

1 State of Arkansas  
2 91st General Assembly  
3 Fiscal Session, 2018  
4

As Engrossed: H3/7/18

# A Bill

HOUSE BILL 1137

5 By: Representative Jean  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND THE REVENUE STABILIZATION LAW; TO  
9 CREATE FUNDS, TO REPEAL FUNDS, AND TO MAKE TRANSFERS  
10 TO AND FROM FUNDS AND FUND ACCOUNTS; AND FOR OTHER  
11 PURPOSES.  
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## Subtitle

14 AN ACT TO AMEND THE REVENUE STABILIZATION  
15 LAW AND TO CREATE FUNDS, TO REPEAL FUNDS,  
16 AND TO MAKE TRANSFERS TO AND FROM FUNDS  
17 AND FUND ACCOUNTS.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. The purpose of this act is to amend the Revenue  
24 Stabilization Law and to create funds, to repeal funds, and to make transfers  
25 to and from funds and fund accounts.  
26

27 SECTION 2. Arkansas Code § 19-5-1240 is amended to read as follows:  
28 19-5-1240. Minority and Women-Owned Business Loan Mobilization  
29 Revolving Fund.

30 (a) There is created on the books of the Treasurer of State, the  
31 Auditor of State, and the Chief Fiscal Officer of the State a miscellaneous  
32 fund to be known as the “Minority and Women-Owned Business Loan Mobilization  
33 Revolving Fund”.

34 (b) The Minority and Women-Owned Business Loan Mobilization Revolving  
35 Fund shall consist of the unexpended fund balances remaining in the Small  
36 Business Loan Fund Account of the 82nd Session General Improvement Fund as of



1 the close of business on June 30, 2009, and such other funds as may be  
2 authorized by law.

3 (c) All reimbursements, repayments of loans, and interest earned and  
4 deposited into the Minority and Women-Owned Business Loan Mobilization  
5 Revolving Fund from any source shall be treated as a refund to expenditure.

6 (d) The Minority and Women-Owned Business Loan Mobilization Revolving  
7 Fund shall be used to promote the development of minority and women-owned  
8 business enterprises in the state, increase the ability of minority and  
9 women-owned business enterprises to compete for state contracts, and sustain  
10 the economic growth of minority and women-owned business enterprises in the  
11 state.

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13 *SECTION 3. Arkansas Code 19-5-401 is amended to read as follows:*

14 *19-5-401. Allocations for fiscal year 2018-2019 and thereafter.*

15 *Commencing with the fiscal year beginning July 1, 2018, and each fiscal year*  
16 *thereafter, the Treasurer of State shall transfer all remaining general*  
17 *revenues available for distribution on the last day of business in July 2018,*  
18 *and on the last day of business in each calendar month thereafter during the*  
19 *fiscal year to the various funds and fund accounts participating in general*  
20 *revenues in the proportions of the maximum allocation as the individual*  
21 *allocation to the fund or fund account bears to the total of the maximum*  
22 *allocation as provided in § 19-5-402 (a) and (b).*

23

24 *SECTION 4. Arkansas Code 19-5-402 is amended to read as follows:*

25 *19-5-402. Maximum allocations of revenues for fiscal year 2018-2019 and*  
26 *thereafter.*

27 *(a)(1)(A) The Treasurer of State shall first make monthly allocations in the*  
28 *proportions set out in this subsection to the funds and fund accounts listed*  
29 *below until there has been transferred a total of five billion four hundred*  
30 *eighty-eight million three hundred seventy-eight thousand one hundred fifty-*  
31 *three dollars (\$5,488,378,153) or so much thereof as may become available;*  
32 *provided, that the Treasurer of State shall make such monthly allocations in*  
33 *accordance with each fund or fund account's proportionate part of the total*  
34 *of all such allocations set forth in this subsection:*

