

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

A Bill

SENATE BILL 804

For An Act To Be Entitled

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

Subtitle

"AN ACT TO PROVIDE FUNDING FOR INCREASES IN COMPENSATION LEVELS FOR STATE EMPLOYEES."

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

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

ITEM	FISCAL YEARS	
NO.	1995-96	1996-97
(1) PERSONAL SERVICES	<u>\$27,687,089</u>	<u>\$56,971,199</u>

SECTION 2. APPROPRIATIONS - CASH FUNDS. There is hereby appropriated, to the Department of Finance and Administration, to be payable from cash funds as defined by Arkansas Code §19-4-801 of the various agencies, offices, boards, commissions, institutions and institutions of higher education, for

1 the purpose of providing supplemental appropriations for the payment of
2 personal services for the biennial period ending June 30, 1997, the
3 following:

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

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

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34 SECTION 4. FUNDING TRANSFER. Funding of compensation increases
35 provided by the Eightieth General Assembly in each fiscal year of the

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

13 *SECTION 5. HIGHER EDUCATION CLASSIFIED EMPLOYEE SALARY ADJUSTMENT*
14 *FUND. The Higher Education Classified Employee Salary Adjustment Fund is*
15 *hereby created upon the books of the State Treasurer, State Auditor and Chief*
16 *Fiscal Officer of the State.*

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

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33 *In order to provide the general revenue share of the salary increases*
34 *and resulting fringe benefit cost increases for those employees for fiscal*
35 *year 1996-97, the Chief Fiscal Officer of the State shall determine the*

1 amount required to continue funding for the increases granted in fiscal year
2 1995-96 and additional amounts required to provide the general revenue share
3 of the fiscal year 1996-97 salary increases and resulting fringe benefit cost
4 increases. Upon such determination, the State Treasurer shall transfer the
5 necessary funds from the Merit Adjustment Fund to the Higher Education
6 Classified Employee Salary Adjustment Fund. After the amount to be made
7 available to each institution is determined, the Chief Fiscal Officer of the
8 State shall process the documents necessary so that the funds may be
9 transferred from the Higher Education Classified Employee Salary Adjustment
10 Fund to the State Treasury fund or fund account from which the Institution of
11 Higher Education draws its general revenue support.

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

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

1 disbursement of said funds.

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

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

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

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

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

1 immediate preservation of the public peace, health and safety shall be in
2 full force and effect from and after July 1, 1995.

3 */s/Russ*

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