

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Joint Budget Committee**

A Bill

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 6-5-302 AND
9 6-5-303; TO PROVIDE FOR THE TRANSFER AND ALLOCATION OF
10 FUNDS TO THE EDUCATIONAL EXCELLENCE TRUST FUND; TO PROVIDE
11 FOR THE DISTRIBUTION OF REVENUES ACCORDING TO THIS FUND;
12 AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT TO AMEND THE ARKANSAS CODE FOR THE TRANSFER AND
15 ALLOCATION OF THE EDUCATIONAL EXCELLENCE TRUST FUND."
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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20 SECTION 1. Arkansas Code Annotated § 6-5-302 is hereby amended to read
21 as follows:

22 " (a) From the monies accruing to the Educational Excellence Trust
23 Fund, the State Treasurer on the last day of the month shall transfer to the
24 various funds and fund accounts listed below, until there has been
25 transferred a total of \$155,600,500 for fiscal year 1993-94 and \$164,469,729
26 for fiscal year 1994-95 and for each fiscal year thereafter, or as much as may
27 become available, provided that the State Treasurer shall make such monthly
28 allocations in accordance with each fund or fund account's proportionate part
29 of the total of all such allocations set forth herein:

	Fiscal Year Ending	
	June 30, 1994	June 30, 1995
<u>Fund or Fund Accounts</u>	<u>June 30, 1994</u>	<u>& Thereafter</u>
33 Public School Fund	\$114,550,500	\$121,632,779
34 Dept. of Education Fund Account	700,000	700,000
35 Vocational Education Admin. Fund Acct.	2,000,000	2,000,000

1	Dept. of Higher Ed. Grants Fund Account	7,290,836	7,351,343
2	Institutions of Higher Education:		
3	Arkansas State University Fund	3,236,564	3,359,088
4	Arkansas State University-Beebe Fund	592,228	801,417
5	Arkansas Tech University Fund	1,093,359	1,125,989
6	Henderson State University Fund	1,127,931	1,164,782
7	Southern Arkansas University Fund	633,975	688,644
8	So. Ark. Univ.-SW Tech. Inst. Div. Fund	172,707	179,797
9	University of Arkansas Fund	8,125,589	8,335,419
10	Univ. of Arkansas at Little Rock Fund	2,870,373	2,957,972
11	Univ. of Ark. Med. Center Fund	4,967,306	5,093,049
12	Univ. Of Ark. Med. Ctr-Indigent Care	123,515	126,736
13	Univ. of Arkansas at Monticello Fund	577,415	594,322
14	Univ. of Arkansas at Pine Bluff Fund	1,002,816	1,031,730
15	Univ. of Central Arkansas Fund	2,469,798	2,563,477
16	East Arkansas Community College Fund	321,600	419,401
17	Garland County Community College Fund	449,650	627,274
18	Mississippi Co. Community College Fund	390,318	401,750
19	North Ark. Community College Fund	247,693	247,693
20	Northwest Ark. Community College Fund	400,000	554,346
21	Phillips Co. Community College Fund	397,461	408,440
22	Rich Mtn. Community College Fund	106,280	110,707
23	South Arkansas Community College Fund	196,679	286,841
24	Westark Community College Fund	1,555,907	1,706,733
25	Total Institutions of Higher Education	<u>\$31,350,000</u>	<u>\$33,136,950</u>

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27 (b) After making the maximum allocations each fiscal year provided for
28 in subsection (a) of this section, the State Treasurer shall transfer any
29 remaining revenues accruing to the Educational Excellence Trust Fund to the
30 funds and fund accounts listed herein in accordance with each fund account's
31 proportionate part of the total of all such allocations set forth herein."

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33 SECTION 2. Arkansas Code Annotated 6-5-303 is hereby amended to read as
34 follows:

35 "6-5-303. Use of funds for salary increases - Distribution to Minimum

1 Foundation Program Aid.

2 (a) In each fiscal year beginning July 1, 1991, the funds to be
3 allocated from the Educational Excellence Trust Fund for distribution to
4 school districts through Minimum Foundation Program Aid (MFPA) of the Public
5 School Fund shall be utilized by school districts to provide salary increases
6 for certified personnel positions existing in the district and for no other
7 purposes except that required social security matching on such salary
8 increases required to be paid by school districts may be paid from such funds.

9 This increased funding shall be divided equally among all certified personnel
10 unless the board of directors of a district and a majority of the teachers
11 agree to a different distribution.

12 (b) The funds to be allocated from the Educational Excellence Trust
13 Fund to minimum foundation program aid of the Public School Fund shall be
14 disbursed to school districts based on the formula for distribution of Minimum
15 Foundation Program Aid (MFPA) set out in 6-20-301 et seq., except that the
16 allowances for consolidation or annexation as set out in 6-20-309 and
17 compensatory education funds under 6-20-320 shall not be utilized in
18 calculating such disbursement; however, the use of such funds shall be
19 governed by subsection (a) of this section."

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21 SECTION 3. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
22 authorized by this Act shall be limited to the appropriation for such agency
23 and funds made available by law for the support of such appropriations; and
24 the restrictions of the State Purchasing Law, the General Accounting and
25 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
26 Procedures and Restrictions Act, or their successors, and other fiscal control
27 laws of this State, where applicable, and regulations promulgated by the
28 Department of Finance and Administration, as authorized by law, shall be
29 strictly complied with in disbursement of said funds.

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31 SECTION 4. LEGISLATIVE INTENT. It is the intent of the General
32 Assembly that any funds disbursed under the authority of the appropriations
33 contained in this Act shall be in compliance with the stated reasons for which
34 this Act was adopted, as evidenced by the Agency Requests, Executive
35 Recommendations and Legislative Recommendations contained in the budget

1 manuals prepared by the Department of Finance and Administration, letters, or
2 summarized oral testimony in the official minutes of the Arkansas Legislative
3 Council or Joint Budget Committee which relate to its passage and adoption.

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5 SECTION 5. CODE. All provisions of this Act of a general and permanent
6 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
7 Code Revision Commission shall incorporate the same in the Code.

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9 SECTION 6. SEVERABILITY. If any provision of this Act or the
10 application thereof to any person or circumstance is held invalid, such
11 invalidity shall not affect other provisions or applications of the Act which
12 can be given effect without the invalid provision or application, and to this
13 end the provisions of this Act are declared to be severable.

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15 SECTION 7. GENERAL REPEALER. All laws and parts of laws in conflict
16 with this Act are hereby repealed.

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18 SECTION 8. EMERGENCY CLAUSE. It is hereby found and determined by the
19 Seventy-Ninth General Assembly meeting in Regular Session, that the provision
20 of quality education to the students of secondary schools and Arkansas
21 institutions of higher education is essential to the preservation of public
22 welfare; that a continuation of state financial procedures relating to the
23 Educational Excellence Trust Fund is necessary to assure that revenues are
24 made available to support the programs of educational opportunity improvement;
25 and that delay past July 1, 1993 will cause a serious and critical delay in
26 the initiation of the programs for improvement of the educational system of
27 this state. Therefore, an emergency is hereby declared to exist, and this Act
28 being necessary for the immediate preservation of the public peace, health,
29 and safety shall be in full force and effect from and after July 1, 1993.

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