

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.

Act 2288 of the Regular Session

As Engrossed: S3/29/05 S3/31/05 H4/7/05

A Bill

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

SENATE BILL 1000

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5 By: Senator Broadway
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For An Act To Be Entitled

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

13
14 AN ACT TO ADJUST THE LIMITATIONS ON
15 ATHLETIC EXPENDITURES AT INSTITUTIONS OF
16 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:



1 (A) All direct and indirect expenses, prorated if
2 necessary, including salaries;

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

6 (C) Travel;

7 (D) Equipment;

8 (E) Scholarships;

9 (F) Meals;

10 (G) Housing and dormitory supplies;

11 (H) Supplies;

12 (I) Property and medical insurance;

13 (J) Medical expenses;

14 (K) Utilities; and

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

17 (3) "Athletic program" means intercollegiate athletics.
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19 SECTION 2. Arkansas Code § 6-62-803 is amended to add an additional
20 subdivision to read as follows:

21 (c)(1) Beginning in fiscal year 2005-2006, the limits on the amount of
22 unrestricted educational and general funds for intercollegiate athletic
23 programs at state-supported institutions of higher education set forth in
24 subsections (a) and (b) of this section shall be adjusted as determined by
25 the Department of Higher Education based on the consumer price index.

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

29 (B) In subsequent years, the adjustment shall be for the
30 period from the last adjustment to the beginning of the relevant fiscal year.
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32 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
33 General Assembly of the State of Arkansas that the limitations on athletic
34 expenditure has not been adjusted as necessary to allow for increases in
35 inflation; that this adjustment is necessary to allow necessary expenditures
36 for institutions of higher education; and that it is necessary for this act

1 to begin on July 1, 2005, because that is the beginning of the fiscal year.
2 Therefore, an emergency is declared to exist and this act being necessary for
3 the preservation of the public peace, health, and safety shall become
4 effective on July 1, 2005.

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/s/ Broadway

APPROVED: 4/14/2005

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