

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

Friday, December 19, 2008

The Arkansas Legislative Council met at 9:00 a.m., Friday, December 19, 2008, in Room 171 of the State Capitol, Little Rock, Arkansas. Co-Chair Sullivan called the meeting to order and dispensed with the calling of the roll. The members who attended are listed on the sign-in sheets.

Representative Sullivan moved the approval of the minutes of the November 21, 2008 Legislative Council meeting and the motion passed by voice vote.

Monthly Revenue Report

Co-Chair Sullivan recognized Richard Wilson, Assistant Director, Bureau of Legislative Research, to present the monthly revenue report for November 2008. Mr. Wilson reported that the November 2008 revenue report reflects that for first five months of this fiscal year, gross collections were up \$ 2.2 billion, which is \$101.5 million ahead of collections for the same period last year, for a growth rate of 4.8 percent. The net available for distribution is \$90.9 million ahead of the same period last year for a growth rate of 5.1 percent.

The graph page reflects that the official revenue forecast was revised on November 13, 2008 and that collections are \$11 million ahead of the revised official forecast. The second graph reflects the amount of revenue collections if the official forecast had not been revised. There were no questions regarding this report.

Reports of the Executive Subcommittee

Co-Chair Sullivan recognized Senator Wilkins to present the report of the Executive Subcommittee of the Legislative Council. Senator Wilkins referred members to the report in their meeting packets and offered to answer any questions. There were no questions regarding this report.

Senator Wilkins moved the adoption of the report of the Executive Subcommittee and the motion passed without objection.

Reports of Standing Committees

Administrative Rules and Regulations Subcommittee

Co-Chair Sullivan recognized Representative Pace to present the report of the Administrative Rules and Regulations Subcommittee. Representative Pace reported that there were items for consideration. The first is Rule No. 8 from the Department of Environmental Quality that was held in the Legislative Council at the last meeting and the issues had been resolved.

Representative Pace moved that Rule No. 8 from the Department of Environmental Quality be adopted as reviewed. The motion was passed without objection.

Representative Pace continued his report and stated that Administrative Rules and Regulations Subcommittee met twice in December on December 4, 2008 and December 18, 2008 and a rule by the Racing Commission was held over to the next meeting.

Representative Pace moved that both reports of the Administrative Rules and Regulations Subcommittee be adopted and the motion passed by voice vote.

Claims Review Subcommittee

Co-Chair Sullivan recognized Senator Trusty to present the report of the Claims Review Subcommittee. Senator Trusty reported that the Claims Review Subcommittee met on December 4, 2008 and the subcommittee affirmed the Claims Commission on all matters discussed. There were no questions concerning this report.

Senator Trusty moved that the report of the Claims Review Subcommittee be adopted and the motion passed without objection.

Higher Education Subcommittee

Co-Chair Sullivan recognized Senator Baker to present the report of the Higher Education Subcommittee. Senator Baker reported that the Higher Education Subcommittee met on December 18, 2008 and heard a presentation from Dr. Jim Purcell, Director of the Department of Higher Education and there was extensive discussion of scholarship caps. The subcommittee also heard an update on the recommendations of the Task Force on Higher Education Remediation, Retention and Graduation Rates from Representative Johnnie Roebuck. There were no questions concerning this report.

Senator Baker moved that the report of the Higher Education Subcommittee be adopted and the motion passed without objection.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Sullivan recognized Senator Altes to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee. Senator Altes reported that the PEER Subcommittee met on December 4, 2008 and reviewed all items on the agenda. There were no questions regarding this report.

Senator Altes moved that the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee be adopted and the motion passed without objection.

Co-Chair Sullivan recognized Senator Altes for a motion. **Senator Altes moved to suspend the rules for the purpose of considering another item and the motion passed by voice vote.**

Co-Chair Sullivan recognized Senator Altes who explained that a contract between the Department of Workforce Services and the University of Arkansas at Fayetteville was submitted too late to be reviewed by the PEER Subcommittee and that it must be reviewed before the beginning of the year for the contract to be continued. Senator Altes offered to answer questions.