35 *Name of Fund or Fund Account*

*Maximum Allocation*

36

1	<i>PUBLIC SCHOOL FUND</i>	
2	(1) <i>Department of Education Public School Fund Account</i>	\$2,156,934,175
3	(2) <i>State Library Public School Fund Account</i>	\$ 5,641,919
4	(3) <i>Department of Career Education Public</i>	
5	<i>School Fund Account</i>	\$ 31,964,455
6		
7	<i>GENERAL EDUCATION FUND</i>	
8	(1) <i>Department of Education Fund Account</i>	\$ 15,677,561
9	(2) <i>Educational Facilities Partnership Fund Account</i>	\$ 38,554,951
10	(3) <i>Division of Public School Academic Facilities</i>	
11	<i>and Transportation Fund Account</i>	\$ 2,509,256
12	(4) <i>Educational Television Fund Account</i>	\$ 5,278,441
13	(5) <i>School for the Blind Fund Account</i>	\$ 7,016,941
14	(6) <i>School for the Deaf Fund Account</i>	\$ 10,142,113
15	(7) <i>State Library Fund Account</i>	\$ 3,514,711
16	(8) <i>Department of Career Education Fund Account</i>	\$ 4,790,510
17	(9) <i>Rehabilitation Services Fund Account</i>	\$ 12,897,526
18	<i>Technical Institutes:</i>	
19	(10) <i>Crowley's Ridge Technical Institute Fund Account</i>	\$ -
20	(11) <i>Northwest Technical Institute Fund Account</i>	\$ 3,062,951
21	(12) <i>Riverside Vocational Technical School Fund Account</i>	\$ 2,296,614
22		
23	<i>DEPARTMENT OF HUMAN SERVICES FUND</i>	
24	(1) <i>Department of Human Services Administration</i>	
25	<i>Fund Account</i>	\$ 20,449,298
26	(2) <i>Aging and Adult Services Fund Account</i>	70,000
27	(3) <i>Children and Family Services Fund Account</i>	116,614,648
28	(4) <i>Child Care and Early Childhood Education</i>	
29	<i>Fund Account</i>	1,062,433
30	(5) <i>Youth Services Fund Account</i>	48,693,779
31	(6) <i>Developmental Disabilities Services Fund Account</i>	64,839,336
32	(7) <i>Medical Services Fund Account</i>	2,182,425
33	(8) <i>Department of Human Services Grants Fund Account</i>	1,163,736,688
34	(9) <i>Behavioral Health Services Fund Account</i>	101,534,223
35	(10) <i>State Services for the Blind Fund Account</i>	1,886,566
36	(11) <i>County Operations Fund Account</i>	47,886,932

1	(12) Provider Services and Quality Assurance Fund Account	4,652,477
2		
3	STATE GENERAL GOVERNMENT FUND	
4	(1) Department of Arkansas Heritage Fund Account	\$ 8,056,879
5	(2) Arkansas Agriculture Department Fund Account	17,298,621
6	(3) Department of Labor Fund Account	3,227,555
7	(4) Department of Higher Education Fund Account	11,399,182
8	(5) Higher Education Grants Fund Account	40,017,466
9	(6) Arkansas Economic Development Commission	
10	Fund Account	11,278,566
11	(7) Department of Correction Inmate Care	
12	and Custody Fund Account	353,186,149
13	(8) Department of Community Correction Fund Account	87,984,370
14	(9) State Military Department Fund Account	9,310,105
15	(10) Parks and Tourism Fund Account	20,425,108
16	(11) Arkansas Department of Environmental Quality	
17	Fund Account	3,795,216
18	(12) Miscellaneous Agencies Fund Account	58,760,822
19		
20	COUNTY AID FUND	\$ 21,428,616
21	COUNTY JAIL REIMBURSEMENT FUND	\$ 18,263,607
22	CRIME INFORMATION SYSTEM FUND	\$ 3,759,593
23	CHILD SUPPORT ENFORCEMENT FUND	\$ 12,984,053
24	PUBLIC HEALTH FUND	\$ 78,491,994
25	PERFORMANCE FUND	\$ 16,000,000
26	MOTOR VEHICLE ACQUISITION REVOLVING FUND	\$ 3,000,000
27	MUNICIPAL AID FUND	\$ 29,372,099
28	DEPARTMENT OF ARKANSAS STATE POLICE FUND	\$ 66,375,577
29	DEPARTMENT OF WORKFORCE SERVICES FUND	\$ 3,864,840
30		
31	INSTITUTIONS OF HIGHER EDUCATION	
32	(1) ARKANSAS STATE UNIVERSITY FUND	\$ 59,090,991
33	(2) ARKANSAS TECH UNIVERSITY FUND	\$ 32,216,531
34	(3) HENDERSON STATE UNIVERSITY FUND	\$ 18,876,011
35	(4) SOUTHERN ARKANSAS UNIVERSITY FUND	\$ 15,584,976
36	(5) UNIVERSITY OF ARKANSAS FUND	\$ 117,536,490

