

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997

As Engrossed: H3/21/97 S4/2/97

## A Bill

HOUSE BILL 2075

4

5 By: Representatives Wagner, Ammons, Angel, Baker, Beatty, Bennett, Booker, Broadway, Capps, Choate, Critcher, Davis, Dietz, Faris,  
6 Ferguson, Flanagan, George, Goodwin, Hale, Hall, Harris, Horn, D. Hudson, Hunton, Johnson, Lancaster, Maddox, Malone, B.  
7 McGee, M. McGehee, McGinnis, McJunkin, McKissack, Miller, Newman, Northcutt, Pollan, Purdom, Roberts, Rodgers, Rorie,  
8 Schexnayder, Shoffner, Simmons, J. Smith, T. Smith, Stalnaker, Thicksten, Vess, Walker, Wallis, Whorton, Wilkins, Wilkinson, Wilson,  
9 Young

10 By: Senator Wilson

11

12

### For An Act To Be Entitled

13 "AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES,  
14 OPERATING EXPENSES AND GRANTS FOR THE DEPARTMENT OF HIGHER  
15 EDUCATION FOR THE BIENNIAL PERIOD ENDING JUNE 30, 1999;  
16 AND FOR OTHER PURPOSES."

17

18

### Subtitle

19 "AN ACT FOR THE DEPARTMENT OF HIGHER  
20 EDUCATION APPROPRIATION FOR THE 1997-99  
21 BIENNIUM."

22

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

24

25 SECTION 1. REGULAR SALARIES - GENERAL OPERATIONS. There is hereby  
26 established for the Department of Higher Education - General Operations for  
27 the 1997-99 biennium, the following maximum number of regular employees whose  
28 salaries shall be governed by the provisions of the Uniform Classification and  
29 Compensation Act (Arkansas Code §§21-5-201 et seq.), or its successor, and all  
30 laws amendatory thereto. Provided, however, that any position to which a  
31 specific maximum annual salary is set out herein in dollars, shall be exempt  
32 from the provisions of said Uniform Classification and Compensation Act. All  
33 persons occupying positions authorized herein are hereby governed by the  
34 provisions of the Regular Salaries Procedures and Restrictions Act (Arkansas  
35 Code §21-5-101), or its successor.

36

Item	Class		Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Years		
		<del>No.</del>	<del>Code</del>	<del>Title</del>	<del>1997-98</del>	<del>1998-99</del>
1						
2						
3	(1)	9960	HIGHER ED DIRECTOR	1	\$103,026	\$105,910
4	(2)	7243	HIGHER EDUCATION DEPUTY DIRECTOR	1	\$ 95,396	\$ 98,067
5	(2a)	9773	HIGHER ED SENIOR ASSOC DIR	1	\$ 87,322	\$ 89,767
6	(3)	9774	HIGHER ED ASSOC DIR FOR FISCAL AFF	1	\$ 75,466	\$ 77,579
7	(4)	9922	DHE ASSOC DIR ACAD AFF.	1	\$ 75,466	\$ 77,579
8	(4a)	9978	ASST DIR FOR PLANNING & ACCOUNTABILITY	1	\$ 64,208	\$ 66,006
9	(5)	9623	H E COORD OF INSTITUTIONAL FINANCE	1	\$ 57,622	\$ 59,235
10	(6)	9090	ASST DIRECTOR OF INFO SERVICES	1	\$ 64,208	\$ 66,006
11	(7)	9093	H E COORD 2-YR INST FINANCE	1	\$57,622	\$ 59,235
12	(8)	9965	HIGHER ED COORD OF ACADEMIC PROGRAMS	1	\$ 57,622	\$ 59,235
13	(9)	9966	HIGHER ED STUDENT FIN AID MANAGER	1	\$ 57,622	\$ 59,235
14	(10)	9092	HE COORD OF GENERAL ADMIN	1	\$ 57,622	\$ 59,235
15	(11)	A252	DHE FINANCIAL MANAGER	2		GRADE 24
16		D064	SR SYSTEMS PROGRAMMER	1		GRADE 24
17	(12)	R088	HIGHER ED FINANCIAL OFFICER	1		GRADE 22
18		A032	AGENCY FISCAL MANAGER	1		
19		R096	HIGHER ED ASST COORD STDNT FIN AID	3		
20	(13)	D036	SR PROGRAMMER/ANALYST	1		GRADE 21
21	(14)	R240	DHE DATA COLLECTION ANALYST	1		GRADE 20
22	(15)	R264	MANAGEMENT PROJECT ANALYST I	1		GRADE 18
23	(16)	K011	ADMINISTRATIVE OFFICE SUPERVISOR	1		GRADE 15
24		R444	BUSINESS CONTROLLER I	1		
25	(17)	K153	SECRETARY II	<u>4</u>		GRADE 13
26			MAX NO. OF EMPLOYEES	29		

