

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  
4

As Engrossed: H3/21/97

# A Bill

HOUSE BILL 2108

5 By: Representative Thicksten  
6  
7

## For An Act To Be Entitled

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

## Subtitle

14 "AN ACT FOR THE DEPARTMENT OF HIGHER  
15 EDUCATION APPROPRIATION FOR THE 1997-99  
16 BIENNIUM."  
17  
18

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

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

Item	Class	No. of	Maximum Annual
		Employees	Salary Rate
			Fiscal Years
<del>No.</del>	<del>Code</del>	<del>Title</del>	<del>1997-98 1998-99</del>

1	(1) 9960 HIGHER ED DIRECTOR	1	\$103,026	\$105,910
2	(2) 7243 HIGHER EDUCATION DEPUTY DIRECTOR	1	\$ 95,396	\$ 98,067
3	(3) 9774 HIGHER ED ASSOC DIR FOR FISCAL AFF	1	\$ 75,466	\$ 77,579
4	(4) 9620 NSF ASSOC DIR-SSI MATH PROG	1	\$ 66,484	\$
5	68,345			
6	(5) 9626 NSF ASSOC DIR-SSIC SCIENCE PROG	1	\$ 66,484	\$ 68,345
7	(6) 9627 NSF ASSOC DIR-SSI PROJECT EVAL	1	\$ 60,943	\$ 62,649
8	(7) 9966 HIGHER ED STUDENT FIN AID MANAGER	1	\$ 57,622	\$ 59,235
9	(8) 9623 H E COORD OF INSTITUTIONAL FINANCE	1	\$ 57,622	\$ 59,235
10	(9) 9983 HIGHER ED COORDINATOR OF Y.O.U. PGM	1	\$ 57,622	\$ 59,235
11	(10) 7091 DHE COORD OF FEDERAL PROGRAMS	1	\$ 57,622	\$ 59,235
12	(11) D064 SR SYSTEMS PROGRAMMER	1		GRADE 24
13	(12) R088 HIGHER ED FINANCIAL OFFICER	1		GRADE 22
14	R096 HIGHER ED ASST COORD STDNT FIN AID	3		
15	A032 AGENCY FISCAL MANAGER	1		
16	(13) D036 SR PROGRAMMER/ANALYST	1		GRADE 21
17	R488 GRANTS ADMIN SUPV	1		
18	(14) R264 MANAGEMENT PROJECT ANALYST I	3		GRADE 18
19	(15) K011 ADMINISTRATIVE OFFICE SUPERVISOR	1		GRADE 15
20	(16) K153 SECRETARY II	<u>7</u>		GRADE 13
21	MAX NO. OF EMPLOYEES	29		

22

23 SECTION 2. REGULAR SALARIES - TECHNICAL EDUCATION IMPLEMENTATION -

24 STATE. There is hereby established for the Department of Higher Education -

25 Technical Education Implementation - State for the 1997-99 biennium, the

26 following maximum number of regular employees whose salaries shall be governed

27 by the provisions of the Uniform Classification and Compensation Act (Arkansas

28 Code §§21-5-201 et seq.), or its successor, and all laws amendatory thereto.

29 Provided, however, that any position to which a specific maximum annual salary

30 is set out herein in dollars, shall be exempt from the provisions of said

31 Uniform Classification and Compensation Act. All persons occupying positions

32 authorized herein are hereby governed by the provisions of the Regular

33 Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101), or its

34 successor.

35

36

Maximum Annual

Item	Class	Maximum	Salary Rate		
No.	Code	Title	Fiscal Years		
No.	Code	Title	Employees	1997-98	1998-99
(1)	9092	HE COORD OF GENERAL ADMIN	1	\$ 57,622	\$ 59,235
(2)	9093	HE COORD 2-YR INST FINANCE	1	\$ 57,622	\$ 59,235
(3)	A252	DHE FINANCIAL MANAGER	1		GRADE 24
	D064	SR SYSTEMS PROGRAMMER	1		
(4)	K153	SECRETARY II	<u>1</u>		GRADE 13
		MAX NO. OF EMPLOYEES	5		

10

11 SECTION 3. EXTRA HELP. There is hereby authorized, for the  
 12 Department of Higher Education for the 1997-99 biennium, the following maximum  
 13 number of part-time or temporary employees, to be known as "Extra Help",  
 14 payable from funds appropriated herein for such purposes: thirteen (13)  
 15 temporary or part-time employees, when needed, at rates of pay not to exceed  
 16 those provided in the Uniform Classification and Compensation Act, or its  
 17 successor, or this act for the appropriate classification.