Co-Chair Sullivan recognized Robert Trevino, Commissioner of Arkansas Rehabilitative Services of the Department of Workforce Services, and Bill Walker, Director of the Department of Workforce Education, for comments regarding the contract. Mr. Trevino explained that this contract concerns the Student Loan Forgiveness Program and the Alternative Finance Program and the University of Arkansas at Fayetteville would provide the expertise for administration and accounting services for those programs.

Mr. Trevino and Mr. Walker answered questions from the members regarding the reasons why the contract was not submitted in time to be reviewed by the PEER Subcommittee.

Senator Altes moved that the contract between the Department of Workforce Services and the University of Arkansas at Fayetteville has been reviewed and the motion passed by voice vote.

Review Subcommittee

Co-Chair Sullivan recognized Representative Dunn to present the Review Subcommittee report. Representative Dunn reported that the Review Subcommittee met on December 3, 2008 and all items on the agenda were reviewed with the exception of three items that were held at the request of Senator Jeffress. Senator Jeffress has since released the hold on those items. There were no questions regarding this report.

Representative Dunn moved that the report of the Review Subcommittee be adopted and the motion passed by voice vote.

Co-Chair Sullivan recognized Representative Dunn for a motion. **Representative Dunn moved to suspend the rules for the purpose of considering five contracts to provide investment management services to Arkansas Public Employees Retirement System and the motion passed by voice vote.**

Co-Chair Sullivan recognized Representative Dunn who asked that the Legislative Council review the five contracts to provide investment management services to Arkansas Public Employees Retirement System. Representative Dunn answered a question from Senator Smith.

Representative Dunn moved that these five contracts have been reviewed and the motion passed by voice vote with one "No" vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Sullivan recognized Senator Faris to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee of the Joint Budget Committee. Senator Faris reported that the subcommittee met on December 16 and 17, 2008 and reviewed and recommended executive recommendations on personnel-related requests from four state agencies, with special language for one of those agencies. The subcommittee also reviewed and recommended personnel-related requests for thirteen constitutional offices, reviewed agency requests with the exception of the Prosecuting Attorney's Office A and B; with special language requests in seven of those agencies. The Personnel Subcommittee also referred the Auctioneers Licensing Board back to committee without a recommendation. There were no questions regarding this report.

Senator Faris moved that the report of the Uniform Personnel Classification and Compensation Plan Subcommittee be adopted and the motion passed without objection.

Co-Chair Sullivan recognized Senator Faris to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee of the Legislative Council. Senator Faris reported that the subcommittee met on December 19, 2008 and reviewed to routine reports from the Department of Education and the Public Service Commission, and the Quarterly Employment Report. The subcommittee also reviewed the following requests: three special entry rate requests for exceptionally well-qualified applicants from the Department of Human Services, the Department of Disability Determination, and the Department of Agriculture; two miscellaneous federal grant requests from the Department of Education; and six requests for circuit court salary adjustments. There were no questions regarding this report.

Senator Faris moved that the report of the Uniform Personnel Classification and Compensation Plan Subcommittee be adopted and the motion passed without objection.

Reports of Interim or Special CommitteesSenate Revenue and Taxation Committee Policy

Co-Chair Sullivan referred the Legislative Council members to the travel policy adopted by the Senate Revenue and Taxation Committee (Exhibit G-1) and asked if there were any questions. There were no questions.

Senator Wilkins moved that the policy be approved and the motion passed without objection.

Report from the Arkansas Legislative Task Force to Study Homelessness

Co-Chair Sullivan referred the Legislative Council members to the Final Report and Recommendations of the Arkansas Legislative Task Force to Study Homelessness (Exhibit G.2), which was filed for informational purposes. There were no questions regarding this report.

