

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative McGinnis**

A Bill

HOUSE BILL 1242

For An Act To Be Entitled

8 "AN ACT TO LIMIT UNRESTRICTED EDUCATIONAL AND GENERAL
9 FUNDS USED TO SUPPORT INTERCOLLEGIATE ATHLETIC PROGRAMS AT
10 STATE SUPPORTED INSTITUTIONS OF HIGHER EDUCATION; TO
11 PROVIDE FAIR AND EQUITABLE TREATMENT IN THE AMOUNT OF
12 STATE SUBSIDY; TO REQUIRE FULL DISCLOSURE OF INSTITUTIONAL
13 BOARD-SANCTIONED STUDENT ATHLETIC FEES; AND FOR OTHER
14 PURPOSES."

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16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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18 SECTION 1. The State Board of Higher Education is authorized and
19 directed to limit Unrestricted Educational and General Funds used to support
20 intercollegiate athletic programs and to provide fair and equitable treatment
21 in the amount of state subsidy of athletic program expenditures at state
22 supported institutions of higher education.

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24 SECTION 2. As used in this act:

25 (a) "Athletic program" means intercollegiate athletics.

26 (b) "Athletic expenditures" means all direct and indirect expenses
27 (prorated if necessary) including salaries; all fringe benefits such as
28 medical and dental insurance, workers' compensation, pension plans, tuition
29 waivers, and any other cost associated with recruitment and retention of
30 staff; travel; equipment; scholarships; meals; housing/dormitory; supplies;
31 property and medical insurance; medical expenses; utilities; and maintenance
32 of facilities related to all intercollegiate teams and spirit groups,
33 excluding bands.

34 (c) "Athletic deficit" means athletic expenditures offset by athletic
35 revenues, including athletic generated income, profits from other auxiliary

1 enterprises, the federally-funded portion of college work-study students in
2 the intercollegiate athletic program, transfers from funds other than the
3 Unrestricted Educational and General Fund, and the allowable *four hundred*
4 *fifty thousand dollars (\$450,000) unrestricted* educational and general
5 transfer for four-year institutions, or the allowable *fifty-one dollars*
6 *(\$51.00) per full-time- equivalent (FTE) student per year for two-year*
7 *branches of four-year institutions, and at other two-year institutions of*
8 *higher education.*

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10 SECTION 3. Beginning in fiscal year 1991-92, *the amount of unrestricted*
11 *educational and general fund for intercollegiate athletic programs at state*
12 supported institutions of higher education shall be limited to *four hundred*
13 *fifty thousand dollars (\$450,000) at four-year institutions and fifty-one*
14 *dollars (\$51.00) per full-time- equivalent student per year at two-year*
15 branches of four-year institutions, and at other two-year institutions of
16 higher education.

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18 SECTION 4. Any athletic deficit of an institution shall be funded by a
19 student athletic fee authorized by the Board of Trustees of each institution.
20 The student athletic fee shall be assessed on the basis of student semester
21 credit hour, and shall be clearly defined in all publications and
22 institutional board minutes as being for the support of intercollegiate
23 athletics, separate and distinct from other tuition or student activity fees.

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25 SECTION 5. The Board of Trustees of each institution shall certify
26 annually by June 15 of each year to the State Board of Higher Education that
27 the intercollegiate athletic program will generate sufficient revenue through
28 athletic generated revenue, other auxiliary profits, other State Board of
29 Higher Education approved revenue sources, and the allowable state support as
30 set out in Section 3 of this act or that any athletic deficit will be met by
31 separate institutional board-sanctioned student athletic fees within the
32 limitations established herein.

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34 SECTION 6. The State Board of Higher Education is authorized to
35 promulgate any rules or regulations necessary for the implementation of this
36 act.

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SECTION 7. The provisions of this act shall not be implemented in such a way as to discriminate against women's athletic programs.

SECTION 8. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 9. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 10. All laws and parts of laws in conflict with this act are hereby repealed.

/s/ Bob McGinnis

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