18

19 SECTION 4. APPROPRIATIONS - GENERAL OPERATIONS. There is hereby  
 20 appropriated, to the Department of Higher Education, to be payable from the  
 21 Department of Higher Education Fund Account, for personal services, operating  
 22 expenses and grants of the Department of Higher Education for the biennial  
 23 period ending June 30, 1999, the following:

24

ITEM	FISCAL YEARS	
NO.	1997-98	1998-99
(01) REGULAR SALARIES	\$ 872,618	\$ 897,045
(02) EXTRA HELP	5,101	5,101
(03) PERSONAL SERV MATCHING	214,489	219,148
(04) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	186,884	186,884
(B) CONF. & TRVL.	37,525	37,525
(C) PROF. FEES	4,000	4,000
(D) CAP. OUTLAY	30,000	30,000
(E) DATA PROC.	0	0
(05) YOUTH OPPORTUNITIES UNLIMITED GRANTS/AIDS	91,591	91,591

1	(06) PROGRAM EVALUATION	<u>45,000</u>	<u>45,000</u>
2	TOTAL AMOUNT APPROPRIATED	<u>\$ 1,487,208</u>	<u>\$ 1,516,294</u>

3

4 SECTION 5. APPROPRIATIONS - TECHNICAL EDUCATION IMPLEMENTATION. There  
 5 is hereby appropriated, to the Department of Higher Education, to be payable  
 6 from the Department of Higher Education Fund Account, for personal services,  
 7 operating expenses and grants for technical education implementation and  
 8 restructuring of the Department of Higher Education for the biennial period  
 9 ending June 30, 1999, the following:

10

11	ITEM	FISCAL YEARS	
12	NO.	1997-98	1998-99
13	(01) REGULAR SALARIES	\$ 214,563	\$ 220,570
14	(02) EXTRA HELP	20,000	20,000
15	(03) PERSONAL SERV MATCHING	50,343	51,685
16	(04) MAINT. & GEN. OPERATION		
17	(A) OPER. EXPENSE	220,297	220,297
18	(B) CONF. & TRVL.	26,376	26,376
19	(C) PROF. FEES	0	0
20	(D) CAP. OUTLAY	0	0
21	(E) DATA PROC.	0	0
22	(05) EVALUATION/ACCREDITATION	<u>65,000</u>	<u>65,000</u>
23	TOTAL AMOUNT APPROPRIATED	<u>\$ 596,579</u>	<u>\$ 603,928</u>

24

25 SECTION 6. APPROPRIATIONS - HIGHER EDUCATION PROMOTIONAL GRANTS. There  
 26 is hereby appropriated, to the Department of Higher Education, to be payable  
 27 from the Department of Higher Education Fund Account, for the State Board of  
 28 Higher Education to utilize in the promotion of statewide Higher Education  
 29 priorities of the State Board of Higher Education for the biennial period  
 30 ending June 30, 1999, the following:

31

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

35

36 SECTION 7. APPROPRIATIONS - SREB INSTITUTE. There is hereby

1 appropriated, to the Department of Higher Education, to be payable from the  
 2 Department of Higher Education Fund Account, for making the contribution of  
 3 the State of Arkansas to the SREB Institute for higher educational opportunity  
 4 by the Department of Higher Education for the biennial period ending June 30,  
 5 1999, the following:

6

7 ITEM	FISCAL YEARS	
8 NO.	1997-98	1998-99
9 (01) STATE'S CONTRIBUTION - SREB INSTITUTE	\$ 152,600	\$ 152,600

10

11 SECTION 8. APPROPRIATIONS - STUDENT ASSISTANCE GRANTS AND VARIOUS  
 12 SCHOLARSHIPS. There is hereby appropriated, to the Department of Higher  
 13 Education, to be payable from the Higher Education Grants Fund Account, for  
 14 providing student assistance grants and various scholarships as provided by  
 15 law by the Department of Higher Education for the biennial period ending June  
 16 30, 1999, the following:

