

1 State of Arkansas
2 84th General Assembly
3 Second Extraordinary Session, 2003
4
5 By: Senator Broadway
6
7

As Engrossed: H2/5/04
A Bill

Call Item 4

SENATE BILL 93

For An Act To Be Entitled

9 AN ACT TO CREATE THE EDUCATIONAL ADEQUACY FUND;
10 AND FOR OTHER PURPOSES.

Subtitle

13 AN ACT TO CREATE THE EDUCATIONAL
14 ADEQUACY FUND.

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

19 SECTION 1. Educational Adequacy Fund.

20 (a) There is created on the books of the Treasurer of State, the
21 Auditor of State, and the Chief Fiscal Officer of the State a fund to be
22 known as the Educational Adequacy Fund.

23 (b) The fund shall consist of all net revenues collected due to
24 enactments of the 84th General Assembly meeting in Second Extraordinary
25 Session, unless a different distribution of those additional net revenues is
26 otherwise provided in the Act of the Eighty-Fourth General Assembly meeting
27 in Second Extraordinary Session creating those additional net revenues, after
28 the Treasurer of State has made the deduction from the revenues under
29 Arkansas Code § 19-5-203(b)(2)(A).

30 (c)(1) The Chief Fiscal Officer of the State will determine, from time
31 to time, the amount of funds required from the Educational Adequacy Fund
32 which, when added to other resources available to the Department of Education
33 Public School Fund Account and the Department of Education Fund Account, is
34 needed to fulfill the financial obligation of the state to provide an
35 adequate educational system as enacted by the Second Extraordinary Session of
36 the 84th General Assembly and shall certify the amounts to the Treasurer of



1 State.

2 (2) At the end of each month, the Treasurer of State shall
3 transfer all monies available from the Educational Adequacy Fund to the
4 Department of Education Public School Fund Account established in Arkansas
5 Code § 19-5-305 and to the Department of Education Fund Account, until the
6 sum of all transfers from the Educational Adequacy Fund equal the amounts
7 determined in subdivision (1) of this subsection, there to be used as
8 determined by law.

9 (d) In the event the Chief Fiscal Officer of the State determines that
10 the transfers from the Education Adequacy Fund, when added to the other
11 resources available to the Department of Education Public School Fund Account
12 are not sufficient to meet the state's financial obligation to provide an
13 adequate educational system as enacted by the Second Extraordinary Session of
14 the 84th General Assembly, the additional amount required shall be transferred
15 from the other funds and fund accounts within Arkansas Code 19-5-402(a) and
16 19-5-404(a) based upon the proportion that each of the remaining fund and
17 fund accounts bears to the total of the remaining funds and fund accounts in
18 Arkansas Code 19-5-402(a) and 19-5-404(a).

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20 SECTION 2. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED
21 SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. For the fiscal year ending
22 June 30, 2005, the Chief Fiscal Officer of the State shall transfer the sum
23 of eighty nine thousand nine hundred forty nine dollars (\$89,949) from the
24 Education Adequacy Fund to the Department of Higher Education Fund Account in
25 order to finance the personal services costs of the Higher Education
26 Recruitment Coordinator.

27
28 SECTION 3. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED
29 SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. On June 30, 2005, the Chief
30 Fiscal Officer of the State shall transfer on his books and those of the
31 State Treasurer and the State Auditor the sum of twenty two million dollars
32 (\$22,000,000), or so much thereof as is available, from the General Revenue
33 Allotment Reserve Fund to the Educational Adequacy Fund.

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35 SECTION 4. Any enactment of the Eighty-Fourth General Assembly, meeting
36 in Second Extraordinary Session, which creates an "Educational Adequacy Trust

1 Fund" is hereby deemed to be the "Educational Adequacy Fund", as enacted by
2 the Eighty-Fourth General Assembly meeting in Second Extraordinary Session as
3 created by this Act.

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5 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the 84th
6 General Assembly of the State of Arkansas, meeting in Second Extraordinary
7 Session, that this act is necessary due to the November 2002 Arkansas Supreme
8 Court decision declaring the Arkansas public school system financially
9 inadequate. Therefore, an emergency is declared to exist and this act being
10 immediately necessary for the preservation of the public peace, health, and
11 safety shall become effective on:

12 (1) The date of its approval by the Governor;

13 (2) If the bill is neither approved nor vetoed by the Governor,
14 the expiration of the period of time during which the Governor may veto the
15 bill; or

16 (3) If the bill is vetoed by the Governor and the veto is
17 overridden, the date the last house overrides the veto.

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19 /s/ Broadway
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