1	(6) UNIVERSITY OF ARKANSAS-UA SYSTEM	\$ 3,417,950
2	(7) UNIVERSITY OF ARKANSAS FUND-ARCHEOLOGICAL SURVEY	\$ 2,327,380
3	(8) UNIVERSITY OF ARKANSAS FUND-DIVISION OF	
4	AGRICULTURE	\$ 62,800,138
5	(9) UNIVERSITY OF ARKANSAS FUND-CLINTON SCHOOL	\$ 2,295,575
6	(10) UNIVERSITY OF ARKANSAS FUND-CRIMINAL JUSTICE	
7	INSTITUTE	\$ 1,825,769
8	(11) SCHOOL FOR MATH, SCIENCE AND ARTS FUND	\$ 1,113,015
9	(12) UNIVERSITY OF ARKANSAS AT FORT SMITH FUND	\$ 20,594,615
10	(13) UNIVERSITY OF ARKANSAS AT LITTLE ROCK FUND	\$ 60,755,097
11	(14) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND	\$ 86,456,661
12	(15) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -	
13	CHILD SAFETY CENTER	\$ 720,588
14	(16) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -	
15	INDIGENT CARE	\$ 5,342,181
16	(17) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -	
17	CHILD ABUSE/RAPE/DOMESTIC VIOLENCE	\$ 735,000
18	(18) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -	
19	PEDIATRICS/PSYCHIATRIC RESEARCH	\$ 1,950,000
20	(19) UNIVERSITY OF ARKANSAS AT MONTICELLO FUND	\$ 15,946,042
21	(20) UNIVERSITY OF ARKANSAS AT PINE BLUFF FUND	\$ 25,418,885
22	(21) UNIVERSITY OF CENTRAL ARKANSAS FUND	\$ 53,114,705
23	(22) ARKANSAS NORTHEASTERN COLLEGE FUND	\$ 8,577,052
24	(23) ARKANSAS STATE UNIVERSITY - BEEBE FUND	\$ 11,835,727
25	(24) ARKANSAS STATE UNIVERSITY - MOUNTAIN HOME FUND	\$ 3,648,110
26	(25) ARKANSAS STATE UNIVERSITY - NEWPORT FUND	\$ 5,992,293
27	(26) COSSATOT COMMUNITY COLLEGE OF THE UNIVERSITY	
28	OF ARKANSAS FUND	\$ 3,395,802
29	(27) EAST ARKANSAS COMMUNITY COLLEGE FUND	\$ 8,432,459
30	(28) ARKANSAS STATE UNIVERSITY MID-SOUTH FUND	\$ 3,858,007
31	(29) ARKANSAS STATE UNIVERSITY MID-SOUTH FUND - ADTEC	\$ 1,500,000
32	(30) NATIONAL PARK COLLEGE FUND	\$ 9,046,489
33	(31) NORTH ARKANSAS COLLEGE FUND	\$ 7,966,964
34	(32) NORTHWEST ARKANSAS COMMUNITY COLLEGE FUND	\$ 10,619,202
35	(33) PHILLIPS COMMUNITY COLLEGE OF THE UNIVERSITY	
36	OF ARKANSAS FUND	\$ 9,063,088

1	(34) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT RICH	
2	MOUNTAIN FUND	\$ 3,206,869
3	(35) SAU - TECH FUND	\$ 5,705,511
4	(36) SAU - TECH FUND-ENVIRONMENTAL CONTROL CENTER	\$ 368,404
5	(37) SAU - TECH FUND-FIRE TRAINING ACADEMY	\$ 1,651,221
6	(38) SOUTH ARKANSAS COMMUNITY COLLEGE FUND	\$ 6,034,307
7	(39) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT	
8	BATESVILLE FUND	\$ 4,131,061
9	(40) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT	
10	HOPE FUND	\$ 4,491,997
11	(41) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT	
12	MORRILTON FUND	\$ 5,022,155
13	(42) BLACK RIVER TECHNICAL COLLEGE FUND	\$ 6,113,516
14	(43) COLLEGE OF THE OUACHITAS FUND	\$ 3,527,261
15	(44) OZARKA COLLEGE FUND	\$ 3,126,475
16	(45) UNIVERSITY OF ARKANSAS - PULASKI TECHNICAL COLLEGE	
17	FUND	\$ 15,137,437
18	(46) SOUTHEAST ARKANSAS COLLEGE FUND	\$ 5,636,798