17

18 ITEM	FISCAL YEARS	
19 NO.	1997-98	1998-99
20 (01) SCHOLARSHIPS TO DEPENDENTS - MIA/KIA		
21 TUITION WAIVERS	\$ 48,000	\$ 48,000
22 (02) TEACHER RETRAINING GRANTS	179,544	179,544
23 (03) MATH/SCIENCE TEACHER LOAN AWARDS	81,717	81,717
24 (04) GOVERNOR'S SCHOLARS PROGRAM		
25 AWARDS	3,198,450	4,824,452
26 (05) JUNIOR/SENIOR MINORITY		
27 SCHOLARSHIPS	450,000	450,000
28 (06) FRESHMAN/SOPHOMORE MINORITY		
29 SCHOLARSHIPS	250,000	250,000
30 (07) MINORITY TEACHER RECRUITMENT &		
31 TRAINING PROGRAM - PAYMENT OF HONORARIUMS	25,000	25,000
32 (08) SECOND EFFORT SCHOLARSHIPS	50,000	50,000
33 (09) SREB MINORITY FACULTY		
34 RECRUITMENT SCHOLARSHIPS	200,000	200,000
35 (10) STATE SCHOLARSHIP PROGRAM	5,099,506	5,099,506
36 (11) ACADEMIC CHALLENGE SCHOLARSHIPS	13,100,000	14,675,000

1	(12)	MINORITY MASTERS PROGRAM	80,000	80,000
2	(13)	SURVIVING CHILDREN SCHOLARSHIPS	60,000	60,000
3	(14)	FACULTY/ADMINISTRATOR		
4		DEVELOPMENT MATCHING	30,000	30,000
5	(15)	TUITION ADJUSTMENT	<u>800,000</u>	<u>800,000</u>
6		TOTAL AMOUNT APPROPRIATED	<u>\$ 23,652,217</u>	<u>\$ 26,853,219</u>

7

8 SECTION 9. APPROPRIATIONS - STATE SCHOLARSHIP - FEDERAL. There is

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

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

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

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

14	ITEM		FISCAL YEARS	
15	NO.		1997-98	1998-99
16	(01)	GRANTS/AIDS - ST. SCHOLARSHIPS - FEDERAL	<u>\$ 198,382</u>	<u>\$ 198,382</u>

17

18 SECTION 10. APPROPRIATIONS - DWIGHT D. EISENHOWER GRANTS. There is

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

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

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

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

23 the following:

25	ITEM		FISCAL YEARS	
26	NO.		1997-98	1998-99
27	(01)	MAINT. & GEN. OPERATION		
28	(A)	OPER. EXPENSE	24,761	24,761
29	(B)	CONF. & TRVL.	5,000	5,000
30	(C)	PROF. FEES	2,500	2,500
31	(D)	CAP. OUTLAY	0	0
32	(E)	DATA PROC.	0	0
33	(02)	DWIGHT D. EISENHOWER GRANTS/AIDS	<u>\$ 639,182</u>	<u>\$ 639,182</u>
34		TOTAL AMOUNT APPROPRIATED	<u>\$ 671,443</u>	<u>\$ 671,443</u>

35

36 SECTION 11. APPROPRIATIONS - SYSTEMIC INITIATIVE PROJECT. There is

1 hereby appropriated, to the Department of Higher Education, to be payable from  
 2 the federal funds as designated by the Chief Fiscal Officer of the State, for  
 3 personal services, operating expenses and grants to support math/science  
 4 education of the Department of Higher Education for the biennial period ending  
 5 June 30, 1999, the following:

7 ITEM	FISCAL YEARS	
8 NO.	1997-98	1998-99
9 (01) REGULAR SALARIES	\$ 287,049	\$ 294,841
10 (02) EXTRA HELP	6,000	6,000
11 (03) PERSONAL SERV MATCHING	69,737	71,194
12 (04) MAINT. & GEN. OPERATION		
13 (A) OPER. EXPENSE	111,700	111,700
14 (B) CONF. & TRVL.	16,000	16,000
15 (C) PROF. FEES	138,000	138,000
16 (D) CAP. OUTLAY	0	0
17 (E) DATA PROC.	0	0
18 (05) GRANTS TO SUPPORT MATH/SCIENCE EDUCATION	<u>1,842,767</u>	<u>1,842,767</u>
19 TOTAL AMOUNT APPROPRIATED	<u>\$ 2,471,253</u>	<u>\$ 2,480,502</u>

