

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H1/28/03 H2/12/03

A Bill

HOUSE BILL 1029

5 By: Representatives Jackson, Stovall, Bennett, Bolin, Borhauer, Creekmore, Fite, Gipson, Hathorn,
6 Hickinbotham, Hutchinson, King, Parks, L. Prater, Scroggin, Sullivan, Bledsoe, Rankin, Biggs, Nichols,
7 Weaver, Milligan, Mathis, Anderson, Adams, Jacobs, *Haak, Goss, Thomas, Lewellen*
8 By: Senator Womack
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For An Act To Be Entitled

12 AN ACT TO INSURE THAT FUNDING IS AVAILABLE FOR
13 EDUCATION, CORRECTIONS AND MEDICAID BY LIMITING
14 EXPENDITURES OF STATE GOVERNMENT IN ORDER TO MORE
15 EFFECTIVELY UTILIZE SCARCE RESOURCES; AND FOR
16 OTHER PURPOSES.

Subtitle

19 AN ACT TO INSURE FUNDING FOR EDUCATION,
20 CORRECTIONS AND MEDICAID IS AVAILABLE BY
21 LIMITING EXPENDITURES OF STATE
22 GOVERNMENT IN ORDER TO MORE EFFECTIVELY
23 UTILIZE SCARCE RESOURCES.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Intent. It is the intent of this act to insure that
29 adequate funds are available to the public schools such that the state can
30 comply with the requirements of the State Constitution for the education of
31 our children, to the state Medicaid programs so that our disadvantaged may
32 increase their quality of life, and to maintain a system of incarceration
33 necessary for the continued safety of our citizens. State agencies, boards,
34 commissions, offices, or institutions shall not attempt to circumvent the
35 restrictions in this act by any actions, including raising and depositing
36 additional funds into bank accounts, other than those actions which would



1 have occurred without these restrictions.

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3 SECTION 2. No State agency, board, commission, office or institution
4 shall expend more funds from the same state treasury fund, state treasury
5 fund account as was expended in the previous fiscal year with the exception
6 of:

7 (1) Public School Fund expenditures for elementary and secondary
8 education as appropriated by law;

9 (2) Department of Correction expenditures required for the care and
10 custody of state inmates as appropriated by law;

11 (3) Expenditures required for the continuation or expansion of the
12 Medicaid program as appropriated by law;

13 (4) Expenditures mandated by the federal government required for
14 maintenance of effort;

15 (5) Expenditures mandated by a state or federal court; or

16 (6) Expenditures required by a bond issue or similar instrument.

17 (7) Construction related expenditures by the Arkansas Highway and
18 Transportation Department.

19 (8) Expenditure of retirement systems required to cover benefit
20 payments .

21 SECTION 3. No state agency, board, commission, office or institution
22 shall grant a cost of living increase to any employee whose annual salary
23 rate is in excess of fifty thousand dollars (\$50,000). However, at the end of
24 the fiscal year a bonus may be granted to an employee whose annual salary
25 rate is in excess of fifty thousand dollars (\$50,000) in an amount equal to
26 or less than the cost of living increase authorized for all other employees.
27 The bonus shall be payable only from the savings in the budgeted
28 appropriation of the state agency, board, commission, office or institution
29 for the year as determined by the Chief Fiscal Officer of the State. The
30 bonus authorized by this section shall only be available after all eligible
31 employees in the state agency, board, commission, office or institution have
32 received the maximum cost of living increase allowed by law. Notwithstanding
33 the provisions of Arkansas Code 24-4-101(11)(A), the employer shall pay the
34 required employer retirement matching amount on any lump sum paid to a member
35 of a retirement system under the provisions of this section and the
36 contribution shall be included in the computation of the employee's

1 retirement benefit.

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/s/ Jackson, et al

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