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20 (2)(A) Fifteen million eight hundred seventy-seven thousand four hundred  
 21 seventy-six dollars (\$15,877,476), or so much thereof as is available shall  
 22 be included and added to the amount distributed in (a)(1)(A) and shall be  
 23 distributed by the Treasurer of State in monthly amounts with each  
 24 allocation's proportion of the total of (a)(1)(A), (a)(2)(A) and (a)(3)(A) to  
 25 supplement the Rainy Day Fund.

26

27 (3)(A) For fiscal years beginning on and after July 1, 2018, five million  
 28 nine hundred nine thousand dollars (\$5,909,000) shall be:

29 (i) Included and added to the amount distributed in  
 30 subdivision (a)(1)(A) of this section; and

31 (ii) Distributed by the Treasurer of State in  
 32 monthly amounts to the Arkansas Medicaid Program Trust Fund under § 19-5-985.

33 (B) The amount allocated in (a)(3)(A) or so much thereof as is available  
 34 shall be distributed by the Treasurer of State in monthly amounts with each  
 35 allocation's proportion of the total of (a)(1)(A), (a)(2)(A) and (a)(3)(A) to  
 36 supplement the Arkansas Medicaid Program Trust Fund.

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(b) After making the maximum annual allocations provided for in subsection (a)(1)(A), (a)(2)(A) and (a)(3)(A) of this section, the Treasurer of State shall then make allocations from the remaining general revenues available for distribution, as set forth in this subsection, to the funds and fund accounts listed below until there has been transferred a total of one hundred fifteen million eight hundred sixty-nine thousand nine hundred eighty-seven dollars (\$115,869,987) or so much thereof that may become available; provided, that the Treasurer of State shall make such monthly allocations in accordance with each fund or fund account's proportionate part of the total of all such allocations set forth in this subsection:

Name of Fund or Fund Account	Maximum Allocation
<i>PUBLIC SCHOOL FUND</i>	
(1) Department of Education Public School Fund Account	\$ -
(2) State Library Public School Fund Account	\$ -
(3) Department of Career Education Public School Fund Account	\$ -
<i>GENERAL EDUCATION FUND</i>	
(1) Department of Education Fund Account	\$ -
(2) Educational Facilities Partnership Fund Account	\$ 3,274,000
(3) Division of Public School Academic Facilities and Transportation Fund Account	\$ -
(4) Educational Television Fund Account	\$ -
(5) School for the Blind Fund Account	\$ -
(6) School for the Deaf Fund Account	\$ -
(7) State Library Fund Account	\$ -
(8) Department of Career Education Fund Account	\$ -
(9) Rehabilitation Services Fund Account	\$ -
<i>Technical Institutes:</i>	
(10) Crowley's Ridge Technical Institute Fund Account	\$ -
(11) Northwest Technical Institute Fund Account	\$ -
(12) Riverside Vocational Technical School Fund Account	\$ -
<i>DEPARTMENT OF HUMAN SERVICES FUND</i>	

1	(1) Department of Human Services Administration		
2	Fund Account	\$	-
3	(2) Aging and Adult Services Fund Account		-
4	(3) Children and Family Services Fund Account		7,337,000
5	(4) Child Care and Early Childhood Education		
6	Fund Account		-
7	(5) Youth Services Fund Account		-
8	(6) Developmental Disabilities Services Fund Account		-
9	(7) Medical Services Fund Account		-
10	(8) Department of Human Services Grants Fund Account		87,854,874
11	(9) Behavioral Health Services Fund Account		-
12	(10) State Services for the Blind Fund Account		-
13	(11) County Operations Fund Account		-
14	(12) Provider Services and Quality Assurance Fund Account		-
15			
16	STATE GENERAL GOVERNMENT FUND		
17	(1) Department of Arkansas Heritage Fund Account	\$	-
18	(2) Arkansas Agriculture Department Fund Account		-
19	(3) Department of Labor Fund Account		-
20	(4) Department of Higher Education Fund Account		-
21	(5) Higher Education Grants Fund Account		-
22	(6) Arkansas Economic Development Commission		
23	Fund Account		-
24	(7) Department of Correction Inmate Care		
25	and Custody Fund Account		-
26	(8) Department of Community Correction Fund Account		-
27	(9) State Military Department Fund Account		-
28	(10) Parks and Tourism Fund Account		-
29	(11) Arkansas Department of Environmental Quality		
30	Fund Account		-
31	(12) Miscellaneous Agencies Fund Account		-
32			
33	COUNTY AID FUND	\$	-
34	COUNTY JAIL REIMBURSEMENT FUND	\$	-
35	CRIME INFORMATION SYSTEM FUND	\$	-
36	CHILD SUPPORT ENFORCEMENT FUND	\$	-