SECTION 2. SPECIAL LANGUAGE. PROVISIONAL POSITIONS. In the event federal funds or grants are received during the biennium, the Department of Higher Education may establish up to seven (7) provisional positions to be paid from such federal funds, which are in addition to those already appropriated in this Act, so long as the salary rates do not exceed the

1 maximum salaries or grades established for comparable positions in the regular  
 2 salary section of this Act. The establishment of such positions shall be  
 3 subject to the approval of the Director of the Department of Finance and  
 4 Administration.

5  
 6 SECTION 3. APPROPRIATIONS - GENERAL OPERATIONS. There is hereby  
 7 appropriated, to the Department of Higher Education, to be payable from the  
 8 Department of Higher Education Fund Account, for personal services, operating  
 9 expenses and grants of the Department of Higher Education for the biennial  
 10 period ending June 30, 1999, the following:

<del>ITEM</del>		<del>FISCAL YEARS</del>	
NO.		1997-98	1998-99
14	(01) REGULAR SALARIES	\$ 1,371,258	\$ 1,409,652
15	(02) PERSONAL SERV MATCHING	342,815	352,414
16	(03) MAINT. & GEN. OPERATION		
17	(A) OPER. EXPENSE	407,181	407,181
18	(B) CONF. & TRVL.	63,901	63,901
19	(C) PROF. FEES	4,000	4,000
20	(D) CAP. OUTLAY	30,000	30,000
21	(E) DATA PROC.	0	0
22	(04) YOUTH OPPORTUNITIES UNLIMITED GRANTS/AIDS	91,591	91,591
23	(05) ACCREDITATION/EVALUATION	<u>65,000</u>	<u>65,000</u>
24	TOTAL AMOUNT APPROPRIATED	<u>\$ 2,375,746</u>	<u>\$ 2,423,739</u>

25  
 26 SECTION 4. APPROPRIATIONS - HIGHER EDUCATION PROMOTIONAL GRANTS. There  
 27 is hereby appropriated, to the Department of Higher Education, to be payable  
 28 from the Department of Higher Education Fund Account, for the State Board of  
 29 Higher Education to utilize in the promotion of statewide Higher Education  
 30 priorities of the State Board of Higher Education for the biennial period  
 31 ending June 30, 1999, the following:

<del>ITEM</del>		<del>FISCAL YEARS</del>	
NO.		1997-98	1998-99
35	(01) HIGHER EDUCATION PROMOTIONAL GRANTS	<u>\$ 3,002,285</u>	<u>\$ 3,002,285</u>

1

2 SECTION 5. APPROPRIATIONS - SREB INSTITUTE. There is hereby  
 3 appropriated, to the Department of Higher Education, to be payable from the  
 4 Department of Higher Education Fund Account, for making the contribution of  
 5 the State of Arkansas to the SREB Institute for higher educational opportunity  
 6 by the Department of Higher Education for the biennial period ending June 30,  
 7 1999, the following:

8

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9 ITEM	FISCAL YEARS	
10 NO.	1997-98	1998-99
11 (01) STATE'S CONTRIBUTION - SREB INSTITUTE	\$ <u>152,600</u>	\$ <u>152,600</u>

12

13 SECTION 6. APPROPRIATIONS - STUDENT ASSISTANCE GRANTS AND VARIOUS  
 14 SCHOLARSHIPS. There is hereby appropriated, to the Department of Higher  
 15 Education, to be payable from the Higher Education Grants Fund Account, for  
 16 providing student assistance grants and various scholarships as provided by  
 17 law by the Department of Higher Education for the biennial period ending June  
 18 30, 1999, the following:

19

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20 ITEM	FISCAL YEARS	
21 NO.	1997-98	1998-99
22 (01) SCHOLARSHIPS TO DEPENDENTS - MIA/KIA		
23 TUITION WAIVERS	\$ 48,000	\$ 48,000
24 (02) TEACHER RETRAINING GRANTS	179,544	179,544
25 (03) MATH/SCIENCE TEACHER LOAN AWARDS	81,717	81,717
26 (04) GOVERNOR'S SCHOLARS PROGRAM		
27 AWARDS	3,198,450	4,824,452
28 (05) JUNIOR/SENIOR MINORITY		
29 SCHOLARSHIPS	450,000	450,000
30 (06) FRESHMAN/SOPHOMORE MINORITY		
31 SCHOLARSHIPS	250,000	250,000
32 (07) MINORITY TEACHER RECRUITMENT &		
33 TRAINING PROGRAM - PAYMENT OF HONORARIUMS	25,000	25,000
34 (08) SECOND EFFORT SCHOLARSHIPS	50,000	50,000
35 (09) SREB MINORITY FACULTY		

1	RECRUITMENT SCHOLARSHIPS	200,000	200,000
2	(10) STATE SCHOLARSHIP PROGRAM	5,099,506	5,099,506
3	(11) ACADEMIC CHALLENGE SCHOLARSHIPS	13,000,000	14,675,000
4	(12) MINORITY MASTERS PROGRAM	80,000	80,000
5	(13) SURVIVING CHILDREN SCHOLARSHIPS	60,000	60,000
6	(14) FACULTY/ADMINISTRATOR		
7	DEVELOPMENT MATCHING	30,000	30,000
8	(15) TUITION ADJUSTMENT	800,000	800,000
9	(16) SCHOLARSHIPS FOR ARKANSAS		
10	REHABILITATION SERVICES CLIENTS	<u>500,000</u>	<u>500,000</u>
11	TOTAL AMOUNT APPROPRIATED	<u>\$ 24,152,217</u>	<u>\$ 27,353,219</u>

12

13 SECTION 7. APPROPRIATIONS - STATE SCHOLARSHIP - FEDERAL. There is

14 hereby appropriated, to the Department of Higher Education, to be payable from

15 the federal funds as designated by the Chief Fiscal Officer of the State, for

16 Grants-in-Aid of the State Scholarship - Federal Program of the Department of

17 ~~Higher Education for the biennial period ending June 30, 1999, the following:~~

19	ITEM	FISCAL YEARS	
20	NO.	1997-98	1998-99
21	(01) GRANTS/AIDS - ST. SCHOLARSHIPS - FEDERAL	<u>\$ 316,147</u>	<u>\$ 316,147</u>

22

23 SECTION 8. APPROPRIATIONS - DWIGHT D. EISENHOWER GRANTS. There is

24 hereby appropriated, to the Department of Higher Education, to be payable from

25 the federal funds as designated by the Chief Fiscal Officer of the State, for

26 operating expenses and grants/aids of the Dwight D. Eisenhower Program of the

27 Department of Higher Education for the biennial period ending June 30, 1999,

28 ~~the following:~~

30	ITEM	FISCAL YEARS	
31	NO.	1997-98	1998-99
32	(01) MAINT. & GEN. OPERATION		
33	(A) OPER. EXPENSE	24,761	24,761
34	(B) CONF. & TRVL.	5,000	5,000
35	(C) PROF. FEES	2,500	2,500

1	(D) CAP. OUTLAY	0	0
2	(E) DATA PROC.	0	0
3	(02) DWIGHT D. EISENHOWER GRANTS/AIDS	<u>\$ 639,182</u>	<u>\$ 639,182</u>
4	TOTAL AMOUNT APPROPRIATED	<u><u>\$ 671,443</u></u>	<u><u>\$ 671,443</u></u>

5

6 SECTION 9. APPROPRIATIONS - SYSTEMIC INITIATIVE PROJECT. There is

7 hereby appropriated, to the Department of Higher Education, to be payable from

8 the federal funds as designated by the Chief Fiscal Officer of the State, for

9 ~~personal services, operating expenses and grants to support math/science~~

10 education of the Department of Higher Education for the biennial period ending

11 June 30, 1999, the following:

12	13 ITEM	14 FISCAL YEARS	
14 NO.		1997-98	1998-99
15	(01) REGULAR SALARIES	\$ 287,049	\$ 294,841
16	(02) PERSONAL SERV MATCHING	69,737	71,194
17	(03) MAINT. & GEN. OPERATION		
18	(A) OPER. EXPENSE	111,700	111,700
19	(B) CONF. & TRVL.	16,000	16,000
20	(C) PROF. FEES	138,000	138,000
21	(D) CAP. OUTLAY	0	0
22	(E) DATA PROC.	0	0
23	(04) GRANTS TO SUPPORT MATH/SCIENCE EDUCATION	<u>1,842,767</u>	<u>1,842,767</u>
24	TOTAL AMOUNT APPROPRIATED	<u><u>\$ 2,465,253</u></u>	<u><u>\$ 2,474,502</u></u>

