# C



### STATE OF ARKANSAS

ASA HUTCHINSON GOVERNOR

March 9, 2017

Senator Larry Teague, Co-Chair Representative Lane Jean, Co-Chair Joint Budget Committee Arkansas General Assembly State Capitol Building Little Rock, AR 72201

### Dear Co-Chairs:

I respectfully request the following amendments to SB267, the 2017-2018 Annual Operations Appropriation Bill for the Arkansas Agriculture Department.

Please amend SECTION 1. REGULAR SALARIES – OPERATIONS as follows and renumber accordingly:

				Maximum Annual
	M	aximum	l	Salary Rate
Item Class	N	o. of		Fiscal Year
No. Code	Title E	mployee	S	2017-2018
(11) No95N	ARK BUREAU OF STANDARDS DI	RECTOR	1	GRADE <del>-N904</del>
<u>G004C</u>	MANAGING ATTORNEY			<u>GS13</u>
(13) B010N	VETERINARY VIROLOGIST	2	1	GRADE N904
(18) B010C	AGRI DIVISION MANAGER	1	<u>6</u>	GRADE C127
( <del>22</del> ) B <del>029</del> C	AGRI-PLANT BOARD DIVISION MO	SR 4		GRADE C123
(37) Bo62C	FOREST HEALTH SPECIALIST	1		GRADE C119
(40) Bo58C	STAFF FORESTER	5	6	GRADE C119
(43) C010C	EXEC ASSISTANT TO THE DIRECT	OR 4	1	GRADE C118
(47) X109C	AFC <u>AGRI</u> INVESTIGATOR		2	GRADE C117
(48) X111C	AREA LIVESTOCK AGRI		5	GRADE C117
	INSPECTOR SUPV			GS07
(54) X097C	PLANT BOARD AGRICULURE SPE	C	34	GRADE C117
				GS05
(55) X132C	AGRI COMMODITY	4	7	GRADE C116
	COMPLIANCE INSPECTOR			
(59) X118C	PLANT-BOARD INSPECTOR-SUPV		1	GRADE C116

(62) X114C	SR-AGRI-COMM-COMPIANCE INSP	3		GRADE C116
(64) Co <sub>37</sub> C	ADMINISTRATIVE ANALYST	2	5	GRADE C115
(67) X146C	ARLPC AGRI_	7	8	GRADE C115
	INSPECTOR/INVESTIGATOR III			<u>GS06</u>
(74) X157C	EIA AGRI INSPECTOR II		3	GRADE-C114
				<u>GS05</u>
(77) Bo96C	SENIOR AGRI SEED ANALYST	4	<u>6</u>	GRADE C114
				<u>GS04</u>
(79) X165C	LIVESTOCK INSPECTOR	27	51	GRADE <del>C113</del>
	AGRI INSPECTOR I			<u>GS04</u>
$(81) \times 164C$	PLANT-BOARD INSPECTOR		24	GRADE C113
(87) B104C	SEED ANALYST	2		GRADE C112

Please insert the following SECTION 44. SPECIAL LANGUAGE. SHARED SERVICES and renumber accordingly:

SECTION 44. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SHARED SERVICES. The Chief Fiscal Officer of the State shall be authorized to create paying accounts, on his or her books and on the books of the Treasurer of State and Auditor of State for the payment of all personal services and operating expenses of the Department, as well as grant programs as determined by the Secretary of the Arkansas Agriculture Department. The Chief Fiscal Officer of the State shall direct the transfer of positions, funds and appropriations to the paying accounts on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State for the efficient operations of the Department.

I appreciate your consideration of this matter.

Asa Hutchinson

AH:db:wkt

### ARKANSAS SENATE

### 91st General Assembly - Regular Session, 2017 Amendment Form

DRAFT

#### Subtitle of Senate Bill No. 267

AN ACT FOR THE ARKANSAS AGRICULTURE DEPARTMENT APPROPRIATION FOR THE 2017-2018 FISCAL YEAR.

