



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE SECRETARY

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July 19, 2023

Senator Terry Rice, Co-Chair
Representative Jeff Wardlaw, Co-Chair
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

RE: Supplemental Items

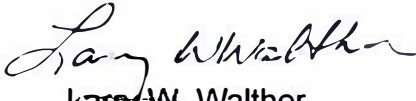
Dear Co-Chairs:

I respectfully request suspension of the rules by the committee for review of the enclosed request from the Department of Commerce – Arkansas Insurance Department to transfer \$190,471.93 from Restricted Reserve – EBD or Contingency Set-Aside to supplement the three AID requests approved by PEER on July 18.

There are eight (8) charter schools that procure insurance directly from the insurance market that were not on the list approved by PEER Committee on July 18. This request will assist those schools with increased insurance premiums. A list of the schools impacted is attached to the enclosed request letter.

The request for Various Temporary Appropriation that was approved during the PEER meeting will be sufficient to cover these schools.

Sincerely,


Larry W. Walther
Secretary



STATE OF ARKANSAS
**Department of Finance
and Administration**

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July 19, 2023

Senator Terry Rice, Co-Chair
Representative Jeff Wardlaw, Co-Chair
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

RE: FY 24 Restricted Reserve Fund Transfer Recommendation

Dear Co-Chairs:

Pursuant to Act 561 of 2023 (3), as Chief Fiscal Officer of the State, I am recommending the transfer of the following Restricted Reserve Funds:

- Department of Commerce – Insurance Department – EBD or
Contingency Set-Aside \$190,471.93

Sincerely,

A handwritten signature in blue ink, which appears to read 'Larry W. Walther', is written over a light blue circular stamp.

Larry W. Walther
Cabinet Secretary

LWW

Attachment(s)



Hugh McDonald
SECRETARY OF COMMERCE

Alan McClain
COMMISSIONER,
ARKANSAS INSURANCE
DEPARTMENT

July 19, 2023

Ms. Marty Garrity
Bureau of Legislative Research
Arkansas General Assembly
State Capitol, Room 315
Little Rock, AR 72201

RE: FY24 Restricted Reserve Fund Transfer Request

Dear Director Garrity:

The Arkansas Insurance Department (AID) respectfully requests a transfer of \$190,471.93 from the Restricted Reserve Fund – EBD or Contingency Set Aside, pursuant to the provisions of Act 561 of 2023, Section 3(19). This request supplements the three AID restricted reserve transfer requests that were approved by the PEER Subcommittee on July 18.

AID has been advised by the Arkansas Department of Education that eight charter schools procure insurance directly from the insurance market, similar to the Bentonville School District. These charter schools have experienced the same insurance difficulties as Bentonville and other school districts, resulting in increased FY 2024 premiums of approximately \$635,000, or 56%. The transfer from restricted reserve will be used to partially offset the increase in premiums, with the increase being shared 70/30 by the charter schools and the state. The assistance will be remitted directly by AID to the charter schools. The attached spreadsheet lists the charter schools that will receive the assistance and their respective amounts.

As always, I appreciate your consideration of this matter.

Sincerely,

A handwritten signature in blue ink that reads "Alan McClain".

Alan McClain
Insurance Commissioner

Restricted Reserve Supplemental Request

School District	22-23 Premium Due	23-24 Premium Due	Increase	Amount of Increase Funded by State
Friendship Aspire Academy Pine Bluff	\$99,888.00	\$115,772.00	\$15,884.00	\$4,765.20
Future School Of Fort Smith	\$18,889.00	\$27,374.00	\$8,485.00	\$2,545.50
Kipp Delta Public Schools	\$163,351.00	\$192,507.00	\$29,156.00	\$8,746.80
Lisa Academy	\$325,936.00	\$795,000.00	\$469,064.00	\$140,719.20
Estem Public Charter School	\$401,432.00	\$488,386.00	\$86,954.00	\$26,086.20
Westwind School for Performing Arts	\$3,170.96	\$3,691.00	\$520.04	\$156.01
Haas Hall	\$66,033.56	\$82,675.26	\$16,641.70	\$4,992.51
Arkansas Lighthouse Charter Schools	\$54,678.00	\$62,879.70	\$8,201.70	\$2,460.51
Total:	\$1,133,378.52	\$1,768,284.96	\$634,906.44	\$190,471.93