

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

Friday, June 18, 2010

The Arkansas Legislative Council met at 9:00 a.m., Friday, June 18, 2010 in Room 171 of the State Capitol, Little Rock, Arkansas. Co-Chair Wilkins called the meeting to order and dispensed with the calling of the roll. The members who attended are listed on the sign-in sheets.

Adoption of Minutes of the Last Meeting

Co-Chair Wilkins referred members to the minutes of the May 21, 2010 meeting of the Legislative Council and asked if there were questions. There were no questions regarding the minutes of the last meeting.

The motion by Senator Glover to adopt the minutes of the May 21, 2010 Legislative Council meeting passed without objection.

Senator Wilkins recognized Senator Terry Smith. Senator Smith introduced Representative-Elect John Vines from Hot Springs who was welcomed by the committee members.

Revenue Report

Co-Chair Wilkins recognized Richard Wilson, Assistant Director of the Bureau of Legislative Research, to present the monthly revenue report for May 2010. Mr. Wilson reported that the May 2010 revenue report shows that after eleven months of this fiscal year 2010, gross collections were \$167 million behind the same eleven months of last year for a growth rate of negative three point three percent (-3.3%). The adjusted net available for distribution is \$95 million dollars behind the previous year, for a growth rate of negative two point four percent (-2.4%).

Mr. Wilson stated the graph page indicates that after the May 4th forecast revision by the executive branch, the revenue for the month of May was approximately \$38 million ahead of the forecast. The spreadsheet indicates a positive growth rate of zero point five percent (0.5%) in the monthly gross receipts. This is the first time in fifteen months that there has been a positive growth, which indicates a turn around in the economy. Mr. Wilson answered questions from the members.

Reports of Standing Subcommittees

Administrative Rules and Regulations Subcommittee

Co-Chair Wilkins recognized Representative Overbey to present the report of the Administrative Rules and Regulations Subcommittee. Representative Overbey reported that the subcommittee had met on June 16, 2010 and referred members to the report in their packets. There were no questions regarding the report.

Representative Overbey moved the adoption of the report of the Administrative Rules and Regulations Subcommittee and the motion passed by voice vote.

Claims Review Subcommittee

Co-Chair Wilkins recognized Representative Flowers to present the report of the Claims Review Subcommittee. Representative Flowers reported that the Claims Review Subcommittee met on June 1, 2010 and referred members to the report in their packets. There were no questions regarding this report.

Representative Flowers moved that the report of the Claims Review Subcommittee be adopted with the exception of item B.4 concerning the claim by Tommy Wood against the Department of Correction (# 09-0933-CC), which the subcommittee requests be referred back to the Claims Review Subcommittee. The motion passed by voice vote.

Higher Education Subcommittee

Co-Chair Wilkins recognized Representative Roebuck to present the report of the Higher Education Subcommittee. Representative Roebuck reported that the Higher Education Subcommittee met on June 17, 2010 and heard three reports from Dr. Jim Purcell on: (1) the Weiss memo that concerns implementation of the pay plan; (2) tuition and fee increases; and (3) cost containment efforts by institutions of higher education. There were no questions regarding this report.

Representative Roebuck moved that the report of the Higher Education Subcommittee be adopted and the motion passed by voice vote.

Litigation Reports Oversight Subcommittee

Co-Chair Wilkins recognized Senator Luker to present the report of the Litigation Reports Oversight Subcommittee. Senator Luker reported that the Litigation Reports Oversight Subcommittee met on June 9, 2010 and considered two proposed settlement agreements that were both approved. Senator Luker referred members to the report in their packets for the information on the number of cases reviewed by the subcommittee. There were no questions regarding this report.

Senator Luker moved the adoption of the report of the Litigation Reports Oversight Subcommittee and the motion passed by voice vote.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Wilkins recognized Representative Lea to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee. Representative Lea reported that the PEER Subcommittee met on June 3, 2010 and approved all items on the agenda with the exception of two items noted on page one of the report that were held for more information. There were no questions concerning this report.

Representative Lea moved the adoption of the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee and the motion passed by voice vote.

Review Subcommittee

Co-Chair Wilkins recognized Senator Horn to present the Review Subcommittee report. Senator Horn reported that the Review Subcommittee met on June 2, 2010 and reviewed various methods of finance, discretionary grants, professional services contracts, and technical services contracts. The subcommittee approved a motor vehicle lease and three contracts submitted pursuant to special language requirements. There were no questions concerning this report.

Senator Horn moved the adoption of the report of the Review Subcommittee and the motion passed by voice vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Wilkins recognized Senator Faris to present the Uniform Personnel Classification and Compensation Plan Subcommittee report. Senator Faris reported that the subcommittee met on June 16, 2010 and reviewed several routine reports, heard a higher education two-year growth pool position request from the University of Arkansas at Morrilton; OPM pool requests from the Public Service Commission, the State Police, and the University of Central Arkansas; compensation differentials requests from the School for the Deaf and the State Military Department; requests for the continuation of miscellaneous federal grant positions; and a request from the University of Arkansas at Monticello for one non-classified growth pool position that was held for further review. There were no questions concerning this report.

Senator Faris moved the adoption of the Uniform Personnel Classification and Compensation Plan Subcommittee report and the motion passed by voice vote.

Report of Interim or Special Committees

Co-Chair Wilkins recognized Representative Woods to present a report from the Joint Interim Committee on Advanced Communications and Information Technology. Representative Woods reported that the committee met on June 9, 2010 and reviewed the request from the Department of Information Systems to make rate adjustments for fiscal year 2011.

Representative Woods moved that the report from the Joint Interim Committee on Advanced Communications and Information Technology be filed as reviewed and the motion passed by voice vote.