### Amendment No. \_\_\_ to Senate Bill No. 267

Amend Senate Bill No. 267 as engrossed, S2/22/17 (version: 02/22/2017 03:35:32 PM):

Page 2, delete Line 4 in its entirety and substitute the following:
" (11) GOO4C MANAGING ATTORNEY 1 GRADE GS13"

And

Page 2, line 6 delete "2" and substitute "1"

And

Page 2, line 11 delete "1" and substitute "6"

And

Page 2, delete line 15 in its entirety

And

Page 2, delete line 30 in its entirety

And

Page 2, line 33 delete "5" and substitute "6"

And

Page 2, line 36 delete "4" and substitute "1"

And

Page 3, line 4 delete "AFC" and substitute "AGRI"

And

**DRAFT** KCS061 - 03-14-2017 10:21:09

Page 1 of 3

Page 3, line 5 delete "AREA LIVESTOCK INSPECTOR SUPV" and substitute "AGRI INSPECTOR SUPV"

And

Page 3, line 5 delete "Cll7" and substitute "GS07"

And

Page 3, line 11 delete "C117" and substitute "GS05"

And

Page 3, line 12 delete "4" and substitute "7"

And

Page 3, delete line 16 in its entirety

And

Page 3, delete line 19 in its entirety

And

Page 3, line 21 delete "2" and substitute "5"

And

Page 3, line 24 delete "ARLPC INSPECTOR/INVESTIGATOR 7 GRADE C115" and substitute " AGRI INSPECTOR III 8 GRADE GS06"

And

Page 3, line 31 delete "EIA INSPECTOR" and substitute "AGRI INSPECTOR II"

And

Page 3, line 31 delete "Cl14" and substitute "GS05"

And

Page 3, line 34 delete "SENIOR" and substitute "AGRI"

And

Page 3, line 34 delete "4" and substitute "6"

And

Page 3, line 34 delete "Cl14 and substitute "GS04"

KCS061 - 03-14-2017 10:21:09 Amendment No. \_\_\_ to Senate Bill No. 267

And

Page 3, line 36 delete "LIVESTOCK INSPECTOR 27 GRADE C113" and substitute "AGRI INSPECTOR I 51 GRADE GS04"

And

Page 4, delete line 2 in its entirety

And

Page 4, delete line 8 in its entirety

And

Appropriately renumber the Item No. in this SECTION

And

Page 25 immediately following SECTION 43 insert the following:

"SECTION 44. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SHARED
SERVICES. The Chief Fiscal Officer of the State shall be authorized to
create paying accounts, on his or her books and on the books of the Treasurer
of the State and Auditor of State for the payment of all personal services
and operating expenses of the Department, as well as grant programs as
determined by the Secretary of the Arkansas Agriculture Department. The
Chief Fiscal Officer of the state shall direct the transfer of positions,
funds and appropriations to the paying accounts on the books of the Treasurer
of State, the Auditor of State, and the Chief Fiscal Officer of the State for
the efficient operations of the Department.

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

And

Appropriately renumber the SECTION NUMBERS of the Bill.

The Amendment was read the first time, rules suspended and r	ead the second time and
By: Joint Budget Committee	Section Processing Control of Con
KCS/KCS - 03-14-2017 10:21:09	
KCS061	Secretary

### Stricken language will be deleted and underlined language will be added.

1	State of	Arkansas	As Engrossed:	\$2/22/17				
2	91st Ge	neral Ass	embly A Bil					
3	Regular	Session,	2017		SENATE BILL 267			
4								
5	By: Joi	nt Budget	Committee					
6								
7			For An Act To B	e Entitled				
8	AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES							
9		A	ND OPERATING EXPENSES FOR THE	ARKANSAS AGRICUL	TURE			
10		D	EPARTMENT FOR THE FISCAL YEAR	ENDING JUNE 30,	2018;			
11		A	ND FOR OTHER PURPOSES.					
12								
13								
14			Subtitle	e				
15			AN ACT FOR THE ARKANSAS A	GRICULTURE				
16			DEPARTMENT APPROPRIATION	FOR THE 2017-				
17			2018 FISCAL YEAR.					
18								
19								
20	BE IT	ENACTED	BY THE GENERAL ASSEMBLY OF T	HE STATE OF ARKAN	SAS:			
21								
22		SECTION	1. REGULAR SALARIES - OPERAT	IONS. There is h	ereby established			
23	for th	e Arkan	sas Agriculture Department fo	r the 2017-2018 f	iscal year, the			
24	follow	ing max	imum number of regular employ	ees.				
25								
26					Maximum Annual			
27				Maximum	Salary Rate			
28	Item	Class		No. of	Fiscal Year			
29	No.	Code	Title	Employees	2017-2018			
30	(1)	U072U	SECRETARY OF AGRICULTURE	1	\$118,027			
31	(2)	บ057บ	DEPUTY DIRECTOR OF AGRICULTU	RE 1	\$110,425			
32	(3)	U003U	STATE FORESTER	1	\$109,953			
33	(4)	U044U	PLANT BOARD DIRECTOR	1	\$107,074			
34	(5)	N045N	DIRECTOR OF POULTRY DISEASES	1	GRADE N909			
35	(6)	N056N	AGRI COORDINATOR OF LABORATO	RY 1	GRADE N908			
36	(7)	N058N	DEPUTY DIRECTOR OF ARLPC	1	GRADE N908			