25

26 SECTION 10. APPROPRIATIONS - TECHNICAL EDUCATION - FEDERAL PROGRAMS.

27 There is hereby appropriated, to the Department of Higher Education, to be

28 ~~payable from the federal funds as designated by the Chief Fiscal Officer of~~

29 the State, for personal services and operating expenses of the Department of

30 Higher Education for the biennial period ending June 30, 1999, the following:

31	32 ITEM	33 FISCAL YEARS	
33 NO.		1997-98	1998-99
34	(01) REGULAR SALARIES	\$ 57,622	\$ 59,235
35	(02) PERSONAL SERV MATCHING	13,303	13,592

1	(03) MAINT. & GEN. OPERATION		
2	(A) OPER. EXPENSE	4,000	4,000
3	(B) CONF. & TRVL.	9,000	9,000
4	(C) PROF. FEES	68,268	68,268
5	(D) CAP. OUTLAY	0	0
6	(E) DATA PROC.	0	0
7	TOTAL AMOUNT APPROPRIATED	<u>\$ 152,193</u>	<u>\$ 154,095</u>

8

9 SECTION 11. APPROPRIATIONS. There is hereby appropriated, to the

10 Department of Higher Education, to be payable from the Higher Education

11 Building Maintenance Fund, for maintenance of various buildings at the

12 Institutions of Higher Education by the Department of Higher Education for the

13 biennial period ending June 30, 1999, the sum of .....\$26,000,000.

14

15 SECTION 12. APPROPRIATIONS. There is hereby appropriated, to the

16 Department of Higher Education, to be payable from the Research Development

17 Fund, for providing Arkansas Research Development Program Grants to

18 Institutions of Higher Education by the Department of Higher Education for the

19 biennial period ending June 30, 1999, the sum of.....\$10,000,000.

20

21 SECTION 13. SPECIAL LANGUAGE - REPORTING REQUIREMENTS. The reports of

22 college achievement of high school graduates, as appropriated by the Eighty-

23 First General Assembly, shall be provided to high school and school district

24 administrators and may also be provided to the State Board of Higher

25 Education, the Governor, the Joint Interim Committee on Education, the Board

26 of Education and the Department of Education, as designated by the Department

27 of Higher Education.

28

29 SECTION 14. SPECIAL LANGUAGE - TRANSFER PROVISION. Upon certification

30 by the Director of the Department of Higher Education that transfers are

31 needed to make maximum utilization of funds and appropriations provided for

32 financial aid programs, and with the approval of the Chief Fiscal Officer of

33 the State and a review by the Arkansas Legislative Council, funds and

34 appropriations may be transferred between financial aid programs, except that

35 funds and appropriations may not be transferred for such purposes from either

1 the Governor's Scholars Program or the Academic Challenge Scholarships Program  
2 in excess of \$1,000,000 in the aggregate in either fiscal year.

3

4 SECTION 15. SPECIAL LANGUAGE - HIGHER EDUCATION PROMOTIONAL GRANTS.

5 Upon certification by the Chairman of the State Board of Higher Education to  
6 the Chief Fiscal Officer of the State, funds and appropriation provided to the  
7 Department of Higher Education for Higher Education Promotional Grants shall  
8 be transferred each fiscal year to each institution of higher education which  
9 received such funds in Fiscal Year 1995-96, in the proportion of the amount  
10 each institution received to the total amount which was distributed in Fiscal  
11 Year 1995-96 applied to the total amount of funds available each year, there  
12 to be used for the same purposes.

13

14 SECTION 16. SPECIAL LANGUAGE. In order to provide timely payments under  
15 financial aid appropriations made in this Act, the Chief Fiscal Officer of the  
16 State is authorized to provide loans from the Budget Stabilization Trust Fund  
17 to make available all funds attributable to the financial aid programs under  
18 the then current official revenue estimates. In the event of an unanticipated  
19 state revenue shortfall, any such loans remaining at the end of a fiscal year  
20 shall be repaid from revenues distributed in the first two months of the next  
21 fiscal year. Funds for appropriations made in this Act for purposes other  
22 than financial aid shall not be affected by the application of this provision.