Review of Communications

Co-Chair Wilkins referred members to the communications in their packets and noted that action is necessary on Exhibit H.3a and Exhibit H.5b. Co-Chair Wilkins asked if there were any questions.

Arkansas State Parks Division

Co-Chair Wilkins referred members to the request for the Legislative Council's review of the report on the Arkansas State Parks Division operations (Exhibit H.3a), submitted by the Arkansas State Parks Division pursuant to special language requirements in Act 1330 of 2009. There were no questions concerning this request.

Senator Faris moved that the report be filed as reviewed and the motion passed by voice vote.

Arkansas Teacher Retirement System

Co-Chair Wilkins referred members to the request for the Legislative Council's review of the Wellspring Capital Partners V, L.P. (Exhibit H.5b) investment, submitted by the Arkansas Teacher Retirement System pursuant to A.C.A. § 19-11-1302. There were no questions concerning this request.

Senator Faris moved that the Wellspring Capital Partners V, L.P. investment be filed as reviewed and the motion passed by voice vote.

New Business

Legislative Council Meeting in July and August 2010

Co-Chair Wilkins noted that in past years the Legislative Council did not meet during the months of July and August to avoid conflict with the NCSL, SLC, and ALEC conferences scheduled during those months; however, this year the national legislative conferences were meeting back-to-back and would not conflict with regularly scheduled meetings of the Legislative Council in July and August. Co-Chair Wilkins asked what the will of the Legislative Council was in regard to the Legislative Council meeting in July and August of this year.

Senator Miller moved that the Legislative Council will not meet in July 2010 and will meet at the call of the chair during August 2010 and the motion carried by voice vote.

Senator Capps moved that the actions of the Legislative Council subcommittees that meet in July 2010 will be final and reported to the Legislative Council at the next meeting. The motion passed by voice vote.

Announcement of Health Reform Research Web Page

Co-Chair Wilkins recognized Marty Garrity, Assistant Director for Legal Services, for an announcement concerning an additional resource available to members of the General Assembly on the BLR web page. Ms. Garrity informed the Legislative Council that David Ferguson, Director of the Bureau of Legislative Research, has formed a team composed of staff from the various Divisions for the purpose of researching issues concerning health care reform and to serve as a resource for members of the General Assembly concerning this issue. The staff has worked to provide information from various sources on health care reform and has published the information under the *BLR Health Reform Research* link that has had been added to the General Assembly web page under the BLR tab.

Ms. Garrity introduced Nell Smith, with the Research Services Division, as the primary staff contact and asked that Ms. Smith be recognized to present an overview of the type of information that can be found on the web page and the activities of the health care reform research team.

Co-Chair Wilkins recognized Ms. Smith who presented the members with a PowerPoint presentation that explained the information provided and how to navigate the web page. The *BLR Health Reform Research* link has categorized the information as follows: (1) Legislation Overview; (2) Litigation; (3) Insurance; (4) Medicaid/Medicare; and (5) Healthcare Providers. Each category provides additional helpful links, legislative issues, and documents that can be located by issue or chronologically. The health care reform research team will be updating information on the web page that will show how the State of Arkansas is moving toward implementing the health care reform legislation. Also available on this web page are NCSL webinars on health care reform, information from the Kaiser Family Foundation, and a timeline for implementation. Also on the web page under Contacts is a list of the Bureau staff composing the health care research team who are available to answer questions. At the conclusion of the presentation, Ms. Smith answered questions from the members.

Co-Chair Wilkins recognized Senator Luker who suggested that the Insurance Commissioner, Jay Bradford, be invited to a subsequent Legislative Council meeting to provide members with an update on the Insurance Department's plans and current status on implementing the State of Arkansas' obligation under the health care reform legislation. Co-Chair Wilkins responded that the staff would invite Mr. Bradford to attend the Legislative Council meeting for this purpose.

Co-Chair Wilkins recognized Representative Reep who commented that the Public Health, Welfare and Labor Committee is also looking at a number of issues related to the health care reform legislation and that the members should be aware of the issues regarding the cost of implementation as well as the impact that health care reform legislation will have on the State of Arkansas' Medicaid Program. Representative Reep noted that the Public Health, Welfare and Labor Committees are working toward publishing the information as quickly as possible. There were no further questions or comments on the issue.

Announcements

Co-Chair Wilkins recognized Representative Hardy who introduced Representative-Elect David Fielding from Columbia County who is now the representative from Representative Hardy's district.

Co-Chair Wilkins recognized Senator Faris who noted that Andrew Bass, the Administrator of the Personnel Review Section, is retiring at the end of June after thirty-one years of service. Senator Faris commented that Mr. Bass is a most thorough and professional employee and has been very helpful to the General Assembly. Senator Faris asked that Mr. Bass be recognized for comments. Co-Chair Wilkins recognized Andrew Bass who commented that he has been proud and honored to work for the General Assembly for over thirty years and it has been the highlight of his career. Mr. Bass thanked the members for their courtesy and consideration. Senator Faris also noted that Tony Robinson will be taking over the role of Administrator of the Personnel Review Section.

Co-Chair Wilkins recognized Representative Tyler who announced that immediately following the adjournment of the Legislative Council meeting there will be a meeting of the House Democratic Caucus at the AEA Building.

New Proposals and Resolutions

Co-Chair Wilkins referred members to Interim Study Proposal 2009-242 (Exhibit K.1) in their packets and asked if there was a motion to refer the study to the Public Health, Welfare and Labor Committee.

Representative Tyler moved that Interim Study Proposal 2009-242 be referred to the House Interim Committee on Public Health, Welfare and Labor and the motion passed by voice vote with Senator Terry Smith voting no.

Adjournment

The meeting adjourned at 9:40 a.m. as there was no further business to come before the committee.

Respectfully submitted,

ATTEST:

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

David Ferguson
Executive Secretary