1	(8)	B004N	STATE VETERINARIAN	1	GRADE N908
2	(9)	B006N	ARLPC BOARD CERTIFIED PATHOLOGIST	2	GRADE N907
3	(10)	G017C	PLANT BOARD ASSISTANT DIRECTOR	1	GRADE N906
4	(11)	N095N	ARKANSAS BUREAU OF STANDARDS DIRECTOR	1	GRADE N904
5	(12)	B020N	VETERINARY TOXICOLOGIST	1	GRADE N904
<b>6</b>	(13)	B010N	VETERINARY VIROLOGIST	2	GRADE N904
7	(14)	A010N	AGRICULTURE CHIEF FISCAL OFFICER	1	GRADE N903
8	(15)	B001C	DEPUTY STATE FORESTER	1	GRADE C130
9	(16)	B002C	AGRI DIRECTOR OF MARKETING	1	GRADE C129
10	(17)	N001C	DEPUTY CHIEF FINANCIAL OFFICER	1	GRADE C128
11	(18)	B010C	AGRI DIVISION MANAGER	1	GRADE C127
12	(19)	B014C	ASST STATE FORESTER	2	GRADE C126
13	(20)	R006C	HUMAN RESOURCES ADMINISTRATOR	1	GRADE C126
14	(21)	B022C	DISTRICT FORESTER	8	GRADE C124
15	(22)	B029C	AGRI PLANT BOARD DIVISION MGR	4	GRADE C123
16	(23)	B128C	METROLOGY LABORATORY MANAGER	1	GRADE C123
17	(24)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
18	(25)	B136C	ARLPC LAB QUALITY MANAGER	1	GRADE C122
19	(26)	B037C	CHEMIST SUPERVISOR	3	GRADE C122
20	(27)	B034C	MICROBIOLOGIST SUPERVISOR	5	GRADE C122
21	(28)	A050C	AGENCY FISCAL MANAGER	1	GRADE C121
22	(29)	S005C	AVIATION MANAGER	1	GRADE C121
23	(30)	G109C	GRANTS MANAGER	2	GRADE C121
24	(31)	D052C	SOFTWARE SUPPORT ANALYST	1	GRADE C121
25	(32)	B038C	STATE FOREST MANAGER	1	GRADE C121
26	(33)	X058C	AGRI COMMODITY AREA SUPERVISOR	2	GRADE C120
27	(34)	B049C	AGRI PROGRAM MANAGER	23	GRADE C120
28	(35)	D057C	INFORMATION TECHNOLOGY MANAGER	1	GRADE C120
29	(36)	D056C	SYSTEMS COORDINATION ANALYST	1	GRADE C120
30	(37)	B062C	FOREST HEALTH SPECIALIST	1	GRADE C119
31	(38)	D061C	INFORMATION SYSTEMS COORDINATION SPEC	2	GRADE C119
32	(39)	B127C	SENIOR MICROBIOLOGIST	1	GRADE C119
33	(40)	B058C	STAFF FORESTER	5	GRADE C119
34	(41)	B072C	AGRI PROGRAM COORDINATOR	7	GRADE C118
35	(42)	R024C	ASSISTANT PERSONNEL MANAGER	2	GRADE C118
(36)	(43)	C010C	EXECUTIVE ASSISTANT TO THE DIRECTOR	4	GRADE C118

