

State of Arkansas
76th General Assembly
Regular Session, 1987
By: Joint Budget Committee

SENATE BILL 62

"AN ACT TO LIMIT SALARY INCREASES FOR STATE EMPLOYEES UNTIL
THE ARKANSAS ECONOMY IS ABLE TO SUSTAIN SUCH INCREASES; AND
FOR OTHER PURPOSES."

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

SECTION 1. SALARY RESTRICTIONS. Except as provided in Section 2 of this act, the annual salary rate paid on January 2, 1987 to any employee of any department, office, agency, bureau, division, board, commission, or institution of the State of Arkansas shall be the maximum rate of pay for such employee for each fiscal year of the biennial period ending June 30, 1989 while that employee is paid from the same title or in a position having the same maximum annual salary as that from which the employee was paid on January 2, 1987. If an employee is hired by the State of Arkansas after January 2, 1987, such employee's maximum salary rate for each fiscal year of the biennial period ending June 30, 1989 shall be that salary rate paid at the time of hire. An employee on leave-without-pay status on January 2, 1987 shall have a maximum rate of pay for each fiscal year of the biennial period ending June 30, 1989 equal to the rate at which the employee was last paid. Nothing in this section shall restrict an employee from receiving additional compensation in accordance with other laws due to promotion, reclassification due to legislative enactment, lengthened contract periods, overload teaching assignments, board certification or additional patient income from direct care provided by the employee.

SECTION 2. SALARY INCREASES. Notwithstanding the provisions of Section 1 of this act, salary increases may be provided if it is determined by the Governor of this state and the Chief Fiscal Officer of the State that funds and appropriations are available to grant increases to all employees or to

specific groups of employees in all state agencies, institutions, boards, commissions, departments and divisions and that such increases can be sustained by the economy of the state, the Chief Fiscal Officer of the State shall promulgate such regulations as may be required to implement the proposed increases, the rates of increase recommended, and the employees to be eligible for such increases and to submit such regulations to the Arkansas Legislative Council for its review and comment prior to implementation. No increase shall be granted in excess of the maximum salary for which the employee would be eligible if this Act were not in effect.

SECTION 3. EMERGENCY CLAUSE. It is hereby found and determined by the Seventy-Sixth General Assembly, that state tax collections projected into the next biennium are expected to remain at the 1986-87 level, that some economists are predicting a deep recession some time in the next biennium in which state resources will be stretched even farther, that the state must take exceptional actions during the period of exceptional financial crises, and the freezing of state employees' salaries is only a part of those actions which may be required if these predictions hold true. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 1987.