Report of the Joint Interim Committee on Advanced Communications and Information Technology

Co-Chair Sullivan recognized Representative Pace to present the Report of the Joint Interim Committee on Advanced Communications and Information Technology (Exhibit G.3).

Representative Pace explained that the Joint Interim Committee on Advanced Communications and Information Technology is responsible for oversight of expenditures by the Department of Information Services, and this report states that the Joint Interim Committee on Advanced Communications and Information Technology Committee has reviewed the issuance of approximately \$9.4 million in rebates to agencies of state government to be given in the January 2009 bill cycle.

Representative Pace moved the adoption of the report by the Joint Interim Committee on Advanced Communications and Information Technology and the motion passed by voice vote.

Review of Communications

Co-Chair Sullivan asked members to review the communications in their packets and stated that no action was required by the Legislative Council on these communications, with the exception of the request by the Department of Parks and Tourism (Exhibit H-11). The other communications will be filed without objection.

Request from the Department of Parks and Tourism

Co-Chair Sullivan recognized Greg Butts, Director of the Division of State Parks of the Department of Parks and Tourism, to present the request before the Legislative Council. Mr. Butts explained that this request was for favorable advice of the Legislative Council regarding the priority property acquisitions at Jacksonport State Park and Powhatan Historic State Park, which collectively total eight-tenths (.8) of an acre for three parcels at two locations. Mr. Butts offered to answer questions.

Co-Chair Sullivan recognized Representative Davenport who asked for an explanation of the difference in cost between the two pieces of property. Mr. Butts responded that there are two reasons. One parcel was appraised at \$40,000.00 because it is a third of an acre within the developed part of town and includes improvements, such as a storage building. The other parcel is a half acre of farmland valued at \$4,000.00.

Representative Davenport asked that the name of the land owners and a copy of appraisal of each parcel be provided to the members and Mr. Butts agreed to provide this information.

Representative Hutchinson asked how many visitors per year visit this park. Mr. Butts stated this is a popular historic site and he would provide her with this information.

A motion was made to give favorable advice to the priority property acquisition at Jacksonport State Park and Powhatan Historic State Park and the motion passed by voice vote.

New Business

Co-Chair Sullivan recognized Senator Wilkins. Senator Wilkins commented that he wanted to take this opportunity to express our profoundest appreciation to all of the members who are term-limited and are leaving the legislature. He especially wanted to take the opportunity to express that it has been a joy to co-chair the Legislative Council with Representative Sullivan and that we would really miss him and we are very thankful for his very distinguished service in the Arkansas Legislature and as chairman of the Legislative Council. The Legislative Council members gave a round of applause for Representative Sullivan.

Senator Wilkins also asked that all of the other members of the Legislative Council who are leaving the legislature to please stand and be recognized for their service. The Legislative Council members gave a round of applause for these members.

Announcements

Co-Chair Sullivan announced that the Joint Budget Committee will meet at 9:45 a.m. in Room 171 and the Senate Efficiency Committee would meet upon adjournment of the Budget Committee meeting.

Co-Chair Sullivan recognized Representative Johnnie Roebuck who announced that there would be a meeting upon adjournment of the Legislative Council in Room 130 with the Dean of the University of Tennessee Dental School to discuss the slots that Arkansas currently has and anyone is invited to attend.

Co-Chair Sullivan recognized Representative Gene Shelby who announced that the Governor's Trauma Advisory Council is holding a series of meetings around the state over the next two weeks to discuss the implementation of the trauma system and one will be on January 5th at noon at Jefferson Regional Hospital in Pine Bluff. Representative Shelby stated he would provide the remaining dates at a later time.

Adjournment

There being no further business to come before the committee the meeting was adjourned at 9:35 a.m.

Respectfully submitted,

ATTEST:

Senator Henry "Hank" Wilkins, IV
Co-Chair, Senate

David Ferguson
Executive Secretary