1	(44)	A074C	FISCAL SUPPORT SUPERVISOR	1	GRADE C118
2	(45)	A073C	PROGRAM/FIELD AUDITOR SUPERVISOR	1	GRADE C118
3	(46)	A082C	ACCOUNTANT II	1	GRADE C117
4	(47)	X109C	AFC INVESTIGATOR	2	GRADE C117
3	(48)	X111C	AREA LIVESTOCK INSPECTOR SUPV	5	GRADE C117
6	(49)	C015C	ARLPC ADMINISTRATIVE COORDINATOR	2	GRADE C117
7	(50)	B081C	CHEMIST	15	GRADE C117
8	(51)	B080C	FORESTER	36	GRADE C117
9	(52)	B078C	METROLOGIST	2	GRADE C117
10	(53)	B077C	MICROBIOLOGIST	10	GRADE C117
11	(54)	X097C	PLANT BOARD AGRICULTURE SPECIALIST	34	GRADE C117
12	(55)	X132C	AGRI COMMODITY COMPLIANCE INSPECTOR	4	GRADE C116
13	(56)	V014C	BUYER	5	GRADE C116
14	(57)	D076C	COMMUNICATIONS SYSTEMS SUPERVISOR	1	GRADE C116
15	(58)	B088C	COUNTY FOREST RANGER	61	GRADE C116
16	(59)	X118C	PLANT BOARD INSPECTOR SUPERVISOR	1	GRADE C116
17	(60)	A084C	PROGRAM/FIELD AUDIT SPECIALIST	2	GRADE C116
18	(61)	P027C	PUBLIC INFORMATION SPECIALIST	1	GRADE C116
19	(62)	X114C	SR AGRI COMMODITY COMPLIANCE INSPECTO	R 3	GRADE C116
20	(63)	E046C	TRAINING INSTRUCTOR	1	GRADE C116
21	(64)	C037C	ADMINISTRATIVE ANALYST	2	GRADE C115
22	(65)	X149C	AGRI COMMODITY COMPLIANCE SPECIALIST	11	GRADE C115
23	(66)	X148C	AIRCRAFT PILOT	4	GRADE C115
24	(67)	X146C	ARLPC INSPECTOR/INVESTIGATOR	7	GRADE C115
25	(68)	S036C	AUTO/DIESEL MECHANIC SUPERVISOR	2	GRADE C115
26	(69)	A091C	FISCAL SUPPORT ANALYST	3	GRADE C115
27	(70)	D078C	GIS TECHNICIAN	1	GRADE C115
28	(71)	R032C	HUMAN RESOURCES PROGRAM REP	1	GRADE C115
29	(72)	X162C	AGRI COMMODITY GRADER II	14	GRADE C114
30	(73)	S040C	CALIBRATION TECHNICIAN	2	GRADE C114
31	(74)	X157C	EIA INSPECTOR	3	GRADE C114
32	(75)	B098C	FOREST RANGER II	114	GRADE C114
33	(76)	B097C	NATURAL RESOURCES PROGRAM SPECIALIST	3	GRADE C114
34	<b>(77)</b>	B096C	SENIOR SEED ANALYST	4	GRADE C114
35	(78)	D081C	TELECOMMUNICATIONS SPECIALIST	8	GRADE C114
36	(79)	X165C	LIVESTOCK INSPECTOR	27	GRADE C113
3.5					

1	(80) B101C	NATURAL RESOURCES PROGRAM TECHNICIAN	1 3	GRADE C113
2	(81) X164C	PLANT BOARD INSPECTOR	24	GRADE C113
3	(82) CO57C	ADMINISTRATION SUPPORT SPECIALIST	1	GRADE C112
4	(83) CO56C	ADMINISTRATIVE SPECIALIST III	10	GRADE C112
5	(84) S053C	AUTO/DIESEL MECHANIC	4	GRADE C112
6	(85) A098C	FISCAL SUPPORT SPECIALIST	2	GRADE C112
7	(86) CO54C	LOCAL OFFICE ADMINISTRATIVE SPECIAL	IST 10	GRADE C112
8	(87) B104C	SEED ANALYST	2	GRADE C112
9	(88) BlllC	LABORATORY TECHNICIAN	1	GRADE C110
10	(89) C073C	ADMINISTRATIVE SPECIALIST II	<u>16</u>	GRADE C109
11	MAX. 1	NO. OF EMPLOYEES	568	
12				
13	SECTION	N 2. EXTRA HELP. There is hereby auth	norized, f	or the Arkansas
14	Agriculture 1	Department for the 2017-2018 fiscal year	ear, the f	ollowing maximum
15	number of par	rt-time or temporary employees, to be	known as	"Extra Help",
16	payable from	funds appropriated herein for such pu	rposes:	one hundred
17	seventy-one	(171) temporary or part-time employees	, when ne	eded, at rates of
18	pay not to ex	xceed those provided in the Uniform Cl	assificat	ion and
19	Compensation	Act, or its successor, or this act for $\frac{1}{2}$	or the app	ropriate
20	classification	on.		
21				
22	SECTION	N 3. APPROPRIATION - OPERATIONS. Ther	e is here	by appropriated,
23	to the Arkans	sas Agriculture Department, to be paya	ble from	the Department of
24	Agriculture I	Fund Account, for personal services ar	ıd operati	ng expenses of the
25	Arkansas Agri	iculture Department - Operations for t	he fiscal	. year ending June
26	30, 2018, the	e following:		
27				
28	ITEM			FISCAL YEAR
29	NO.			2017-2018
30		R SALARIES		\$10,196,030
31	(02) EXTRA H	HELP		74,131
32	(03) PERSONA	AL SERVICES MATCHING		3,677,370
33	(04) OVERTIN	ME		16,571
34		1 ALLOWANCE		5,200
35		& GEN. OPERATION		
36	(A) OPER	R. EXPENSE		2,858,438