1	<i>PUBLIC HEALTH FUND</i>	\$	-
2	<i>PERFORMANCE FUND</i>	\$	8,000,000
3	<i>MOTOR VEHICLE ACQUISITION REVOLVING FUND</i>	\$	-
4	<i>MUNICIPAL AID FUND</i>	\$	-
5	<i>DEPARTMENT OF ARKANSAS STATE POLICE FUND</i>	\$	-
6	<i>DEPARTMENT OF WORKFORCE SERVICES FUND</i>	\$	-
7			
8	<i>INSTITUTIONS OF HIGHER EDUCATION</i>		
9	<i>(1) ARKANSAS STATE UNIVERSITY FUND</i>	\$	-
10	<i>(2) ARKANSAS TECH UNIVERSITY FUND</i>	\$	693,692
11	<i>(3) HENDERSON STATE UNIVERSITY FUND</i>	\$	95,730
12	<i>(4) SOUTHERN ARKANSAS UNIVERSITY FUND</i>	\$	487,971
13	<i>(5) UNIVERSITY OF ARKANSAS FUND</i>	\$	4,957,564
14	<i>(6) UNIVERSITY OF ARKANSAS FUND-UA SYSTEM</i>	\$	-
15	<i>(7) UNIVERSITY OF ARKANSAS FUND-ARCHEOLOGICAL SURVEY</i>	\$	-
16	<i>(8) UNIVERSITY OF ARKANSAS FUND-DIVISION OF</i>		
17	<i>AGRICULTURE</i>	\$	-
18	<i>(9) UNIVERSITY OF ARKANSAS FUND-CLINTON SCHOOL</i>	\$	-
19	<i>(10) UNIVERSITY OF ARKANSAS FUND-CRIMINAL JUSTICE</i>		
20	<i>INSTITUTE</i>	\$	-
21	<i>(11) SCHOOL FOR MATH, SCIENCE AND ARTS FUND</i>	\$	-
22	<i>(12) UNIVERSITY OF ARKANSAS AT FORT SMITH FUND</i>	\$	-
23	<i>(13) UNIVERSITY OF ARKANSAS AT LITTLE ROCK FUND</i>	\$	-
24	<i>(14) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND</i>	\$	-
25	<i>(15) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -</i>		
26	<i>CHILD SAFETY CENTER</i>	\$	-
27	<i>(16) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -</i>		
28	<i>INDIGENT CARE</i>	\$	-
29	<i>(17) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -</i>		
30	<i>CHILD ABUSE/RAPE/DOMESTIC VIOLENCE</i>	\$	-
31	<i>(18) UNIVERSITY OF ARKANSAS MEDICAL CENTER FUND -</i>		
32	<i>PEDIATRICS/PSYCHIATRIC RESEARCH</i>	\$	-
33	<i>(19) UNIVERSITY OF ARKANSAS AT MONTICELLO FUND</i>	\$	-
34	<i>(20) UNIVERSITY OF ARKANSAS AT PINE BLUFF FUND</i>	\$	148,778
35	<i>(21) UNIVERSITY OF CENTRAL ARKANSAS FUND</i>	\$	596,042
36	<i>(22) ARKANSAS NORTHEASTERN COLLEGE FUND</i>	\$	-

