional funds as public safety takes up more than half of the county's general fund.

What are some of the issues at the county jail?

Lonoke County's jail was built in 2011 using proceeds from a previous sales tax that expired once the construction debt was repaid. County officials say repairs are needed for the 10-year-old facility that houses on average 167 people on a daily basis.

County officials said the security system, air conditioning/heating system, and water heater system need repairs. They also said hinges and doors needed replacing due to damage over time. They estimated they need \$600,000 for these repairs.

How does the community currently pay for the Lonoke County Sheriff's Department?

Similar to the county jail, Lonoke County operates the sheriff's department with property taxes deposited into the county general fund. The Quorum Court is responsible each year for determining how much money to budget from these funds for the operation of the sheriff's department.

For 2021, the quorum court budgeted \$2.6 million for the sheriff's office budget. The budget would increase to \$3.8 million a year if voters approve the sales tax, according to county officials.

Wasn't there a recent election involving the jail and sheriff's department?

Lonoke County voters rejected a 1% sales tax in 2018 by a vote of 9,546 FOR and 10,865 AGAINST. The defeated proposal involved collection of a 0.75% sales tax for four years and a permanent 0.25% sales tax to help pay for building a new courtroom next to the jail, maintain the jail, and place sheriff deputies at public schools across the county.

Why is the county seeking a sales tax rather than a property tax increase?

County officials said that they believe a sales tax is more appropriate than levying a property tax because it is paid by everyone and not just property owners. The sales tax is also paid by people living outside the county who purchase taxable goods and services in Lonoke County.

How is the existing countywide sales tax split?

Lonoke County has an existing 1% sales tax, and the revenue is split among the county and local cities. The county government receives 41% of the revenue from the 1% sales tax. The remainder is split among the cities according to their population in the 2010 Census. This is similar to sales taxes collected by many counties in Arkansas, unless ballot language says how the revenue is to be allocated.

The county's portion of the sales tax is used for departments such as Road and Bridge, Solid Waste, and libraries throughout the county, according to county officials. The proposed sales tax on the ballot would be dedicated to the county and not shared with the cities.

Would the county redirect existing funds for the jail and sheriff's department to another use if the sales tax passes?

Under the sales tax proposal, the jail and sheriff's department budget combined would be \$6.4 million, which would consume the \$4.5 million raised by the sales tax. The jail and sheriff's department budget will still require partial funding from county general. Based on this premise, it appears some of the department's existing funding from the county general fund would be redirected to other uses.

How much money do county governments spend on law enforcement and public safety?

Counties in Arkansas spent 38 percent of their budget on law enforcement and public safety in 2017, according

to a University of Arkansas System Division of Agriculture analysis of Arkansas county government spending trends between 2000 and 2017.

At least 35 of Arkansas' 75 counties collect a sales tax for maintaining and operating the county jail, according to 2015 data from the Association of Arkansas Counties and past fact sheets published by the Public Policy Center about local elections. Three of those counties use part of their sales tax for other public safety purposes, such as operating the sheriff's department or maintaining their "law enforcement complex." This sales tax rate ranges in these counties from 0.125% in Cleburne, Franklin and Prairie counties to 1% in Ouachita County.

When would the sales tax begin?

If approved, the sales tax would start in October 2021. This would be a permanent sales tax and would not end without another vote of the people.

Who would pay the additional taxes?

The taxes would be paid by everyone purchasing goods or services subject to a sales and use tax in the county, including its cities.

Seventy-four of the 75 counties in Arkansas have a countywide sales tax, ranging from 0.375% in Saline County to 3.25% in Cleveland County. The median sales tax rate of Arkansas' 75 counties is 1.75%. Nearby counties have the following sales tax rates:

County	Current County Sales Tax Rate
Arkansas	1%
Faulkner	0.5%
Jefferson	1.25%
Lonoke	1% (1.5%*)
Prairie	1.5%
Pulaski	1%
White	1.75%

Source: Arkansas Department of Finance and Administration, List of cities and counties with local sales and use tax; April-June 2021.

*Rate if proposed sales tax is approved

What would happen if the tax fails?

The county sales tax rate would remain at 1% and there would not be additional revenue for the sheriff's office and jail. County officials said some cuts would likely be put into effect but they did not specify what those cuts could be.

The following is the official wording for the sales tax proposal as it will appear on the ballot.

0.5 % SALES AND USE TAX

Adoption of a 0.5% local sales and use tax within Lonoke County, the net collections of which remaining after deduction of the administrative charges of the State of Arkansas and required rebates will be distributed only to the County and used for the purposes of operating, maintaining, constructing, equipping and repairing County detention center facilities and operating and equipping the County Sheriff's department.

FOR

AGAINST

Conflict of interest: This fact sheet was prepared to provide the citizens of Lonoke County with information to help them in making an informed choice on Election Day. An effort has been made to ensure the information is presented in a fair and balanced way that best represents the facts associated with this ballot issue. As part of this effort, we are obligated to divulge potential conflict of interest and to recognize their influence on the educational programs and matter we produce. The University of Arkansas System Division of Agriculture and Lonoke County Cooperative Extension Service are partially funded by state and county general funds. As such, any laws affecting revenues of the state or county has the potential to affect the Lonoke County Extension Office.



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