As Engrossed: S2/22/17 SB267

1 approval of the Legislative Council or Joint Budget Committee as provided by

- 2 this section. The requirement of approval by the Legislative Council or
- 3 Joint Budget Committee is not a severable part of this section. If the
- 4 requirement of approval by the Legislative Council or Joint Budget Committee
- 5 is ruled unconstitutional by a court of competent jurisdiction, this entire
- 6 section is void.

7 The provisions of this section shall be in effect only from July 1, 2016 8 2017 through June 30, 2017 2018.

SECTION 44. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 46. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2017 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2017 could work irreparable harm upon the proper administration and provision of essential governmental



### STATE OF ARKANSAS

Asa Hutchinson Governor

March 9, 2017

Senator Larry Teague, Co-Chair Representative Lane Jean, Co-Chair Joint Budget Committee Arkansas General Assembly State Capitol Building Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following amendments to SB106, the 2017-2018 Operations Appropriation Bill for Arkansas Economic Development Commission:

Please amend SECTION 5. APPROPRIATION- STATE OPERATIONS as follows:

ITEM	FISCAL YEAR
NO.	2017-2018
(11) SMALL BUSINESS INNOVATIVE RESEARCH	•
MATCHING GRANT	2,000,000
TOTAL AMOUNT APPROPRIATED	\$14,600,840 \$16,600,840

This request for additional appropriation allows the Arkansas Economic Development Commission to implement the Small Business Innovative Research Matching Grants Program. This program helps foster technology based research growth in an under represented area, and is funded from general revenue.

Please amend SECTION 23. APPROPRIATION- DIVISION OF SCIENCE AND TECHNOLOGY-ARKANSAS ACCELERATION FUND as follows:

ITEM		FISCAL YEAR
NO.		2017-2018
(01) ACCELERATION GRANTS & INCENTIVES	\$18,700,000	\$30,000,000
TOTAL AMOUNT APPROPRIATED	\$18,700,000	\$30,000,000

This appropriation increase request allows Arkansas Economic Development Commission to carry out all duties it's prescribed by the Arkansas Acceleration Fund Act of 2011. This funding consists of federal grants and incentives.

Please add a new section and renumber accordingly.

SECTION 31. APPROPRIATION-ARKANSAS ECONOMIC DEVELOPMENT COMMISSION- RURAL SERVICES-FISH AND WILDLIFE CONSERVATION EDUCATION PROGRAM. There is hereby appropriated, to the Rural Services Division of the Arkansas Economic Development Commission, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for the Fish and Wildlife Conservation Education Program of the Arkansas Economic Development Commission for the fiscal year ending June 30, 2018, the following:

ITEM	FISCAL YEAR
NO.	2017-2018
(01) FISH AND WILDLIFE CONSERVATION	•
EDUCATION GRANT	\$800,000
TOTAL AMOUNT APPROPRIATED	\$800,000

This request will eliminate the need for the Arkansas Economic Development Commission to submit a PEER request every fiscal year. This grant is awarded annually by the Game and Fish Commission.

Please add a new section and renumber accordingly.

SECTION 54. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER OF FUNDS. In the event that revenue is available for transfer to and in support of Arkansas Acceleration Fund Act, the Executive Director of the Arkansas Economic Development Commission shall certify to the Chief Fiscal Officer of the State the amount needed for transfer from either the Arkansas Economic Development Commission Fund Account or the Miscellaneous Agencies Fund Account. Upon the approval of the Chief Fiscal Officer of the State, the amount certified shall be transferred. The Chief Fiscal Officer of the State shall initiate the necessary transfer documents to reflect all such transfers upon the fiscal records of the State Auditor, the State Treasurer and the Chief Fiscal Officer of the State.

