

1 State of Arkansas
2 83rd General Assembly
3 First Extraordinary Session, 2002
4

Call Item 4

A Bill

HOUSE BILL 1001

5 By: Representatives Gillespie, Hickinbotham, Milligan, Stovall
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7

For An Act To Be Entitled

9 AN ACT TO CREATE AND FUND THE ARKANSAS RAINY DAY
10 FUND THROUGH THE ARKANSAS HEALTHY CENTURY TRUST
11 FUND; AND FOR OTHER PURPOSES.
12

Subtitle

14 AN ACT TO CREATE THE RAINY DAY FUND AND
15 PERMIT TRANSFERS.
16
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
19

20 SECTION 1 (a) There is hereby created on the books of the Treasurer of
21 State, the Auditor of State, and the Chief Fiscal Officer of the State a
22 special revenue fund to be known as the Arkansas Rainy Day Fund.

23 (b) The fund shall consist of such funds as made available by the General
24 Assembly and transfers from the Arkansas Healthy Century Trust Fund.
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26 SECTION 2. Arkansas Code 19-5-1115(b)(2) is amended to read as follows:
27 (b)(2) The fund shall be used for those programs as set out in 19-12-107, as
28 administered by the State Board of Finance and for the purpose of allowing
29 the Governor to transfer up to fifty million dollars (\$50,000,000) to the
30 Arkansas Rainy Day Fund under the conditions as set out by law.
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33 SECTION 3. Arkansas Code 19-12-107(e)(2) relating to the use of the
34 principal amounts of the Arkansas Healthy Century Trust Fund is amended to
35 read as follows:

36 (2) the principal amounts in the Arkansas Healthy Century Trust

1 Fund may only be used for such programs, and other projects related to health
2 care services, health education, and health-related research as shall, from
3 time to time, be designated in legislation adopted by the General Assembly,
4 it being the intent of this chapter that the principal amount of the Trust
5 Fund should not be appropriated without amendment of this public trust. The
6 principal amount of the Arkansas Healthy Century Trust Fund may also be used
7 for transfers to the Arkansas Rainy Day Fund as provided elsewhere by law.

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9 SECTION 4. (a) In the event the Chief Fiscal Officer of the State
10 lowers the estimate of general revenue available for distribution under the
11 provisions of the Revenue Stabilization Law, 19-5-101 et seq., in effect on
12 July 1, 2002, such funds as are available from the Arkansas Rainy Day Fund
13 may be used to supplement the lost general revenues that would have otherwise
14 been distributed, by transferring those funds to the following general
15 revenue fund and fund accounts in the following proportions:

- 16
- 17 1. Education Department Public School Fund Account (Arkansas Code 19-5-
- 18 305) - Fifty Percent (50%)
- 19 2. Department of Human Services Grants Fund Account (Arkansas Code 19-
- 20 5-306 (10)(A)) - Twenty Five (25%)
- 21 3. Department of Correction Inmate Care and Custody Fund Account
- 22 (Arkansas Code 19-5-302 (1)(A)) - Twenty-Five Percent (25%)

23
24 (b) The Chief Fiscal Officer of the State shall make such fund transfers on
25 the books of the State Treasurer and State Auditor as are necessary to
26 effectuate the provisions of this section. In no event shall amounts
27 transferred to the funds cited in subsection (a) of this section, cause the
28 general revenues provided under this sections to exceed the maximum
29 allocations provided them in Arkansas Code 19-5-403.

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31 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the General
32 Assembly of the State of Arkansas that the general revenues of the State of
33 Arkansas have significantly decreased as a result of distressed economic
34 conditions; that a contingency fund should be created and funded for the
35 purpose of adequately maintaining necessary state programs and services; that
36 this bill provides a mechanism for necessary fund transfers in the event that

the Chief Fiscal Officer is required to lower the estimate of available general revenues during the fiscal year ending June 30, 2003. Therefore, and emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.

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