

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 87th General Assembly  
3 Regular Session, 2009  
4

# A Bill

SENATE BILL 48

5 By: Senator Hendren  
6  
7

## For An Act To Be Entitled

9 AN ACT TO MAKE AN APPROPRIATION TO PROVIDE  
10 ADDITIONAL FUNDING FOR PUBLIC SCHOOL EMPLOYEE  
11 HEALTH INSURANCE IN LIEU OF PAYMENTS FOR PULASKI  
12 COUNTY DESEGREGATION SETTLEMENT AGREEMENT  
13 EXPENSES FOR THE DEPARTMENT OF EDUCATION FOR THE  
14 FISCAL YEAR ENDING JUNE 30, 2010; AND FOR OTHER  
15 PURPOSES.  
16

## Subtitle

17  
18 AN ACT FOR THE DEPARTMENT OF EDUCATION -  
19 PUBLIC SCHOOL EMPLOYEE INSURANCE IN LIEU  
20 OF PULASKI COUNTY DESEGREGATION  
21 SETTLEMENT AGREEMENT PAYMENTS  
22 APPROPRIATION FOR THE 2009-2010 FISCAL  
23 YEAR.  
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27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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29 SECTION 1. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE INSURANCE. There is  
30 hereby appropriated, to the Department of Education, to be payable from the  
31 Department of Education Public School Fund Account, for payment of additional  
32 state contribution for health insurance premiums for each eligible employee  
33 electing to participate in the public school employee health insurance  
34 program to the Department of Finance and Administration - Employee Benefits  
35 Division for the fiscal year ending June 30, 2010, the following:  
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1	ITEM	FISCAL YEAR
2	<u>NO.</u>	2009-2010
3	(01) PUBLIC SCHOOL EMPLOYEE INSURANCE	<u>\$ 23,271,457</u>

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5 SECTION 2. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
6 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. PUBLIC  
7 SCHOOL EMPLOYEE INSURANCE.

8 (A) For the fiscal year ending June 30, 2010, the State Treasurer, after  
9 making those deductions as set out in Arkansas Code § 19-5-202(b)(2)(B),  
10 shall also deduct an amount not to exceed the sum of twenty-three million two  
11 hundred seventy-one thousand four hundred fifty-seven dollars (\$23,271,457)  
12 from the net general revenues and transfer this amount to the Department of  
13 Education Public School Fund Account exclusively for payments to the  
14 Department of Finance and Administration - Employee Benefits Division to be  
15 administered by the Department of Finance and Administration - Employee  
16 Benefits Division for the benefit of participants in the public school  
17 employees' health insurance program. This transfer of funds is in lieu of any  
18 authority for fund transfer for Pulaski County desegregation settlement  
19 agreement expenses under Arkansas Code § 6-20-210 or § 6-20-212 and any  
20 authority for the payment of Pulaski County desegregation settlement  
21 agreement expenses under § 6-20-416. This transfer of funds will be  
22 supplemental and in addition to, and shall not supplant, those funds provided  
23 to comply with Arkansas Code § 6-17-1117(a) and (b)(1).

24

25 SECTION 3. SPECIAL LANGUAGE. Arkansas Code § 6-20-210 is repealed.

26 ~~6-20-210. Pulaski County desegregation.~~

27 ~~For the fiscal year ending June 30, 2004, and for each fiscal year~~  
28 ~~thereafter, the Department of Education shall, from time to time as needed,~~  
29 ~~certify to the Treasurer of State and the Chief Fiscal Officer of the State~~  
30 ~~the amount of funds disbursed or approved to be disbursed by the department~~  
31 ~~for desegregation expenses under the Pulaski County School Desegregation~~  
32 ~~Settlement Agreement. Upon the receipt of the certification and after making~~  
33 ~~those deductions as set out in § 19-5-202(b)(2)(B), the Treasurer of State~~  
34 ~~shall also deduct from the net general revenues the amount certified and~~  
35 ~~transfer this amount to the Department of Education Public School Fund~~  
36 ~~Account, there to be used exclusively for payment of or reimbursement for~~

1 ~~expenses incurred from the Department of Education Public School Fund Account~~  
 2 ~~under the agreement.~~

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 4 SECTION 4. SPECIAL LANGUAGE. Arkansas Code § 6-20-212 is repealed.

5 ~~6-20-212. Desegregation expenses.~~

6 ~~For the fiscal year ending June 30, 2005, and for each fiscal year~~  
 7 ~~thereafter, the Department of Education shall from time to time, as needed,~~  
 8 ~~certify to the Treasurer of State and the Chief Fiscal Officer of the State,~~  
 9 ~~the amount of funds disbursed or approved to be disbursed by the department~~  
 10 ~~for desegregation expenses under any desegregation settlement agreement. Upon~~  
 11 ~~the receipt of the certification, the Treasurer of State, after making those~~  
 12 ~~deductions as set out in § 19-5-202(b)(2)(B), shall also deduct from the net~~  
 13 ~~general revenues the amount certified and transfer this amount to the~~  
 14 ~~Department of Education Public School Fund Account, there to be used~~  
 15 ~~exclusively for payment of or reimbursement for expenses incurred from the~~  
 16 ~~account under any desegregation settlement agreement.~~

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 18 SECTION 5. SPECIAL LANGUAGE. Arkansas Code § 6-20-416 is amended to read  
 19 as follows:

20 6-20-416. ~~Desegregation funding~~ Pulaski County desegregation  
 21 litigation.