1	(23) ARKANSAS STATE UNIVERSITY - BEEBE FUND	\$ 1,065,897
2	(24) ARKANSAS STATE UNIVERSITY - MOUNTAIN HOME FUND	\$ 93,846
3	(25) ARKANSAS STATE UNIVERSITY - NEWPORT FUND	\$ 728,871
4	(26) COSSATOT COMMUNITY COLLEGE OF THE UNIVERSITY	
5	OF ARKANSAS FUND	\$ 320,236
6	(27) EAST ARKANSAS COMMUNITY COLLEGE FUND	\$ -
7	(28) ARKANSAS STATE UNIVERSITY MID-SOUTH FUND	\$ 80,440
8	(29) ARKANSAS STATE UNIVERSITY MID-SOUTH FUND - ADTEC	\$ -
9	(30) NATIONAL PARK COLLEGE FUND	\$ -
10	(31) NORTH ARKANSAS COLLEGE FUND	\$ 39,064
11	(32) NORTHWEST ARKANSAS COMMUNITY COLLEGE FUND	\$ -
12	(33) PHILLIPS COMMUNITY COLLEGE OF THE UNIVERSITY	
13	OF ARKANSAS FUND	\$ -
14	(34) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT RICH	
15	MOUNTAIN FUND	\$ -
16	(35) SAU - TECH FUND	\$ -
17	(36) SAU - TECH FUND-ENVIRONMENTAL CONTROL CENTER	\$ -
18	(37) SAU - TECH FUND-FIRE TRAINING ACADEMY	\$ -
19	(38) SOUTH ARKANSAS COMMUNITY COLLEGE FUND	\$ -
20	(39) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT	
21	BATESVILLE FUND	\$ -
22	(40) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT	
23	HOPE FUND	\$ 63,917
24	(41) UNIVERSITY OF ARKANSAS COMMUNITY COLLEGE AT	
25	MORRILTON FUND	\$ -
26	(42) BLACK RIVER TECHNICAL COLLEGE FUND	\$ -
27	(43) COLLEGE OF THE OUACHITAS FUND	\$ 32,065
28	(44) OZARKA COLLEGE FUND	\$ -
29	(45) UNIVERSITY OF ARKANSAS PULASKI TECHNICAL COLLEGE	
30	FUND	\$ -
31	(46) SOUTHEAST ARKANSAS COLLEGE FUND	\$ -

32

33 SECTION 5. Arkansas Code § 19-5-306, concerning the Department of Human  
 34 Services Fund, is amended to add an additional subdivision to read as  
 35 follows:

36 (13) Provider Services and Quality Assurance Fund Account.

1                   (A) The Provider Services and Quality Assurance Fund  
2 Account shall be used for the maintenance, operation, and improvement  
3 required by the Division of Provider Services and Quality Assurance of the  
4 Department of Human Services in carrying out its powers, functions, and  
5 duties.

6                   (B) The Provider Services and Quality Assurance Fund  
7 Account shall consist of:

8                   (i) Those general revenues as may be provided by  
9 law;

10                   (ii) Nonrevenue income derived from services  
11 provided by the Division of Provider Services and Quality Assurance;

12                   (iii) Federal reimbursement received on account of  
13 eligible expenditures for the administration of medical services programs or  
14 other programs; and

15                   (iv) Any other nonfederal grant funds provided by  
16 law.

17  
18           SECTION 6. CODE AMENDMENT. Arkansas Code Title 19, Chapter 5, Subchapter  
19 12 is amended to add an additional section to read as follows:  
20 19-5-1263. Restricted Reserve Fund

21 (a) There is created on the books of the Treasurer of State, the Auditor of  
22 State, and the Chief Fiscal Officer of the State a miscellaneous fund to be  
23 known as the "Restricted Reserve Fund".

24 (b) The Restricted Reserve Fund shall consist of:

25                   (1) Funds transferred from the Rainy Day Fund;

26                   (2) Interagency transfers of funds or fund accounts to the Restricted  
27 Reserve Fund;

28                   (3) Any revenues provided by law; and

29                   (4) Any other funds and fund transfers provided for by law.

30 (c) For the purpose of and after meeting the requirements of subsection (d)  
31 herein, the Chief Fiscal Officer of the State may from time to time transfer  
32 on his or her books and those of the State Treasurer and the Auditor of the  
33 State funds from the Restricted Reserve Fund to one (1) or more general  
34 revenue operating funds or fund accounts, the Miscellaneous Agencies Fund  
35 Account, the Arkansas Department of Transportation for state matching funds  
36 and the State Central Services Fund upon prior approval of the greater of

1 three-fifths (3/5) of the quorum present or a majority of the membership of  
2 the Legislative Council or, if the General Assembly is in session, the Joint  
3 Budget Committee.