23

24 SECTION 17. SPECIAL LANGUAGE - CARRY FORWARD. The unexpended balances  
25 of funding and appropriation authorized in Section 3 of this Act, General  
26 Operations, for capital outlay that pertain to the completion of the  
27 acquisition of a telecommunications system, that remains on June 30, 1998,  
28 shall be carried forward for the same purposes for the fiscal year ending June  
29 30, 1999.

30

31 SECTION 18. SPECIAL LANGUAGE. After the amounts to be made available to  
32 the various technical colleges have been determined by the State Board of  
33 Higher Education under the provisions of Act 1244 of 1991 and Act 1246 of  
34 1991, and upon the review and approval of the Chief Fiscal Officer of the  
35 State, such documents as may be necessary shall be processed so that funds may

1 be transferred from the Work Force 2000 Development Fund to the State Treasury  
2 fund or fund account from which the technical college draws its general  
3 revenue support. Be it further provided that such funds as may be transferred  
4 shall not exceed 74.45% of the total funds available from the Work Force 2000  
5 Development Fund during each fiscal year of the biennial period ending June  
6 30, 1999.

7  
8 In the event that an educational institution which receives support from the  
9 Work Force 2000 Development Fund as determined by law or the State Board of  
10 Vocational Education transfers or merges into the Arkansas Technical College  
11 and Community College System for which Work Force 2000 Development Fund monies  
12 are determined by law or the State Board of Higher Education, or vice versa,  
13 then the actual amount of support from the Work Force 2000 Development Fund in  
14 the preceding fiscal year for such educational institution shall be made  
15 available irregardless of any other provision of law which sets out maximum  
16 levels of support from such fund.

17  
18 SECTION 19. SPECIAL LANGUAGE. After the sum of \$13,200,000 has been  
19 deposited into the Higher Education Building Maintenance Fund, the next  
20 \$10,000,000 or so much as is collected, is to be transferred to the Research  
21 Development Fund there to be used as provided by law.

22  
23 SECTION 20. SPECIAL LANGUAGE. REFUND TO EXPENDITURES. Proceeds  
24 derived from the repayment of loans as authorized in Item (03) of Section 6 of  
25 this Act for the Math/Science Teacher Loan Awards Program shall be deposited  
26 into the State Treasury as "Refunds to Expenditures."

27  
28 SECTION 21. SPECIAL LANGUAGE - CARRY FORWARD. The balance of the  
29 funds and appropriations as provided in Section 6 of this Act for the  
30 Governor's Scholars Program and the Academic Challenge Scholarships Program  
31 which remain on June 30, 1998, shall be carried forward and made available for  
32 the same purpose for the fiscal year ending June 30, 1999.

33  
34 SECTION 22. The funds which shall be available during either year of  
35 the biennium for any Item No. or category of financial aid in Section 6 shall

1 not be reallocated or reduced below the amount of funds expended during the  
2 fiscal year ending June 30, 1997, for the purpose of funding any increase in  
3 the Governor's Scholars Program or Academic Challenge Scholarship Program  
4 approved by the Eighty First General Assembly. Any funds distributed through  
5 the provisions of the Revenue Stabilization Law to the Higher Education Grants  
6 Fund Account during the 1997-99 biennium above \$7,436,548 each fiscal year  
7 shall be used exclusively to provide additional funding for appropriations  
8 made for the Academic Challenge Scholarships Program and the Governor's  
9 Scholars Program.

10

11 SECTION 23. Should the funding of Governor's Scholars Program exceed the  
12 funding level of the fiscal year ending June 30, 1997, and the number of  
13 scholarships awarded increases to 200 or more as a result of the actions of  
14 the Eighty First General Assembly, the Department of Higher Education shall  
15 make every effort to assure a geographic distribution of the awards without  
16 compromising the academic criteria established for such awards.

17

18 SECTION 24. In calculating the amount of an award under Arkansas Code  
19 6-82-312(b), the Department of Higher Education shall presume that the amount  
20 of tuition, room and board, and fees are the amounts which were published by  
21 the approved institution for the 1996-97 academic year, adjusted annually for  
22 inflation.