22 (a) The Department of Education and the Attorney General are authorized  
 23 to seek proper federal court review and determination of the current unitary  
 24 status of any school district in the case of Little Rock School District v.  
 25 Pulaski County Special School District No. 1, et al, No. LR-C-82-866.

26 (b)(1) ~~Upon July 31, 2007, the~~ The department and the Attorney General  
 27 are authorized to seek modification of the current consent decree or enter  
 28 into a new or an amended consent decree, ~~or settlement agreement under this~~  
 29 ~~section that allows the State of Arkansas to:~~

30 ~~(A) Continue necessary and appropriate payments under a post-~~  
 31 ~~unitary agreement to the three (3) Pulaski County school districts for a~~  
 32 ~~limited and definite time period not to exceed seven (7) years and for a~~  
 33 ~~definite limited sum of payments;~~

34 ~~(B) Ensure that the amount of funding provided under the post-~~  
 35 ~~unitary agreement is the total maximum obligation of the state and the school~~  
 36 ~~districts in the case;~~

1           ~~(C) Ensure that the payments required pursuant to the post-unitary~~  
2 ~~agreement are structured so that the total amount of the payments decrease so~~  
3 ~~that no financial obligation remains due or owed by the state at the end of~~  
4 ~~the time period specified in the post-unitary agreement; and~~

5           ~~(D) Ensure that the total of any financial obligation created or~~  
6 ~~established for the state in any one (1) year shall not exceed the state's~~  
7 ~~desegregation obligation for the 2008-2009 school year.~~

8           ~~(2) The agreement under this subsection (b) may only be a post-unitary~~  
9 ~~agreement, and the school districts shall receive the continued funding only~~  
10 ~~if they are declared unitary. However, the agreement does not have to be post~~  
11 ~~unitary and may commence upon all districts having been declared, previously~~  
12 ~~or in the future, unitary in terms of student assignment and student racial~~  
13 ~~balance so long as all other requirements in subdivision (b)(1) of this~~  
14 ~~section are met.~~

15           ~~(2) The department or the Attorney General shall not agree to modify~~  
16 ~~or enter into a new or amended consent decree that obligates the state to pay~~  
17 ~~any funds for the settlement of the Pulaski County desegregation litigation.~~

18           ~~(3) Before any agreement is entered into the department or the~~  
19 ~~Attorney General agree to a modification of a current consent decree or to a~~  
20 ~~new or amended consent decree pursuant to this subsection (b), the proposed~~  
21 ~~post-unitary agreement modified, new, or amended consent decree shall be~~  
22 ~~submitted to the Legislative Council for review and approval.~~

23           ~~(c)(1) The department in consultation with the Attorney General shall~~  
24 ~~have the authority to enter into agreements with the three (3) Pulaski County~~  
25 ~~school districts to reimburse the school districts for legal fees incurred~~  
26 ~~for seeking unitary status or partial unitary status.~~

27           ~~(2) To be eligible for possible reimbursement under this subsection~~  
28 ~~(c) for legal fees incurred, motions seeking unitary status or partial~~  
29 ~~unitary status shall be filed no later than October 30, 2007, and the school~~  
30 ~~districts must be declared unitary or at least partially unitary by the~~  
31 ~~federal district court no later than December 31, 2008.~~

32           ~~(3) Under no circumstances shall any one (1) school district be~~  
33 ~~entitled to reimbursement under this subsection (c) in excess of two hundred~~  
34 ~~fifty thousand dollars (\$250,000).~~

35           ~~(4) Before a reimbursement agreement is entered into pursuant to this~~  
36 ~~subsection (c), the proposed reimbursement agreement shall be submitted to~~

1 ~~the Legislative Council for review and approval.~~

2 ~~(d)(c)~~(1) By modifying the current consent decree or entering into a new  
3 or an amended consent decree ~~or post-unitary agreement~~, the State Board of  
4 Education may create one (1) or more new school districts within Pulaski  
5 County if the creation of the new school district or districts does not  
6 eliminate the Pulaski County Special School District from existence.

7 (2) The state board shall seek the federal district court's approval  
8 prior to creating a new school district pursuant to this subsection ~~(d)(c)~~,  
9 unless the federal district court's approval is not required because:

10 (A) The school district or districts involved have been released  
11 from the federal district court's supervision; or

12 (B) The new school district or districts ~~is~~ are contemplated ~~only~~  
13 as part of ~~the post-unitary agreement~~ a modified, new, or amended consent  
14 decree.

15 ~~(3) Any new school district created in Pulaski County shall receive a~~  
16 ~~pro rata distribution based on its average daily membership of the funding~~  
17 ~~provided under subsection (b) of this section for the school district or~~  
18 ~~districts from which it was created.~~

19 ~~(e)(d)~~ Nothing in this section shall be construed:

20 (1) To force entry of a consent decree ~~or settlement agreement~~ by the  
21 department or the Attorney General with the three (3) Pulaski County school  
22 districts; ~~or~~

23 (2) As protecting any school district from action or sanction by the  
24 department for fiscal, academic, or facilities distress; or

25 (3) As authorizing the payment of any state funds for the settlement  
26 of the Pulaski County desegregation litigation.

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28 SECTION 6. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized  
29 by this act shall be limited to the appropriation for such agency and funds  
30 made available by law for the support of such appropriations; and the  
31 restrictions of the State Procurement Law, the General Accounting and  
32 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
33 Procedures and Restrictions Act, or their successors, and other fiscal  
34 control laws of this State, where applicable, and regulations promulgated by  
35 the Department of Finance and Administration, as authorized by law, shall be  
36 strictly complied with in disbursement of said funds.

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SECTION 7. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 8. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2009 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2009 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2009.