The provisions of this section shall be in effect from July 1, 2017 through June 30, 2018.

This language allows for additional sources of funds to be transferred in support of the Acceleration Program.

Please add a new section and renumber accordingly.

SECTION 55. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD - MILITARY AFFAIRS GRANT PROGRAM. Any unexpended balance of funds for the Military Affairs Grant Program in the Arkansas Economic Development Commission Fund Account which remain at the close of each state fiscal year shall be carried forward to the next state fiscal year to be used for the same intent and purposes as set forth in law. Any carry forward of unexpended balance of funding as authorized herein, may be carried forward under the following conditions: (1) Prior to June 30, 2018 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget; (2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request set forth in (1) above; (3) Each Agency, Board, Commission or Institution shall provide a written report to the Arkansas Legislative Council or Joint Budget Committee containing all information set forth in item (2) above, along with a written statement as to the current status of the project, contract, purpose etc. for which the carry forward was originally requested no later than thirty (30) days prior to the time the Agency, Board, Commission or Institution presents its budget request to the Arkansas Legislative Council/Joint Budget Committee; and (4) Thereupon, the Department of Finance and Administration shall include all information obtained in item (3) above in the budget manuals and/or a statement of non-compliance by the Agency, Board, Commission or Institution.

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

This language allows any unexpended balance of funds for the Military Affairs Grant to carry over into the next fiscal year and be used for the same intent and purpose.

I appreciate your consideration of this matter.

Sincerely,

Asa Hutchinson

AH:db:maw

### ARKANSAS SENATE

### 91st General Assembly - Regular Session, 2017 Amendment Form

DRAFT

Subtitle of Senate Bill No. 106

AN ACT FOR THE ARKANSAS ECONOMIC DEVELOPMENT COMMISSION APPROPRIATION FOR THE

2017-2018 FISCAL YEAR.

Amendment No. \_\_\_ to Senate Bill No. 106

Amend Senate Bill No. 106 as engrossed, S3/1/17 (version: 03/01/2017 03:41:49 PM):

Page 4, delete lines 31 and 32 in their entirety and substitute the following:

"(10) OFFICE OF TRANSFORMATION EXPENSES

1,000,000

(11) SMALL BUSINESS INNOVATIVE RESEARCH
MATCHING GRANT
TOTAL AMOUNT APPROPRIATED

2,000,000 \$16,600,840"

AND

Page 13, line 35, delete "\_\_\$18,700,00" and substitute "\_\_\$30,000,000"

AND

Page 16, insert the following additional sections immediately following SECTION 30 to read as follows:

" SECTION 31. APPROPRIATION - ARKANSAS ECONOMIC DEVELOPMENT COMMISSION - RURAL SERVICES - FISH AND WILDLIFE CONSERVATION EDUCATION PROGRAM. There is hereby appropriated, to the Rural Services Division of the Arkansas Economic Development Commission, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for the Fish and Wildlife Conservation Education Program of the Arkansas Economic Development Commission for the fiscal year ending June 30, 2018, the following:

 ITEM
 FISCAL YEAR

 NO.
 2017-2018

(01) FISH AND WILDLIFE CONSERVATION EDUCATION GRANT

\$800,000

SECTION 32. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER

DRAFT

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Page 1 of 3

OF FUNDS. In the event that revenue is available for transfer to and in support of the Arkansas Acceleration Fund Act, the Executive Director of the Arkansas Economic Development Commission shall certify to the Chief Fiscal Officer of the State the amount needed for transfer from either the Arkansas Economic Development Commission Fund Account or the Miscellaneous Agencies Fund Account to the Arkansas Acceleration Fund. Upon the approval of the Chief Fiscal Officer of the State, the amount certified shall be transferred. The Chief Fiscal Officer of the State shall initiate the necessary transfer documents to reflect all such transfers upon the fiscal records of the State Auditor, the State Treasurer and the Chief Fiscal Officer of the State.

