State of Arkansas 1 A Bill 2 82nd General Assembly SENATE BILL 38 3 Regular Session, 1999 4 By: Joint Budget Committee 5 6 7 For An Act To Be Entitled 8 "AN ACT TO REPEAL ARKANSAS CODE §§19-2-401 THROUGH 19-9 2-403 WHICH REQUIRES CERTAIN AGENCIES TO SPEND NO MORE 10 THAN 95% OF THEIR APPROPRIATED AMOUNTS; AND FOR OTHER 11 12 PURPOSES. " 13 Subtitle 14 "REPEAL OF THE 5% SAVINGS REQUIREMENT FOR 15 CERTAIN STATE AGENCIES." 16 17 18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: 19 20 21 SECTION 1. Arkansas Code §19-2-401 through §19-2-403 are hereby 22 repeal ed. § 19-2-401. Exemptions. 23 24 The provisions of this section and §§ 19-2-402 and 19-2-403 shall not apply to: 25 26 (1) Appropriations made payable from the Public School Fund; (2) Appropriations made to the state-supported institutions of higher 27 education, including universities, community colleges, technical colleges and 28 the branches thereof; and technical institutions and comprehensive lifelong 29 learning centers; and the Department of Education. 30 31 (3) Appropriations made payable from the State Highway and Transportation Department Fund, State Aid Road Fund, State Highway Special Construction 32 Account, and Revenue Sharing Highway Trust Fund or fund accounts thereof. 33 34 35 § 19-2-402. Restrictions on expenditure of appropriations. (a) It is hereby declared by the General Assembly that no more than ninety-36

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- 1 five percent (95%) of any appropriation made by the General Assembly for the
- 2 benefit of any agency, institution, department, board, or commission of this
- 3 state government, having more than ten (10) authorized employee positions, and
- 4 that no more than ninety-eight percent (98%) of any appropriation made by the
- 5 General Assembly for the benefit of any agency, institution, department,
- 6 board, or commission of state government having ten (10) or fewer authorized
- 7 employee positions, excluding contributions to national and regional
- 8 organizations, and which such appropriations are supported from general or
- 9 special revenues or from fees deposited in financial institutions other than
- 10 the State Treasury, shall be expended or obligated for each year of the
- 11 bi enni um.
- 12 (b) For those appropriations made to the Department of Human Services,
- 13 the saving of appropriation shall be five percent (5%) of the aggregate amount
- 14 appropriated from general or special revenues for the department.
- 15 (c) Provided, in the case of agencies, boards, commissions, and
- 16 institutions having ten (10) or fewer authorized employee positions, the
- 17 savings of appropriations shall be two percent (2%) of the aggregate amount
- 18 appropriated from general or special revenue or from fees deposited in
- 19 financial institutions other than the State Treasury for the affected agency,
- 20 board, commission, or institution.
- 21 (d) On or before July 1 of each fiscal year of the biennium, the Chief
- 22 Fiscal Officer of the State shall report to the Legislative Council the
- 23 amounts to be saved by each agency, institution, department, board, and
- 24 commission and where the various agencies, departments, boards, and
- 25 commissions are anticipating making such savings.
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- 27 § 19-2-403. Increase in expenditures by executive proclamation.
- 28 (a) In the event that any agency, board, commission, institution, or
- 29 department demonstrates that the restrictions placed upon them by § 19-2-402
- 30 will create an emergency situation affecting the public health, welfare, or
- 31 safety of the citizens of this state, the Governor shall issue an executive
- 32 proclamation stating the facts and reasons for such emergency and shall set
- 33 forth the amount of the appropriation which may be utilized over and above the
- 34 amount determined by § 19-2-402. Provided, however, that the Governor may not
- 35 increase the expenditure level of appropriations supported from special
- 36 revenues or from fees deposited in financial institutions other than the State

- 1 Treasury by more than two million dollars (\$2,000,000) in the aggregate during
- 2 any one (1) fiscal year for all agencies, boards, commissions, institutions,
- 3 or departments, and no more than ten million dollars (\$10,000,000) in the
- 4 aggregate during any one (1) fiscal year for appropriations supported from
- 5 general revenues for all agencies, boards, commissions, departments, or
- 6 institutions.
- 7 (b) Nothing in this section is to be construed as to allow the Governor
- 8 to allow any agency, board, commission, institution, or department to make
- 9 expenditures or obligations over and above the appropriation amount authorized
- 10 by the General Assembly.

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SECTION 2. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

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SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

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SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

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Eighty-second General Assembly that the requirement of saving 5% of the appropriation is not accomplishing savings and that the cost of administering the program is significant with little or no benefit. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective

35 36 on the date the last house overrides the veto.