23

24 SECTION 25. SPECIAL LANGUAGE. The Department of Higher Education will  
25 work with the state college and university president's council to review,  
26 revise and develop funding formulae which will, in principle, seek to provide  
27 fair and equitable state support to all postsecondary students across the  
28 state, regardless of the state institution attended, while at the same time  
29 recognizing (a) the different needs for lower level, upper level, and graduate  
30 level instruction at the various institutions, (b) the requirements for  
31 specialized equipment and labs and smaller class sizes in some disciplines and  
32 (c) unique missions, such as agricultural extension services, research,  
33 medical sciences, workforce development, and public service; and (d) growth,  
34 economies of scale and other appropriate factors. The formula will be  
35 developed in consensus with the state college and university president's

1 council and presented to the State Higher Education Coordinating Board and the  
2 Joint Budget Committee of the General Assembly for review.

3

4 SECTION 26. SPECIAL LANGUAGE. SCHOLARSHIPS FOR ARKANSAS REHABILITATION  
5 SERVICES CLIENTS. Upon certification of scholarship awards by the Arkansas  
6 Rehabilitation Services, the Department of Higher Education shall award the  
7 money to the institution of higher education. Monies appropriated in Item  
8 (16) of Section 6 of this Act are restricted to the cost of tuition, fees,  
9 books and other education-related expenses with no administrative costs  
10 allowed.

11 Individuals eligible to receive funds are those individuals with physical  
12 and/or mental disabilities who have completed an assessment process with ARS  
13 Rehabilitation Counselors and who have been determined to be eligible for  
14 vocational rehabilitation services and who have established a vocational goal  
15 which would require participation in Post-Secondary Education programs in  
16 order to achieve an appropriate employment outcome. Such individuals should  
17 be required to meet ARS's existing economic need criteria in order to receive  
18 services which require the expenditure of agency funds.

19 The Department of Higher Education shall not transfer funds and/or  
20 appropriation from Item (16) of Section 6 of this Act to any other item in  
21 this Act.

22

23 SECTION 27. SPECIAL LANGUAGE - SPECIAL PROVISIONS. (1) Effective July  
24 1, 1993, those students who currently receive or who have been accepted to  
25 receive financial assistance from the appropriations providing for payments of  
26 the contracts with schools of higher learning for the education of Arkansas  
27 citizens at out-of-state institutions of higher learning in the fields of  
28 dental medicine, optometry, osteopathy, veterinary medicine, chiropractic  
29 education and podiatry education shall continue to receive such financial  
30 assistance;

31 (2) Effective July 1, 1993, the State Board of Higher Education shall  
32 determine the priorities for the applicable programs enumerated in item (1)  
33 above and the disbursing officer for the appropriations shall re-adjust the  
34 number of positions funded for new freshman positions for the applicable  
35 programs according to the need of the State for each profession, based upon

1 the priorities determined by the board after hearing testimony from the  
2 recognized associations of each of the applicable medical professionals; and  
3 (3) The State Board of Higher Education shall conduct a study during the  
4 1997-99 biennium as to the need for health care providers in Arkansas and  
5 report its findings to the General Assembly on or before October 1, 1998.

6  
7 SECTION 28. SPECIAL LANGUAGE. (a) HIGHER EDUCATION TUITION ADJUSTMENT  
8 FUND. The Higher Education Tuition Adjustment Fund is hereby created upon the  
9 books of the State Treasurer, State Auditor, and Chief Fiscal Officer of the  
10 State. The fund shall consist of such revenues as are allocated to it by law.

11 (b) PURPOSE OF THE FUND. It is the intent of the Arkansas General Assembly  
12 that this fund ensures that bonafide Arkansas income taxpayers and their  
13 dependents who are residents of a bordering state in a contiguous county to  
14 the Arkansas State line which is contiguous to a county where an insitution of  
15 higher education is located receive the same higher education opportunities as  
16 all other said taxpayers. In establishing this policy, it is the intent of  
17 the General Assembly that taxpayers should have affordable access to the  
18 state's higher education institutions.

19 Further, the Arkansas Department of Higher Education will require each  
20 institution to track and report the number of qualifying students each year.  
21 A list of students who benefit from the out-of-state tuition waiver including  
22 their social security number or their Arkansas taxpaying parents' or  
23 guardians' names and social security numbers will be furnished by the Arkansas  
24 Department of Higher Education to the Department of Finance and Administration  
25 for confirmation that they or their parents are employed in Arkansas at a wage  
26 in excess of five thousand five hundred dollars (\$5,500) per annum.

27 Documentation should be either an official W-2 form from an Arkansas employer  
28 reflecting wages of at least five thousand five hundred dollars (\$5,500) in  
29 the tax year prior to enrollment in college; or official employer verification  
30 of a current year salary minimum of at least five thousand five hundred  
31 dollars (\$5,500) which the college will keep on file for enrollment audit  
32 purposes.

