

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

A Bill

SENATE BILL 153

4
5 By: Joint Budget Committee
6
7

For An Act To Be Entitled

8
9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL
10 SERVICES AND OPERATING EXPENSES FOR THE ARKANSAS
11 STUDENT LOAN AUTHORITY FOR THE BIENNIAL PERIOD
12 ENDING JUNE 30, 2007; AND FOR OTHER PURPOSES.
13

Subtitle

14
15
16 AN ACT FOR THE ARKANSAS STUDENT LOAN
17 AUTHORITY APPROPRIATION FOR THE
18 2005-2007 BIENNIUM.
19

20
21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. REGULAR SALARIES. There is hereby established for the Arkansas
24 Student Loan Authority for the 2005-2007 biennium, the following maximum
25 number of regular employees whose salaries shall be governed by the
26 provisions of the Uniform Classification and Compensation Act (Arkansas Code
27 §§21-5-201 et seq.), or its successor, and all laws amendatory thereto.
28 Provided, however, that any position to which a specific maximum annual
29 salary is set out herein in dollars, shall be exempt from the provisions of
30 said Uniform Classification and Compensation Act. All persons occupying
31 positions authorized herein are hereby governed by the provisions of the
32 Regular Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101),
33 or its successor.
34

35
36
Maximum Annual
Maximum Salary Rate



Item	Class		No. of Employees	Fiscal Years	
	No.	Code Title		2005-2006	2006-2007
3	(1)	9760 DIRECTOR STUDENT LOAN AUTHORITY	1	\$89,658	\$91,911
4	(2)	9100 STUDENT LOAN CHIEF FINANCIAL OFCR	1	\$60,220	\$61,914
5	(3)	A032 AGENCY FISCAL MANAGER	1	GRADE 22	
6	(4)	R490 STUDENT LOAN PROGRAM COORDINATOR	1	GRADE 20	
7	(5)	A077 STUDENT LOAN OFFICER	<u>1</u>	GRADE 18	
8	MAX. NO. OF EMPLOYEES		5		

9

10 SECTION 2. APPROPRIATION - STUDENT LOAN ADMINISTRATION PROGRAM. There is
 11 hereby appropriated, to be payable from the funds and fund accounts as set
 12 out herein, to the Arkansas Student Loan Authority for the biennial period
 13 ending June 30, 2007, the following:

14 (a) For the Student Loan Administration Program, the sum of \$340,399 for the
 15 2005-2006 fiscal year and \$349,380 for the 2006-2007 fiscal year.

16 (1) Program Description. The administration and support services program
 17 of the Arkansas Student Loan Authority (ASLA) generates funding through the
 18 issuance of tax-exempt student loan revenue bonds and manages those bond
 19 issues to fund bond debt reduction, loan originations and acquisition, and
 20 agency operations to provide a comprehensive student loan program for the
 21 state of Arkansas. No revenue from the state's general or other funds is
 22 utilized in the deployment of programs or in the operations of a
 23 comprehensive student loan program in Arkansas. The State of Arkansas has no
 24 financial obligations for the bonded indebtedness acquired through the
 25 issuance of ASLA's student loan revenue bonds.

26 (2) Appropriation payable from:

FISCAL YEARS

		<u>2005-2006</u>	<u>2006-2007</u>
28	(A) Other Funds	\$ 340,399	\$ 349,380

29 (3) Performance Targets:

30	(A) Assets to Bond Debt Ratio	Greater than	Greater than
31		104%	105%
32	(B) Audit Compliance Exceptions	None	None
33	(C) Net Assets	Increase Fund	Increase Fund
34		Balance by \$1.5	Balance by \$2.0
35		Million	million

36

1 SECTION 3. APPROPRIATION - STUDENT LOAN FINANCIAL ASSISTANCE PROGRAM.

2 There is hereby appropriated, to be payable from the funds and fund accounts
3 as set out herein, to the Arkansas Student Loan Authority for the biennial
4 period ending June 30, 2007, the following:

5 (a) For the Student Loan Financial Assistance Program, the sum of \$5,301,300
6 for the 2005-2006 fiscal year and \$5,301,300 for the 2006-2007 fiscal year.

7 (1) Program Description. Student Financial Assistance Services is an ASLA
8 initiative to provide a comprehensive college access program. Services
9 include, but are not limited to, free scholarship searches, participation in
10 college fairs and financial aid workshops, and in-state student loan
11 servicing for Arkansas citizens.

12 (2) Appropriation payable from:	FISCAL YEARS	
	<u>2005-2006</u>	<u>2006-2007</u>
14 (A) Other Funds	\$ 6,732,241	\$ 7,067,561

15 (3) Performance Targets:

16 (A) Current number of ASLA loans		
17 made to students and parents	65,000 students	70,000 students
18 (B) Percent of Annual Loan Cohort		
19 Default Rate	Less than 12%	Less than 12%

21 SECTION 4. EMPLOYMENT OF ATTORNEYS. None of the funds appropriated in
22 this Act for Maintenance and General Operation shall be expended in payment
23 for services of attorneys, unless the agency shall first make a request in
24 writing to the Attorney General of the State of Arkansas to provide the
25 required legal services. The Attorney General's Office shall provide the
26 requested legal services, or, if the Attorney General's Office shall
27 determine that sufficient personnel are not available to provide the
28 requested legal services, the Attorney General shall certify the same to the
29 agency and may authorize the agency to employ legal counsel and to expend
30 monies appropriated for Maintenance and General Operations therefor, if:

31 (1) The Attorney General determines, and certifies in writing, that such
32 agency needs the advice or assistance of legal counsel, and

33 (2) The Attorney General consents in writing to the employment of the
34 legal counsel to be retained by the agency.

35 Such certification shall be required with respect to each instance of the
36 employment of special legal counsel, or shall be required annually with

1 respect to legal counsel employed on a retainer basis. A copy of such
2 certification shall be entered in the official minutes of the agency, and
3 shall be retained in the fiscal records of the agency for audit purposes.
4

5 SECTION 5. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized
6 by this act shall be limited to the appropriation for such agency and funds
7 made available by law for the support of such appropriations; and the
8 restrictions of the State Procurement Law, the General Accounting and
9 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
10 Procedures and Restrictions Act, or their successors, and other fiscal
11 control laws of this State, where applicable, and regulations promulgated by
12 the Department of Finance and Administration, as authorized by law, shall be
13 strictly complied with in disbursement of said funds.
14

15 SECTION 6. LEGISLATIVE INTENT. It is the intent of the General Assembly
16 that any funds disbursed under the authority of the appropriations contained
17 in this act shall be in compliance with the stated reasons for which this act
18 was adopted, as evidenced by the Agency Requests, Executive Recommendations
19 and Legislative Recommendations contained in the budget manuals prepared by
20 the Department of Finance and Administration, letters, or summarized oral
21 testimony in the official minutes of the Arkansas Legislative Council or
22 Joint Budget Committee which relate to its passage and adoption.
23

24 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the General
25 Assembly, that the Constitution of the State of Arkansas prohibits the
26 appropriation of funds for more than a two (2) year period; that the
27 effectiveness of this Act on July 1, 2005 is essential to the operation of
28 the agency for which the appropriations in this Act are provided, and that in
29 the event of an extension of the Regular Session, the delay in the effective
30 date of this Act beyond July 1, 2005 could work irreparable harm upon the
31 proper administration and provision of essential governmental programs.
32 Therefore, an emergency is hereby declared to exist and this Act being
33 necessary for the immediate preservation of the public peace, health and
34 safety shall be in full force and effect from and after July 1, 2005.
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