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

SECTION 33. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD - MILITARY AFFAIRS GRANT PROGRAM. Any unexpended balance of funds for the Military Affairs Grant Program in the Arkansas Economic Development Commission Fund Account which remain at the close of each state fiscal year shall be carried forward to the next state fiscal year to be used for the same intent and purposes as set forth in law. Any carry forward of unexpended balance of funding as authorized herein, may be carried forward under the following conditions:

- (1) Prior to June 30, 2018 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget;
- (2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request set forth in (1) above;
- (3) Each Agency, Board, Commission or Institution shall provide a written report to the Arkansas Legislative Council or Joint Budget Committee containing all information set forth in item (2) above, along with a written statement as to the current status of the project, contract, purpose etc. for which the carry forward was originally requested no later than thirty (30) days prior to the time the Agency, Board, Commission or Institution presents its budget request to the Arkansas Legislative Council/Joint Budget Committee; and
- (4) Thereupon, the Department of Finance and Administration shall include all information obtained in item (3) above in the budget manuals and/or a statement of non-compliance by the Agency, Board, Commission or Institution.

  The provisions of this section shall be in effect only from July 1, 2017

through June 30, 2018."

AND

Appropriately renumber the subsequent SECTION numbers of the bill.

The Amendment was read the first time, rules suspended and read	the second time and
By: Joint Budget Committee	
MAH/MAH - 03-14-2017 10:06:38	
MAH088	Secretary

### Stricken language will be deleted and underlined language will be added.

1	State of	Arkansas	As Engrossed: \$3	/1/17	
2	91st Ge	neral Asse	embly A Bill		
3	Regular	Session,	2017		SENATE BILL 106
4					
5	By: Joi	nt Budget	Committee		
6					
7			For An Act To Be E	ntitled	
8		А	N ACT TO MAKE AN APPROPRIATION FO	OR PERSONAL SER	RVICES
9		А	ND OPERATING EXPENSES FOR THE ARI	KANSAS ECONOMIC	
10		D	EVELOPMENT COMMISSION FOR THE FI	SCAL YEAR ENDIN	IG
11		J	UNE 30, 2018; AND FOR OTHER PURPO	OSES.	
12					
13					
14			Subtitle		
15			AN ACT FOR THE ARKANSAS ECON	OMIC	
16			DEVELOPMENT COMMISSION APPRO	PRIATION FOR	
17			THE 2017-2018 FISCAL YEAR.		
18					
19					
20	BE IT	ENACTED	BY THE GENERAL ASSEMBLY OF THE	STATE OF ARKANS	SAS:
21					
22		SECTION	1. REGULAR SALARIES. There is 1	nereby establis	shed for the
23	Arkans	as Econ	omic Development Commission for	the 2017-2018 f	iscal year, the
24	follow	ing max	imum number of regular employees	•	
25					
26					Maximum Annual
27				Maximum	Salary Rate
28	Item	Class		No. of	Fiscal Year
29	No.	Code	Title	Employees	2017-2018
30	(1)	บ055บ	AEDC DIRECTOR	1	\$141,104
31	(2)	ช105ช	AEDC DEP DIR FINANCE & ADMIN	1	\$121,037
32	(3)	บั059บั	AEDC DEPUTY DIRECTOR	1	\$121,037
33	(4)	U063U	ASTA DIRECTOR	1	\$108,628
34	(5)	U099U	DIRECTOR OF RURAL SERVICES	1	\$91,102
35	(6)	N180N	AEDC ARKANSAS ENERGY OFFICE DIR	. 1	GRADE N908
36	(7)	N062N	AEDC BUSINESS DEV DIV DIR	1	GRADE N908



time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: one (1) temporary or part-time employees, when needed, at rates of pay not to exceed those provided in the Uniform Classification and Compensation Act, or its successor, or this act for the appropriate classification.

6 7

8

9

10

11

SECTION 5. APPROPRIATION - STATE OPERATIONS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Arkansas Economic Development Commission Fund Account, for personal services, operating expenses, grants and aid, and state matching funds of the Arkansas Economic Development Commission - State Operations for the fiscal year ending June 30, 2018, the following:

12 13

14	ITEM		FISCAL YEAR	
15	NO.		2017-2018	
16	(01)	REGULAR SALARIES	\$4,357,050	
17	(02)	EXTRA HELP	30,000	
18	(03)	PERSONAL SERVICES MATCHING	1,365,766	
19	(04)	MAINT. & GEN. OPERATION		
20		(A) OPER. EXPENSE	1,548,238	
21		(B) CONF. & TRAVEL	141,486	
22		(C) PROF. FEES	1,765,000	
23		(D) CAP. OUTLAY	100,000	
24		(E) DATA PROC.	0	
25	(05)	ECONOMIC INFRASTRUCTURE/REGIONALISM		
26		GRANTS	1,000,000	
27	(06)	GLOBAL BUSINESS INITIATIVES	600,000	
28	(07)	MILITARY AFFAIRS GRANT PROGRAM	750,000	
29	(80)	INDUSTRY TRAINING PROGRAM	1,714,800	
30	(09)	FOR STATE MATCHING OF FEDERAL FUNDS	228,500	
31)	(10)	OFFICE OF TRANSFORMATION EXPENSES	1,000,000	
32		TOTAL AMOUNT APPROPRIATED	\$14,600,840	

