

1 **State of Arkansas**  
2 **80th General Assembly**  
3 **Regular Session, 1995**  
4 **By: Joint Budget Committee**

# A Bill

**ACT 1078 OF 1995**  
**SENATE BILL 804**

## For An Act To Be Entitled

8 "AN ACT TO MAKE AN APPROPRIATION TO THE DEPARTMENT OF  
9 FINANCE AND ADMINISTRATION TO PROVIDE FOR INCREASES IN  
10 COMPENSATION LEVELS FOR EMPLOYEES OF STATE AGENCIES,  
11 OFFICES, BOARDS, COMMISSIONS AND STATE INSTITUTIONS OF  
12 HIGHER EDUCATION, FOR THE BIENNIAL PERIOD ENDING JUNE 30,  
13 1997; AND FOR OTHER PURPOSES."

## Subtitle

14  
15 "AN ACT TO PROVIDE FUNDING FOR INCREASES  
16 IN COMPENSATION LEVELS FOR STATE  
17 EMPLOYEES."  
18

19  
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

21  
22 SECTION 1. APPROPRIATIONS - STATE TREASURY FUNDS. There is hereby  
23 appropriated, to the Department of Finance and Administration, to be payable  
24 from various State Treasury funds, fund accounts and accounts, for the purpose  
25 of providing supplemental appropriations for the payment of personal services  
26 for the biennial period ending June 30, 1997, the following:

28 ITEM	29 FISCAL YEARS	
	<del>1995-96</del>	<del>1996-97</del>
30 (1) PERSONAL SERVICES	<u>\$27,687,089</u>	<u>\$56,971,199</u>

31  
32 SECTION 2. APPROPRIATIONS - CASH FUNDS. There is hereby appropriated,  
33 to the Department of Finance and Administration, to be payable from cash funds  
34 as defined by Arkansas Code §19-4-801 of the various agencies, offices,  
35 boards, commissions, institutions and institutions of higher education, for  
36 the purpose of providing supplemental appropriations for the payment of

1 personal services for the biennial period ending June 30, 1997, the following:  
2

3 ITEM	FISCAL YEARS	
4 <del>NO.</del>	<del>1995-96</del>	<del>1996-97</del>
5 (1) PERSONAL SERVICES	<u>\$3,623,232</u>	<u>\$7,524,316</u>

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7 SECTION 3. APPROPRIATION TRANSFER PROCEDURES. In the event that the  
8 Chief Fiscal Officer of the State determines that the General Assembly has not  
9 provided sufficient appropriation for the payment of Personal Services for a  
10 state agency, office, board, commission, institution or institution of higher  
11 education due to the enactment of this act or any other Act approved by the  
12 Eightieth General Assembly which raises the compensation level or required  
13 benefit matching costs of state employees, the agency, office, board,  
14 commission, institution of higher education or other institution may request a  
15 transfer from the appropriation provided herein from the Chief Fiscal Officer  
16 of the State. Such request shall clearly state the amount required, the fund  
17 or fund account from which the employees are currently being paid, and such  
18 other information as may be required by the Chief Fiscal Officer of the State  
19 that he deems necessary to make a decision regarding the request. Upon the  
20 approval of the Chief Fiscal Officer of the State or upon processing the  
21 request for elected Constitutional Officers and their employees by the Chief  
22 Fiscal Officer of the State, the State Auditor shall be notified as to the  
23 amount and the purposes for which said appropriation is to be made. The  
24 appropriation shall then be added to the proper account on the books of the  
25 Department of Finance and Administration and the State Auditor payable from  
26 the fund or fund account from which the employees of the state agency, office,  
27 board, commission, institution of higher education or other institution are  
28 authorized to be paid by law. Such appropriation transfers shall be limited  
29 to Regular Salaries or Personal Services Matching or both.

30

31 SECTION 4. FUNDING TRANSFER. Funding of compensation increases  
32 provided by the Eightieth General Assembly in each fiscal year of the biennium  
33 and funding for the appropriation transfers authorized by this act, or for any  
34 part thereof, for those state agencies, offices, boards, commissions,  
35 institutions and state institutions of higher education which are supported in

1 whole or in part from general revenues shall, if required, be provided for by  
2 a transfer from the Merit Adjustment Fund to the proper fund or fund account  
3 and in such amounts as may be determined by the Chief Fiscal Officer of the  
4 State. The state agencies, offices, boards, commissions, institutions and  
5 state institutions of higher education shall, in addition to the funds  
6 provided in this section for Personal Services from the Merit Adjustment Fund,  
7 make available any funding generated from its salary savings for such purposes  
8 as provided for herein, from the funds or fund accounts as prescribed by law.