20

21 SECTION 12. APPROPRIATIONS - TECHNICAL EDUCATION - FEDERAL PROGRAMS.

22 There is hereby appropriated, to the Department of Higher Education, to be  
 23 payable from the federal funds as designated by the Chief Fiscal Officer of  
 24 the State, for personal services and operating expenses of the Department of  
 25 Higher Education for the biennial period ending June 30, 1999, the following:

26

27 ITEM	FISCAL YEARS	
28 NO.	1997-98	1998-99
29 (01) REGULAR SALARIES	\$ 57,622	\$ 59,235
30 (02) PERSONAL SERV MATCHING	13,303	13,592
31 (03) MAINT. & GEN. OPERATION		
32 (A) OPER. EXPENSE	4,000	4,000
33 (B) CONF. & TRVL.	9,000	9,000
34 (C) PROF. FEES	68,268	68,268
35 (D) CAP. OUTLAY	0	0
36 (E) DATA PROC.	<u>0</u>	<u>0</u>

1 TOTAL AMOUNT APPROPRIATED \$ 152,193 \$ 154,095

2

3 SECTION 13. APPROPRIATIONS. There is hereby appropriated, to the
4 Department of Higher Education, to be payable from the Higher Education
5 Building Maintenance Fund, for maintenance of various buildings at the
6 Institutions of Higher Education by the Department of Higher Education for the
7 biennial period ending June 30, 1999, the sum of .....\$26,000,000.

8

9 SECTION 14. APPROPRIATIONS. There is hereby appropriated, to the
10 Department of Higher Education, to be payable from the Research Development
11 Fund, for providing Arkansas Research Development Program Grants to
12 Institutions of Higher Education by the Department of Higher Education for the
13 biennial period ending June 30, 1999, the sum of.....\$10,000,000.

14

15 SECTION 15. SPECIAL LANGUAGE - REPORTING REQUIREMENTS. The reports of
16 college achievement of high school graduates, as appropriated by the Eighty-
17 First General Assembly, shall be provided to high school and school district
18 administrators and may also be provided to the State Board of Higher
19 Education, the Governor, the Joint Interim Committee on Education, the Board
20 of Education and the Department of Education, as designated by the Department
21 of Higher Education.

22

23 SECTION 16. SPECIAL LANGUAGE - TRANSFER PROVISION. Upon certification
24 by the Director of the Department of Higher Education that transfers are
25 needed to make maximum utilization of funds and appropriations provided for
26 financial aid programs, and with the approval of the Chief Fiscal Officer of
27 the State and a review by the Arkansas Legislative Council, funds and
28 appropriations may be transferred between financial aid programs, except that
29 funds and appropriations may not be transferred for such purposes from either
30 the Governor's Scholars Program or the Academic Challenge Scholarships Program
31 in excess of \$1,000,000 in the aggregate in either fiscal year.

32

33 SECTION 17. SPECIAL LANGUAGE - HIGHER EDUCATION PROMOTIONAL GRANTS.
34 Upon certification by the Chairman of the State Board of Higher Education to
35 the Chief Fiscal Officer of the State, funds and appropriation provided to the
36 Department of Higher Education for Higher Education Promotional Grants shall



1 be transferred each fiscal year to each institution of higher education which  
2 received such funds in Fiscal Year 1995-96, in the proportion of the amount  
3 each institution received to the total amount which was distributed in Fiscal  
4 Year 1995-96 applied to the total amount of funds available each year, there  
5 to be used for the same purposes.

6

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

16

17 SECTION 19. SPECIAL LANGUAGE - CARRY FORWARD. The unexpended balances  
18 of funding and appropriation authorized in Section 4 of this Act, General  
19 Operations, for capital outlay that pertain to the completion of the  
20 acquisition of a telecommunications system, that remains on June 30, 1998,  
21 shall be carried forward for the same purposes for the fiscal year ending June  
22 30, 1999.

23

24 SECTION 20. SPECIAL LANGUAGE. On June 30, 1999, after the initial  
25 transition period and accreditation has been achieved for the various  
26 technical colleges, the remaining nine (9) positions authorized for the  
27 purpose of providing personnel resources necessary to implement the technical  
28 college legislation enacted by the Seventy-Eighth General Assembly will be  
29 deleted from the Department's appropriation.

