

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

As Engrossed: H3/17/17

# A Bill

HOUSE BILL 1096

5 By: Joint Budget Committee  
6

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE STATE SECURITIES  
10 DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2018;  
11 AND FOR OTHER PURPOSES.  
12  
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## Subtitle

14 AN ACT FOR THE STATE SECURITIES  
15 DEPARTMENT APPROPRIATION FOR THE 2017-  
16 2018 FISCAL YEAR.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established  
23 for the State Securities Department for the 2017-2018 fiscal year, the  
24 following maximum number of regular employees.  
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Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2017-2018
30	(1) U040U	SECURITIES COMMISSIONER	1	\$107,045
31	(2) N137N	SECURITIES DEPUTY COMMISSIONER	1	GRADE N902
32	(3) G004C	MANAGING ATTORNEY	1	GRADE C129
33	(4) G025C	ATTORNEY SUPERVISOR	1	GRADE C127
34	(5) G047C	ATTORNEY SPECIALIST	6	GRADE C126
35	(6) X008C	SECURITIES CHIEF EXAMINER	2	GRADE C126
36	(7) X015C	SECURITIES EXAMINER SUPERVISOR	3	GRADE C124



1	(8)	X032C	SENIOR SECURITIES EXAMINER	10	GRADE C122
2	(9)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
3	(10)	D051C	SYSTEMS APPLICATIONS SUPERVISOR	1	GRADE C121
4	(11)	X061C	SECURITIES EXAMINER	4	GRADE C119
5	(12)	C037C	ADMINISTRATIVE ANALYST	1	GRADE C115
6	(13)	C046C	LEGAL SUPPORT SPECIALIST	2	GRADE C113
7	(14)	C056C	ADMINISTRATIVE SPECIALIST III	3	GRADE C112
8	(15)	A098C	FISCAL SUPPORT SPECIALIST	<u>1</u>	GRADE C112
9			MAX. NO. OF EMPLOYEES	38	

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11 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for  
 12 the State Securities Department for the 2017-2018 fiscal year, the following  
 13 maximum number of part-time or temporary employees, to be known as "Extra  
 14 Help", payable from funds appropriated herein for such purposes: two (2)  
 15 temporary or part-time employees, when needed, at rates of pay not to exceed  
 16 those provided in the Uniform Classification and Compensation Act, or its  
 17 successor, or this act for the appropriate classification.

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19 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,  
 20 to the State Securities Department, to be payable from the Securities  
 21 Department Fund, for personal services and operating expenses of the State  
 22 Securities Department for the fiscal year ending June 30, 2018, the  
 23 following:

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25	ITEM	FISCAL YEAR
26	<u>NO.</u>	<u>2017-2018</u>
27	(01) REGULAR SALARIES	\$1,976,402
28	(02) EXTRA HELP	16,000
29	(03) PERSONAL SERVICES MATCHING	641,596
30	(04) MAINT. & GEN. OPERATION	
31	(A) OPER. EXPENSE	470,660
32	(B) CONF. & TRAVEL	30,000
33	(C) PROF. FEES	20,984
34	(D) CAP. OUTLAY	35,000
35	(E) DATA PROC.	0
36	(05) EXAMINATION TRAVEL	<u>20,000</u>

1 TOTAL AMOUNT APPROPRIATED \$3,210,642

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3 SECTION 4. APPROPRIATION - REFUNDS AND REIMBURSEMENTS. There is hereby  
 4 appropriated, to the State Securities Department, to be payable from cash  
 5 funds as defined by Arkansas Code 19-4-801 of the State Securities  
 6 Department, for refunds and reimbursements of the State Securities Department  
 7 for the fiscal year ending June 30, 2018, the following:

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9 ITEM	FISCAL YEAR
10 <u>NO.</u>	<u>2017-2018</u>
11 (01) REFUNDS/REIMBURSEMENTS	<u>\$500,000</u>

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13 SECTION 5. APPROPRIATION - INVESTOR EDUCATION FUND. There is hereby  
 14 appropriated, to the State Securities Department, to be payable from the  
 15 Investor Education Fund, for operating expenses, promotional items and grants  
 16 of the State Securities Department for the fiscal year ending June 30, 2018,  
 17 the following:

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19 ITEM	FISCAL YEAR
20 <u>NO.</u>	<u>2017-2018</u>
21 (01) MAINT. & GEN. OPERATION	
22 (A) OPER. EXPENSE	\$36,000
23 (B) CONF. & TRAVEL	0
24 (C) PROF. FEES	0
25 (D) CAP. OUTLAY	0
26 (E) DATA PROC.	0
27 (02) GRANTS AND AID	125,000
28 (03) PROMOTIONAL ITEMS	<u>7,500</u>
29 TOTAL AMOUNT APPROPRIATED	<u>\$168,500</u>

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31 SECTION 6. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE  
 32 ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
 33 QUARTERLY REPORTS. The State Securities Department shall on a quarterly basis  
 34 provide to the Arkansas Legislative Council or Joint Budget committee a  
 35 report of all funds received or any external fund transactions recognized or  
 36 required through court orders or settlement agreements. The report shall

1 include:

2 a) The case name of the court order or settlement agreement.

3 b) The amount of funds received or transaction recognized or required by  
4 the State Securities Department for each court order or settlement agreement.

5 c) A plan for disbursement of the received funds. If funds received from  
6 a court order or settlement agreement are expended for any purpose, including  
7 investor education and enforcement activities, the report must itemize  
8 specific activities subject to the exclusions provided in Ark. Code Ann. 25-  
9 1-403(1)(B). The report shall also itemize the specific investor education  
10 and enforcement activities funded for the State Securities Department.

11 d) An explanation of whether the funds received or transactions  
12 recognized or required from a court order or settlement are directed to a  
13 specific entity, and if so, the State Securities Department shall provide a  
14 summary of input regarding the drafting of the court order or settlement  
15 agreement.

16 e) A report of the rationale for disbursing funds to a specific entity if  
17 the State Securities Department receives funds from a court order or  
18 settlement agreement that does not require disbursement of funds to a  
19 specific entity.

20 f) A report of current balances of all unappropriated fund holdings  
21 received by court order or settlement agreement by the State Securities  
22 Department.

23 g) The quarterly reports shall be provided no later than the 15<sup>th</sup> day of  
24 the month immediately following the end of each quarter.

25 The provisions of this section shall be in effect only from July 1, ~~2016~~  
26 2017 through June 30, ~~2017~~ 2018.

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28 SECTION 7. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
29 authorized by this act shall be limited to the appropriation for such agency  
30 and funds made available by law for the support of such appropriations; and  
31 the restrictions of the State Procurement Law, the General Accounting and  
32 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
33 Procedures and Restrictions Act, or their successors, and other fiscal  
34 control laws of this State, where applicable, and regulations promulgated by  
35 the Department of Finance and Administration, as authorized by law, shall be  
36 strictly complied with in disbursement of said funds.

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2 SECTION 8. LEGISLATIVE INTENT. It is the intent of the General  
3 Assembly that any funds disbursed under the authority of the appropriations  
4 contained in this act shall be in compliance with the stated reasons for  
5 which this act was adopted, as evidenced by the Agency Requests, Executive  
6 Recommendations and Legislative Recommendations contained in the budget  
7 manuals prepared by the Department of Finance and Administration, letters, or  
8 summarized oral testimony in the official minutes of the Arkansas Legislative  
9 Council or Joint Budget Committee which relate to its passage and adoption.

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11 SECTION 9. EMERGENCY CLAUSE. It is found and determined by the General  
12 Assembly, that the Constitution of the State of Arkansas prohibits the  
13 appropriation of funds for more than a one (1) year period; that the  
14 effectiveness of this Act on July 1, 2017 is essential to the operation of  
15 the agency for which the appropriations in this Act are provided, and that in  
16 the event of an extension of the legislative session, the delay in the  
17 effective date of this Act beyond July 1, 2017 could work irreparable harm  
18 upon the proper administration and provision of essential governmental  
19 programs. Therefore, an emergency is hereby declared to exist and this Act  
20 being necessary for the immediate preservation of the public peace, health  
21 and safety shall be in full force and effect from and after July 1, 2017.

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23 */s/ Joint Budget Committee*  
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