

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S3/29/05

A Bill

SENATE BILL 1000

5 By: Senator Broadway
6
7

For An Act To Be Entitled

9 AN ACT TO ADJUST THE LIMITATIONS ON ATHLETIC
10 EXPENDITURES AT INSTITUTIONS OF HIGHER EDUCATION;
11 AND FOR OTHER PURPOSES.
12

Subtitle

13 AN ACT TO ADJUST THE LIMITATIONS ON
14 ATHLETIC EXPENDITURES AT INSTITUTIONS OF
15 HIGHER EDUCATION.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 6-62-802 is amended to read as follows:
22 6-62-802. Definitions.

23 As used in this subchapter:

24 (1) "Athletic deficit" means the amount of athletic expenditures
25 offset by the amount of athletic revenues, including:

26 (A) Athletic-generated income;

27 (B) Profits from other auxiliary enterprises;

28 (C) The federally funded portion of college work-study
29 students in the intercollegiate athletic program;

30 (D) Transfers from funds other than the unrestricted
31 educational and general fund; and

32 (E) The allowable unrestricted educational and general
33 transfer for four-year institutions, for two-year branches of four-year
34 institutions, and at other two-year institutions of higher education;

35 (2) "Athletic expenditures" means:

36 (A) All direct and indirect expenses, prorated if



1 necessary, including salaries;

2 (B) All fringe benefits such as medical and dental
3 insurance, workers' compensation, pension plans, tuition waivers, and any
4 other cost associated with recruitment and retention of staff;

5 (C) Travel;

6 (D) Equipment;

7 (E) Scholarships;

8 (F) Meals;

9 (G) Housing and dormitory supplies;

10 (H) Supplies;

11 (I) Property and medical insurance;

12 (J) Medical expenses;

13 (K) Utilities; and

14 (L) Maintenance of facilities related to all
15 intercollegiate teams and spirit groups, excluding bands; and

16 (3) "Athletic program" means intercollegiate athletics.
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18 SECTION 2. Arkansas Code § 6-62-803 is amended to read as follows:
19 6-62-803. Limits on funding.

20 (a) ~~Beginning in fiscal year 1991-1992~~ Beginning in fiscal year 2005-
21 2006, the amount of unrestricted educational and general funds for
22 intercollegiate athletic programs at state-supported institutions of higher
23 education shall be limited to ~~four hundred fifty thousand dollars (\$450,000)~~
24 an amount to be determined by the Department of Higher Education based on the
25 higher education inflation factor at four-year institutions and to ~~fifty-one~~
26 ~~dollars (\$51,000)~~ an amount to be determined by the Department of Higher
27 Education based on the higher education inflation factor per full-time-
28 equivalent student per year at two-year branches of four-year institutions
29 and at other two-year institutions of higher education.

30 (b)(1) ~~Beginning in fiscal year 1997-1998~~ Beginning in fiscal year
31 2005-2006, state-supported four-year institutions of higher education may use
32 an additional ~~three hundred thousand dollars (\$300,000)~~ amount to be
33 determined by the Department of Higher Education based on the higher
34 education inflation factor per fiscal year of unrestricted educational and
35 general funds to provide gender equity in intercollegiate athletic programs.

36 (2) Two-year branches of the four-year institutions and other

1 two-year institutions of higher education may use an additional amount of
2 unrestricted educational and general funds for providing gender equity in
3 intercollegiate athletic programs in ~~the amount of thirty four dollars~~
4 ~~(\$34.00)~~ an amount to be determined by the Department of Higher Education
5 based on the higher education inflation factor per full-time-equivalent
6 student per year.

7 (c)(1)(A) Beginning in fiscal year 2005-2006, the limits on the amount
8 of unrestricted educational and general funds for intercollegiate athletic
9 programs at state-supported institutions of higher education set forth in
10 subsections (a) and (b) of this section shall be adjusted as determined by
11 the Department of Higher Education based on an appropriate inflationary
12 index.

13 (B) The appropriate inflationary index shall be determined
14 by the Arkansas Higher Educating Coordinating Board and may consist of the
15 consumer price index, the higher education inflation index, or such other
16 indices or factors as the Coordinating Board may determine is advisable.

17 (2)(A) For the fiscal year 2005-2006, the adjustments shall take
18 into account the inflation increases since the figures set forth in
19 subsections (a) and (b) of this section were established or last adjusted.

20 (B) In subsequent years, the adjustment shall be for the
21 period from the last adjustment to the beginning of the relevant fiscal year.

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23 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
24 General Assembly of the State of Arkansas that the limitations on athletic
25 expenditure has not been adjusted as necessary to allow for increases in
26 inflation; that this adjustment is necessary to allow necessary expenditures
27 for institutions of higher education; and that it is necessary for this act
28 to begin on July 1, 2005, because that is the beginning of the fiscal year.
29 Therefore, an emergency is declared to exist and this act being necessary for
30 the preservation of the public peace, health, and safety shall become
31 effective on July 1, 2005.

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33 /s/ Broadway
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