30

31 SECTION 21. SPECIAL LANGUAGE. The unexpended balances of the  
32 appropriations and funding authorized in Section 5 of this Act as of June 30,  
33 1998, shall be carried forward and made available for the purpose of  
34 continuing the technical education implementation/restructuring through the  
35 fiscal year ending June 30, 1999.

36

1           SECTION 22. SPECIAL LANGUAGE. After the amounts to be made available to  
2 the various technical colleges have been determined by the State Board of  
3 Higher Education under the provisions of Act 1244 of 1991 and Act 1246 of  
4 1991, and upon the review and approval of the Chief Fiscal Officer of the  
5 State, such documents as may be necessary shall be processed so that funds may  
6 be transferred from the Work Force 2000 Development Fund to the State Treasury  
7 fund or fund account from which the technical college draws its general  
8 revenue support. Be it further provided that such funds as may be transferred  
9 shall not exceed 74.45% of the total funds available from the Work Force 2000  
10 Development Fund during each fiscal year of the biennial period ending June  
11 30, 1999.

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

22  
23           SECTION 23. SPECIAL LANGUAGE. After the sum of \$13,200,000 has been  
24 deposited into the Higher Education Building Maintenance Fund, the next  
25 \$10,000,000 or so much as is collected, is to be transferred to the Research  
26 Development Fund there to be used as provided by law.

27  
28           SECTION 24. SPECIAL LANGUAGE. REFUND TO EXPENDITURES. Proceeds  
29 derived from the repayment of loans as authorized in Item (03) of Section 8 of  
30 this act for the Math/Science Teacher Loan Awards Program shall be deposited  
31 into the State Treasury as "Refunds to Expenditures."

32  
33           SECTION 25. SPECIAL LANGUAGE - CARRY FORWARD. The balance of the  
34 funds and appropriations as provided in Section 8 of this Act for the  
35 Governor's Scholars Program and the Academic Challenge Scholarships Program  
36 which remain on June 30, 1998, shall be carried forward and made available for

1 the same purpose for the fiscal year ending June 30, 1999.

2

3 SECTION 26. The funds which shall be available during either year of  
4 the biennium for any Item No. or category of financial aid in Section 8 shall  
5 not be reallocated or reduced below the amount of funds expended during the  
6 fiscal year ending June 30, 1997, for the purpose of funding any increase in  
7 the Governor's Scholars Program or Academic Challenge Scholarship Program  
8 approved by the Eighty First General Assembly. Any funds distributed through  
9 the provisions of the Revenue Stabilization Law to the Higher Education Grants  
10 Fund Account during the 1997-99 biennium above \$7,436,548 each fiscal year  
11 shall be used exclusively to provide additional funding for appropriations  
12 made for the Academic Challenge Scholarships Program and the Governor's  
13 Scholars Program.

14

15 SECTION 27. Should the funding of Governor's Scholars Program exceed the  
16 funding level of the fiscal year ending June 30, 1997, and the number of  
17 scholarships awarded increases to 200 or more as a result of the actions of  
18 the Eighty First General Assembly, the Department of Higher Education shall  
19 make every effort to assure a geographic distribution of the awards without  
20 compromising the academic criteria established for such awards.

21

22 SECTION 28. In calculating the amount of an award under Arkansas Code  
23 6-82-312(b), the Department of Higher Education shall presume that the amount  
24 of tuition, room and board, and fees are the amounts which were published by  
25 the approved institution for the 1996-97 academic year, adjusted annually for  
26 inflation.

27

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

36 (2) Effective July 1, 1993, the State Board of Higher Education shall

1 determine the priorities for the applicable programs enumerated in item (1)  
2 above and the disbursing officer for the appropriations shall re-adjust the  
3 number of positions funded for new freshman positions for the applicable  
4 programs according to the need of the State for each profession, based upon  
5 the priorities determined by the board after hearing testimony from the  
6 recognized associations of each of the applicable medical professionals; and  
7 (3) The State Board of Higher Education shall conduct a study during the  
8 1997-99 biennium as to the need for health care providers in Arkansas and  
9 report its findings to the General Assembly on or before October 1, 1998.