9

10        *SECTION 5. HIGHER EDUCATION CLASSIFIED EMPLOYEE SALARY ADJUSTMENT FUND.*

11        *The Higher Education Classified Employee Salary Adjustment Fund is hereby*  
12 *created upon the books of the State Treasurer, State Auditor and Chief Fiscal*  
13 *Officer of the State.*

14

15        *SECTION 6. APPROPRIATION TRANSFER PROCEDURES. In order to ensure that*  
16 *classified employees of institutions of higher education receive the cost-of-*  
17 *living and merit increases as enacted by the Eightieth General Assembly, the*  
18 *Chief Fiscal officer of the State shall determine the amount required to*  
19 *provide the general revenue share of the salary increases and resulting fringe*  
20 *benefit cost increases for those employees for fiscal year 1995-96. Upon such*  
21 *determination, the State Treasurer shall transfer the necessary funds from the*  
22 *Merit Adjustment Fund to the Higher Education Classified Employee Salary*  
23 *Adjustment Fund. After the amount to be made available to each institution is*  
24 *determined, the Chief Fiscal Officer of the State shall process the documents*  
25 *necessary so that the funds may be transferred from the Higher Education*  
26 *Classified Employee Salary Adjustment Fund to the State Treasury fund or fund*  
27 *account from which the Institution of Higher Education draws its general*  
28 *revenue support.*

29

30        *In order to provide the general revenue share of the salary increases and*  
31 *resulting fringe benefit cost increases for those employees for fiscal year*  
32 *1996-97, the Chief Fiscal Officer of the State shall determine the amount*  
33 *required to continue funding for the increases granted in fiscal year 1995-96*  
34 *and additional amounts required to provide the general revenue share of the*  
35 *fiscal year 1996-97 salary increases and resulting fringe benefit cost*

1 increases. Upon such determination, the State Treasurer shall transfer the  
2 necessary funds from the Merit Adjustment Fund to the Higher Education  
3 Classified Employee Salary Adjustment Fund. After the amount to be made  
4 available to each institution is determined, the Chief Fiscal Officer of the  
5 State shall process the documents necessary so that the funds may be  
6 transferred from the Higher Education Classified Employee Salary Adjustment  
7 Fund to the State Treasury fund or fund account from which the Institution of  
8 Higher Education draws its general revenue support.

9

10 Prior to receiving monies from the Higher Education Classified Employee  
11 Salary Adjustment Fund, the chief executive officer of each institution of  
12 higher education shall certify to the Chief Fiscal officer of the State the  
13 exact number of positions eligible for the increases and the amounts necessary  
14 to provide the general revenue portion of the salary and benefit increases.  
15 Such certification shall be accompanied by a detailed listing of eligible  
16 positions and salaries. Monies transferred from the Higher Education  
17 Classified Employee Salary Adjustment Fund to each institution of higher  
18 education shall be used exclusively for the purposes stated in this section.  
19 Any monies transferred to an institution that are not required for the  
20 purposes stated in this section shall be remitted to the State Treasurer who  
21 shall deposit the same in the Higher Education Classified Employee Salary  
22 Adjustment Fund.

23

24 SECTION 7. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
25 authorized by this Act shall be limited to the appropriation for such agency  
26 or institution of higher education and funds made available by law for the  
27 support of such appropriations; and the restrictions of the State Purchasing  
28 Law, the General Accounting and Budgetary Procedures Law, the Revenue  
29 Stabilization Law, the Regular Salary Procedures and Restrictions Act, or  
30 their successors, and other fiscal control laws of this State, where  
31 applicable, and regulations promulgated by the Department of Finance and  
32 Administration, as authorized by law, shall be strictly complied with in  
33 disbursement of said funds.

34

35 SECTION 8. LEGISLATIVE INTENT. It is the intent of the General

1 Assembly that any funds disbursed under the authority of the appropriations  
2 contained in this Act shall be in compliance with the stated reasons for which  
3 this Act was adopted, as evidenced by the Agency or institution of higher  
4 education Requests, Executive Recommendations and Legislative Recommendations  
5 contained in the budget manuals prepared by the Department of Finance and  
6 Administration, letters, or summarized oral testimony in the official minutes  
7 of the Arkansas Legislative Council or Joint Budget Committee which relate to  
8 its passage and adoption.

9

10 SECTION 9. CODE. All provisions of this Act of a general and permanent  
11 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
12 Code Revision Commission shall incorporate the same in the Code.

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14 SECTION 10. SEVERABILITY. If any provision of this Act or the  
15 application thereof to any person or circumstance is held invalid, such  
16 invalidity shall not affect other provisions or applications of the Act which  
17 can be given effect without the invalid provision or application, and to this  
18 end the provisions of this Act are declared to be severable.

19

20 SECTION 11. GENERAL REPEALER. All laws and parts of laws in conflict  
21 with this Act are hereby repealed.

22

23 SECTION 12. EMERGENCY CLAUSE. It is hereby found and determined by the  
24 Eightieth General Assembly, that the Constitution of the State of Arkansas  
25 prohibits the appropriation of funds for more than a two (2) year period; that  
26 the effectiveness of this Act on July 1, 1995 is essential to the operation of  
27 the agency or institution of higher education for which the appropriations in  
28 this Act are provided, and that in the event of an extension of the Regular  
29 Session, the delay in the effective date of this Act beyond July 1, 1995 could  
30 work irreparable harm upon the proper administration and provision of  
31 essential governmental programs. Therefore, an emergency is hereby declared to  
32 exist and this Act being necessary for the immediate preservation of the  
33 public peace, health and safety shall be in full force and effect from and  
34 after July 1, 1995.

35

*/s/Russ*

***As Engrossed: 3/28/95***

**SB 804**

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APPROVED: 4-10-95

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