33 (c) APPROPRIATION TRANSFER PROCEDURES. The Director of the Arkansas  
34 Department of Higher Education shall determine the difference between the  
35 amount of tuition revenue which would have been generated by charging the

1 State Board of Higher Education approved out-of-state tuition rate to said  
2 students as compared to approved in-state or out-of-district rate. Upon such  
3 determination, the Director of the Arkansas Department of Higher Education  
4 shall certify to the Chief Fiscal Officer of the State and the State Treasurer  
5 such amounts as are required to be transferred from the Higher Education  
6 Tuition Adjustment Fund. Upon receiving such certification, the Chief Fiscal  
7 Officer of the State and the State Treasurer shall cause to be transferred the  
8 necessary funds and appropriation to the fund account of the institution  
9 receiving such certification from the Director of the Arkansas Department of  
10 Higher Education. In order to provide funding for the appropriation set out  
11 in Item (15) of Section 6 of this Act, the Chief Fiscal Officer of the State  
12 shall transfer to the Higher Education Tuition Adjustment Fund from the Higher  
13 Education Grants Fund Account \$250,000 for each year of the biennium.

14  
15 SECTION 29. SPECIAL LANGUAGE. Arkansas Code 19-4-522 is amended by  
16 inserting an additional subsection at the end thereof to read as follows:

17 §(e) Notwithstanding Arkansas Code 19-4-522 or any other law to the  
18 contrary state-supported colleges and universities may utilize maintenance and  
19 operation appropriations for the payment of moving expenses of employees,  
20 including new hires.

21  
22 SECTION 30. SPECIAL LANGUAGE. The Board of Trustees of any institution  
23 of higher education may waive the out-of-state portion of any full tuition  
24 scholarship for any full-time student which is provided by unrestricted funds  
25 of the institution. Such part as is waived shall not be considered as an  
26 expenditure by any regulation of the Board of Higher Education.

27  
28 SECTION 31. SPECIAL LANGUAGE. The Department of Higher Education shall  
29 adopt rules and regulations for the allocation of the funds reappropriated for  
30 the development of projects at State Institutions of Higher Education and the  
31 payment of project costs and expenses of the issuance of the bonds of the  
32 Arkansas College Savings General Obligation Bonds Program by the Eighty-First  
33 General Assembly to ensure that funds are allocated and expended in a manner  
34 consistent with the provisions of the Internal Revenue Code applicable to the  
35 Arkansas College Savings General Obligation Bond Program (Program). The funds

1 reappropriated for the development of projects at State Institutions of Higher  
 2 Education and the payment of project costs and expenses of the issuance of the  
 3 bonds of the Arkansas College Savings General Obligation Bonds Program by the  
 4 Eighty-First General Assembly shall be allocated and expended pursuant to the  
 5 provisions of Arkansas Code 6-62-701 et. seq. and other laws of this State.  
 6 The expenditure and allocation of funds shall be exempt from any other  
 7 provisions of state law which conflicts with any provision of the rules and  
 8 regulations which rules and regulations are required to ensure the compliance  
 9 of the Program with the applicable provisions of the Internal Revenue Code.

10

11 SECTION 32. SPECIAL LANGUAGE. Arkansas Code §6-62-708 is amended to  
 12 read as follows: "The total principal amount of bonds to be issued during any  
 13 fiscal biennium shall not exceed three-hundred million dollars (\$300,000,000),  
 14 nor shall the principal amount of bonds outstanding at any time have debt  
 15 service requirements in excess of twenty-four million dollars (\$24,000,000) in  
 16 any one fiscal year from all sources."

17

18 SECTION 33. SPECIAL LANGUAGE. UNALLOCATED COLLEGE SAVINGS BOND  
 19 APPROPRIATION. The amount of appropriation for College Savings Bonds projects  
 20 allocated for Other Strategic Needs of the State as authorized by Act 1167 of  
 21 1995 shall be distributed by the State Board of Higher Education to the two  
 22 year institutions of higher education as follows:

23

<u>COLLEGES &amp; SCHOOLS</u>	<u>DISTRIBUTION</u>
26 <u>ASU-BEEBE</u>	<u>\$ 750,000</u>
27 <u>ASU-BEEBE/NEWPORT</u>	<u>449,862</u>
28 <u>EAST ARKANSAS COMM. COLL.</u>	<u>750,000</u>
29 <u>GARLAND COUNTY COMM. COLL.</u>	<u>750,000</u>
30 <u>MID-SOUTH COMM. COLL.</u>	<u>585,306</u>
31 <u>MISSISSIPPI CO. COMM. COLL.</u>	<u>750,000</u>
32 <u>NORTH ARK COMM/TECH COLL.</u>	<u>750,000</u>
33 <u>NORTHWEST ARK. COMM. COLL.</u>	<u>750,000</u>
34 <u>PHILLIPS COMM. COLL. OF UA</u>	<u>750,000</u>
35 <u>RICH MOUNTAIN COMM. COLL.</u>	<u>483,272</u>

1	<u>SAU-TECH</u>	<u>622,327</u>
2	<u>SOUTH ARK. COMM. COLL.</u>	<u>746,935</u>
3	<u>UA COMM. COLL. AT HOPE</u>	<u>750,000</u>
4	<u>WESTARK COMM. COLL.</u>	<u>750,000</u>
5	<u>BLACK RIVER TECH. COLL.</u>	<u>750,000</u>
6	<u>COSSATOT TECH. COLL.</u>	<u>541,964</u>
7	<u>GATEWAY TECH. COLL.</u>	<u>478,757</u>
8	<u>OUACHITA TECH. COLL.</u>	<u>504,040</u>
9	<u>OZARKA TECH. COLL.</u>	<u>469,727</u>
10	<u>PETIT JEAN TECH. COLL.</u>	<u>617,812</u>
11	<u>PULASKI TECH. COLL.</u>	<u>750,000</u>
12	<u>SOUTHEAST ARK. TECH. COLL.</u>	<u>750,000</u>
13		
14	<u>TOTAL</u>	<u>\$ 14,500,000</u>

16 SECTION 34. The amount of College Savings Bond appropriation which is  
17 allocated in this Act for SAU-TECH may also be utilized for the Fire Training  
18 Academy and the Environmental Control Academy.

20 SECTION 35. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
21 authorized by this Act shall be limited to the appropriation for such agency  
22 and funds made available by law for the support of such appropriations; and  
23 the restrictions of the State Purchasing Law, the General Accounting and  
24 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
25 Procedures and Restrictions Act, or their successors, and other fiscal control  
26 laws of this State, where applicable, and regulations promulgated by the  
27 Department of Finance and Administration, as authorized by law, shall be  
28 strictly complied with in disbursement of said funds.

30 SECTION 36. LEGISLATIVE INTENT. It is the intent of the General  
31 Assembly that any funds disbursed under the authority of the appropriations  
32 contained in this Act shall be in compliance with the stated reasons for which  
33 this Act was adopted, as evidenced by the Agency Requests, Executive  
34 Recommendations and Legislative Recommendations contained in the budget  
35 manuals prepared by the Department of Finance and Administration, letters, or

1 summarized oral testimony in the official minutes of the Arkansas Legislative  
2 Council or Joint Budget Committee which relate to its passage and adoption.

3

4 SECTION 37. CODE. All provisions of this Act of a general and  
5 permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the  
6 Arkansas Code Revision Commission shall incorporate the same in the Code.

7

8 SECTION 38. SEVERABILITY. If any provision of this Act or the  
9 application thereof to any person or circumstance is held invalid, such  
10 invalidity shall not affect other provisions or applications of the Act which  
11 can be given effect without the invalid provision or application, and to this  
12 end the provisions of this Act are declared to be severable.

13

14 SECTION 39. GENERAL REPEALER. All laws and parts of laws in conflict  
15 with this Act are hereby repealed.

16

17 SECTION 40. EMERGENCY CLAUSE. It is hereby found and determined by the  
18 Eighty-First General Assembly, that the Constitution of the State of Arkansas  
19 prohibits the appropriation of funds for more than a two (2) year period; that  
20 the effectiveness of this Act on July 1, 1997 is essential to the operation of  
21 the agency for which the appropriations in this Act are provided, and that in  
22 the event of an extension of the Regular Session, the delay in the effective  
23 date of this Act beyond July 1, 1997 could work irreparable harm upon the  
24 proper administration and provision of essential governmental programs.  
25 Therefore, an emergency is hereby declared to exist and this Act being  
26 necessary for the immediate preservation of the public peace, health and  
27 safety shall be in full force and effect from and after July 1, 1997.

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*/s/Rep. Wagner, et al*

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