10

11 SECTION 30. SPECIAL LANGUAGE. (a) HIGHER EDUCATION TUITION ADJUSTMENT  
12 FUND. The Higher Education Tuition Adjustment Fund is hereby created upon the  
13 books of the State Treasurer, State Auditor, and Chief Fiscal Officer of the  
14 State. The fund shall consist of such revenues as are allocated to it by law.  
15 (b) PURPOSE OF THE FUND. It is the intent of the Arkansas General Assembly  
16 that this fund ensures that bonafide Arkansas income taxpayers and their  
17 dependents who are residents of a bordering state in a contiguous county to  
18 the Arkansas State line which is contiguous to a county where an insitution of  
19 higher education is located receive the same higher education opportunities as  
20 all other said taxpayers. In establishing this policy, it is the intent of  
21 the General Assembly that taxpayers should have affordable access to the  
22 state's higher education institutions.  
23 Further, the Arkansas Department of Higher Education will require each  
24 institution to track and report the number of qualifying students each year.  
25 A list of students who benefit from the out-of-state tuition waiver including  
26 their social security number or their Arkansas taxpaying parents' or  
27 guardians' names and social security numbers will be furnished by the Arkansas  
28 Department of Higher Education to the Department of Finance and Administration  
29 for confirmation that they or their parents are employed in Arkansas at a wage  
30 in excess of five thousand five hundred dollars (\$5,500) per annum.  
31 Documentation should be either an official W-2 form from an Arkansas employer  
32 reflecting wages of at least five thousand five hundred dollars (\$5,500) in  
33 the tax year prior to enrollment in college; or official employer verification  
34 of a current year salary minimum of at least five thousand five hundred  
35 dollars (\$5,500) which the college will keep on file for enrollment audit  
36 purposes.

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

17

18 SECTION 31. SPECIAL LANGUAGE. Arkansas Code 19-4-522 is amended by  
19 inserting an additional subsection at the end thereof to read as follows:  
20 §(e) Notwithstanding Arkansas Code 19-4-522 or any other law to the  
21 contrary state-supported colleges and universities may utilize maintenance and  
22 operation appropriations for the payment of moving expenses of employees,  
23 including new hires.

24

25 SECTION 32. SPECIAL LANGUAGE. The Board of Trustees of any institution  
26 of higher education may waive the out-of-state portion of any full tuition  
27 scholarship for any full-time student which is provided by unrestricted funds  
28 of the institution. Such part as is waived shall not be considered as an  
29 expenditure by any regulation of the Board of Higher Education.

30

31 SECTION 33. SPECIAL LANGUAGE. The Department of Higher Education shall  
32 adopt rules and regulations for the allocation of the funds reappropriated for  
33 the development of projects at State Institutions of Higher Education and the  
34 payment of project costs and expenses of the issuance of the bonds of the  
35 Arkansas College Savings General Obligation Bonds Program by the Eighty-First  
36 General Assembly to ensure that funds are allocated and expended in a manner

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

12

13 SECTION 34. SPECIAL LANGUAGE. Arkansas Code §6-62-708 is amended to  
 14 read as follows: "The total principal amount of bonds to be issued during any  
 15 fiscal biennium shall not exceed three-hundred million dollars (\$300,000,000),  
 16 nor shall the principal amount of bonds outstanding at any time have debt  
 17 service requirements in excess of twenty-four million dollars (\$24,000,000) in  
 18 any one fiscal year from all sources."

19

20 SECTION 35. SPECIAL LANGUAGE. UNALLOCATED COLLEGE SAVINGS BOND  
 21 APPROPRIATION. The amount of appropriation for College Savings Bonds projects  
 22 allocated for Other Strategic Needs of the State as authorized by Act 1167 of  
 23 1995 shall be distributed by the State Board of Higher Education to the two  
 24 year institutions of higher education as follows:

25

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

1	<u>RICH MOUNTAIN COMM. COLL.</u>	<u>483,272</u>
2	<u>SAU-TECH</u>	<u>622,327</u>
3	<u>SOUTH ARK. COMM. COLL.</u>	<u>746,935</u>
4	<u>UA COMM. COLL. AT HOPE</u>	<u>750,000</u>
5	<u>WESTARK COMM. COLL.</u>	<u>750,000</u>
6	<u>BLACK RIVER TECH. COLL.</u>	<u>750,000</u>
7	<u>COSSATOT TECH. COLL.</u>	<u>541,964</u>
8	<u>GATEWAY TECH. COLL.</u>	<u>478,757</u>
9	<u>OUACHITA TECH. COLL.</u>	<u>504,040</u>
10	<u>OZARKA TECH. COLL.</u>	<u>469,727</u>
11	<u>PETIT JEAN TECH. COLL.</u>	<u>617,812</u>
12	<u>PULASKI TECH. COLL.</u>	<u>750,000</u>
13	<u>SOUTHEAST ARK. TECH. COLL.</u>	<u>750,000</u>
14		
15	<u>TOTAL</u>	<u>\$ 14,500,000</u>
16		

17           SECTION 36. The amount of College Savings Bond appropriation which is  
18 allocated in this Act for SAU-TECH may also be utilized for the Fire Training  
19 Academy and the Environmental Control Academy.

20

21           SECTION 37. SPECIAL LANGUAGE. The Department of Higher Education will  
22 work with the state college and university president's council to review,  
23 revise and develop funding formulae which will, in principle, seek to provide  
24 fair and equitable state support to all postsecondary students across the  
25 state, regardless of the state institution attended, while at the same time  
26 recognizing (a) the different needs for lower level, upper level, and graduate  
27 level instruction at the various institutions, (b) the requirements for  
28 specialized equipment and labs and smaller class sizes in some disciplines and  
29 (c) unique missions, such as agricultural extension services, research,  
30 medical sciences, workforce development, and public service; and (d) growth,  
31 economies of scale and other appropriate factors. The formula will be  
32 developed in consensus with the state college and university president's  
33 council and presented to the State Higher Education Coordinating Board and the  
34 Joint Budget Committee of the General Assembly for review.

35

36           SECTION 38. COMPLIANCE WITH OTHER LAWS. Disbursement of funds

1 authorized by this Act shall be limited to the appropriation for such agency  
2 and funds made available by law for the support of such appropriations; and  
3 the restrictions of the State Purchasing Law, the General Accounting and  
4 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
5 Procedures and Restrictions Act, or their successors, and other fiscal control  
6 laws of this State, where applicable, and regulations promulgated by the  
7 Department of Finance and Administration, as authorized by law, shall be  
8 strictly complied with in disbursement of said funds.

9

10 SECTION 39. LEGISLATIVE INTENT. It is the intent of the General  
11 Assembly that any funds disbursed under the authority of the appropriations  
12 contained in this Act shall be in compliance with the stated reasons for which  
13 this Act was adopted, as evidenced by the Agency Requests, Executive  
14 Recommendations and Legislative Recommendations contained in the budget  
15 manuals prepared by the Department of Finance and Administration, letters, or  
16 summarized oral testimony in the official minutes of the Arkansas Legislative  
17 Council or Joint Budget Committee which relate to its passage and adoption.

18

19 SECTION 40. CODE. All provisions of this Act of a general and  
20 permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the  
21 Arkansas Code Revision Commission shall incorporate the same in the Code.

22

23 SECTION 41. SEVERABILITY. If any provision of this Act or the  
24 application thereof to any person or circumstance is held invalid, such  
25 invalidity shall not affect other provisions or applications of the Act which  
26 can be given effect without the invalid provision or application, and to this  
27 end the provisions of this Act are declared to be severable.

28

29 SECTION 42. GENERAL REPEALER. All laws and parts of laws in conflict  
30 with this Act are hereby repealed.

31

32 SECTION 43. EMERGENCY CLAUSE. It is hereby found and determined by the  
33 Eighty-First General Assembly, that the Constitution of the State of Arkansas  
34 prohibits the appropriation of funds for more than a two (2) year period; that  
35 the effectiveness of this Act on July 1, 1997 is essential to the operation of  
36 the agency for which the appropriations in this Act are provided, and that in



1 the event of an extension of the Regular Session, the delay in the effective  
2 date of this Act beyond July 1, 1997 could work irreparable harm upon the  
3 proper administration and provision of essential governmental programs.  
4 Therefore, an emergency is hereby declared to exist and this Act being  
5 necessary for the immediate preservation of the public peace, health and  
6 safety shall be in full force and effect from and after July 1, 1997.

7 /s/Rep. Thicksten

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