4 (d)(1) If at any time during the Fiscal Year a State Agency, Board,  
5 Commission, State Institution of Higher Education or Constitutional Officer  
6 determines that it is necessary to perform its duties or is in the best  
7 interest of the citizens of the State of Arkansas to request a transfer from  
8 the Restricted Reserve Fund that entity shall submit a detailed request in  
9 writing to the Chief Fiscal Officer of the State stating:

10 (A) The need and purpose of the transfer;

11 (B) Efforts to find efficiencies and savings prior to making the request;

12 (C) Current year to date budget and expenditures by line item; and

13 (D) A detailed line item budget reflecting proposed expenditures in the  
14 amount requested.

15 (2) The Chief Fiscal Officer may request additional information to make a  
16 determination and may then approve, modify or deny the request.

17 (3) Upon the determination by Chief Fiscal Officer of the State that a  
18 transfer is necessary, the Chief Fiscal Officer of the State shall submit the  
19 entities request and his or her recommendation for approval as required in  
20 subsection (c) herein.

21  
22 SECTION 7. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED  
23 SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. (a)(1) Notwithstanding any  
24 other provision of law, after making the maximum allocations as provided for  
25 general revenues available for distribution as set out in Arkansas Code 19-  
26 5-401 through 19-5-405 the State Treasurer shall first transfer:

27 (2) Seventy-five percent (75%) of the remaining general revenues  
28 available for distribution on the last day of business in each calendar month  
29 to the Restricted Reserve Fund in an amount not to exceed forty seven million  
30 nine hundred seventy four thousand thirty-nine dollars (\$47,974,039), there  
31 to be used for the respective purposes as provided by law; and

32 (3) Twenty-five percent (25%) of the remaining general revenues available  
33 for distribution during each fiscal year on the last day of business in each  
34 calendar month to the Arkansas Highway Transfer Fund in an amount not to  
35 exceed fifteen million nine hundred ninety-one thousand three hundred forty-  
36 six dollars (\$15,991,346).

1 (b)(1) Then any general revenues available for distribution over the sixty-  
2 three million nine hundred sixty-five thousand three hundred eighty-five  
3 dollars (\$63,965,385) as set out in Subsection (a) herein shall be  
4 distributed as follows:

5 (2) Seventy-five percent (75%) of the remaining general revenues available  
6 for distribution shall be transferred on the last day of business in each  
7 calendar month to the General Revenue Allotment Reserve Fund, there to be  
8 used for the respective purposes as provided by law; and

9 (3) Twenty-five percent (25%) of the remaining general revenues available  
10 for distribution shall be transferred on the last day of business in each  
11 calendar month to the Arkansas Highway Transfer Fund.

12 (c) The provisions of this section shall be in effect only from July 1, 2018  
13 through June 30, 2019.

14  
15 SECTION 8. CODE AMENDMENT. Arkansas Code 19-5-1013 is amended to read  
16 as follows:

17 19-5-1013. ~~Merit Adjustment Fund~~ Performance Fund.

18 (a) There is established on the books of the Treasurer of State, the Auditor  
19 of State, and the Chief Fiscal Officer of the State a fund to be known as the  
20 ~~"Merit Adjustment Fund"~~ "Performance Fund".

21 (b) The fund shall be used for transfer of funds and appropriations to  
22 various state agencies, funded, in whole or in part, with general revenues,  
23 for regular salary and personal services matching adjustments authorized by  
24 the General Assembly and to award ~~merit~~ raises to employees based upon the  
25 performance evaluation system and in accordance with rules promulgated by the  
26 Chief Fiscal Officer of the State and which do not have sufficient funding or  
27 appropriations to pay for the raises or increases.

28 (c) The fund shall consist of those general revenues provided by law.

29 (d) Any references to the Merit Adjustment Fund in the Arkansas Code or Acts  
30 of the General Assembly, including without limitation of appropriation Acts,  
31 shall be deemed and interpreted as the Performance Fund.

32  
33  
34 SECTION 9. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED  
35 SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DUPLICATE ACTS. If HB1137  
36 and SB122 of the 2018 Fiscal Session of the 91<sup>st</sup> General Assembly are both

1 enacted and adopted by the 91<sup>st</sup> General Assembly in identical form, then the  
2 last Act passed or latest expression shall supersede the other.

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4 SECTION 10. EFFECTIVE DATE. This act is effective on and after July 1,  
5 2018.

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/s/Jean

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