

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

A Bill

HOUSE BILL 2068

5 By: Representative Hammer
6

For An Act To Be Entitled

8 AN ACT TO RETURN EXCESS FEDERAL GRANT FUNDS TO THE
9 UNITED STATES GOVERNMENT; TO ENCOURAGE RELIEF OF THE
10 NATIONAL DEBT OF THE UNITED STATES; AND FOR OTHER
11 PURPOSES.
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Subtitle

14 TO RETURN EXCESS FEDERAL GRANT FUNDS TO
15 THE UNITED STATES GOVERNMENT; AND TO
16 ENCOURAGE RELIEF OF THE NATIONAL DEBT OF
17 THE UNITED STATES.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. DO NOT CODIFY. Legislative findings and determination.
24 The General Assembly finds and determines that:

25 (1) The national debt of the United States amounts to trillions
26 of dollars and it continues to increase;

27 (2) The State of Arkansas, along with the other states,
28 contributes to the national debt;

29 (3) To help reduce the national debt, it would be prudent for
30 the state to return to the United States Government unused federal grant
31 funds received by a state agency; and

32 (4) By creating a mechanism to return unused federal grant funds
33 to the United States Government, the State of Arkansas will encourage action
34 by the United States Government and other states to allow for the return of
35 unused federal grant funds to reduce the national debt.
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1 SECTION 2. Arkansas Code Title 19, Chapter 7, Subchapter 1, is amended
2 to add an additional section to read as follows:

3 19-7-104. Excess federal grant funds – Definitions.

4 (a) As used in this section:

5 (1) "Federal grant funds" means financial aid available to a
6 state agency from the United States Government that is not classified as a
7 block grant;

8 (2) "National debt" means the amount owed by the United States
9 Government, including the obligations held by the public and by United States
10 Government accounts or intragovernmental holdings; and

11 (3) "State agency" means an agency, authority, board, bureau,
12 commission, council, department, office, or officer of the state that
13 receives an appropriation by the General Assembly, including without
14 limitation a state-supported institution of higher education.

15 (b)(1) A state agency that receives federal grant funds shall annually
16 self-report to the Office of State-Federal Relations the amount of federal
17 grant funds the state agency received but did not use.

18 (2) Of the unused federal grant funds reported under subdivision
19 (b)(1) of this section, the state agency:

20 (A) Shall return fifty-percent (50%) of the federal grant
21 funds to the United States Government to be used by the United States
22 Government to relieve the national debt; and

23 (B) May retain fifty-percent (50%) of the excess funds to
24 be used for any purpose within the powers of the state agency as a reward for
25 the efficient use of the federal grant funds.

26 (c) Unused federal grant funds designated for return to the United
27 States Government under subsection (b) of this section shall be:

28 (1) Deposited into the Office of State-Federal Relations Fund;
29 and

30 (2) Upon the effective date of this act, administered by the
31 office.

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33 SECTION 3. Arkansas Code § 19-7-203(1), concerning the duties of the
34 Office of State-Federal Relations, is amended to add additional subdivisions
35 to read as follows:

36 (D) Obtain annual state agency reports of unused federal

1 grant funds under § 19-7-104; and

2 (E) Deposit unused federal grant funds under subdivision
3 (1)(D) of this section into the Office of State-Federal Relations Fund.

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5 SECTION 4. DO NOT CODIFY. EFFECTIVE DATE. This act shall become
6 effective upon action by the United States Government that permits the use
7 and return of federal grant funds in this manner

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