33

- 34 SECTION 6. APPROPRIATION COMMUNITY ASSISTANCE (CDBG) FEDERAL.
- 35 There is hereby appropriated, to the Arkansas Economic Development
- 36 Commission, to be payable from the federal funds as designated by the Chief

1 2	GRANTS & AID TOTAL AMOUNT APPROPRIATED	2,909,850 \$3,132,830
3	TOTAL MINORITAD	<u> </u>
4	SECTION 22. APPROPRIATION - DIVISION OF SCIENCE AND TEFFICIENCY - CASH. There is hereby appropriated, to the Di	
6	and Technology of the Arkansas Economic Development Commiss	
7	from the cash fund deposited in the State Treasury as deter	20 150 150
8	Fiscal Officer of the State, for operating expenses and gra	·
9	Division of Science and Technology of the Arkansas Economic	, <del>, ,</del>
10	Commission - Energy Efficiency - Cash for the fiscal year e	-
11	2018, the following:	name ounce so,
12		
13	ITEM	FISCAL YEAR
14	NO.	2017-2018
15	(01) MAINT. & GEN. OPERATION	
16	(A) OPER. EXPENSE	\$60,000
17	(B) CONF. & TRAVEL	0
18	(C) PROF. FEES	0
19	(D) CAP. OUTLAY	0
20	(E) DATA PROC.	0
21	(02) WORKSHOPS, SEMINARS & OTHER GRANTS & AID	90,000
22	TOTAL AMOUNT APPROPRIATED	\$150,000
23		
24	SECTION 23. APPROPRIATION - DIVISION OF SCIENCE AND T	ECHNOLOGY -
25	ARKANSAS ACCELERATION FUND. There is hereby appropriated,	to the Division of
26	Science and Technology of the Arkansas Economic Development	Commission, to be
27	payable from the Arkansas Acceleration Fund, for grants and	incentives to
28	accelerate the economy of the State through technology and	knowledge-based
29	development of the Division of Science and Technology of the	e Arkansas
30	Economic Development Commission - Arkansas Acceleration Fun	d for the fiscal
31	year ending June 30, 2018, the following:	
32		
33	ITEM	FISCAL YEAR
34	NO.	2017-2018
35	(01) ACCELERATION GRANTS & INCENTIVES	\$18,700,000
36		

1 2	(01) ANIMAL RESCUE/SHELTERS GRANTS & AID	\$5,328
3	SECTION 29. APPROPRIATION - RURAL SERVICES DIVISION	- ADMINISTRATIVE
4	FEE. There is hereby appropriated, to the Rural Services	
5	Arkansas Economic Development Commission, to be payable fr	
6	Miscellaneous Agencies Fund Account, for maintenance and o	
7	of the Rural Services Division of the Arkansas Economic De	
8	Commission for the fiscal year ending June 30, 2018, the f	-
9 10	ITEM	FISCAL YEAR
11	NO.	2017-2018
12	(01) MAINT. & GEN. OPERATION	2017-2010
13	(A) OPER. EXPENSE	\$45,395
14	(B) CONF. & TRAVEL	0
15	(C) PROF. FEES	0
16	(D) CAP. OUTLAY	0
17	(E) DATA PROC.	0
18	TOTAL AMOUNT APPROPRIATED	\$45,395
19		
20	SECTION 30. APPROPRIATION - RURAL SERVICES DIVISION	- ARKANSAS UNPAVED
21	ROADS PROGRAM. There is hereby appropriated, to the Rural	Services Division
22	of the Arkansas Economic Development Commission, to be pay	able from the
23	Arkansas Unpaved Roads Program Fund, for grants or operati	ing expenses of the
24	Rural Services Division of the Arkansas Economic Developme	ent Commission -
25	Unpaved Roads Program for the fiscal year ending June 30,	2018, the
26	following:	
27		
28	ITEM	FISCAL YEAR
29	NO.	2017-2018
30	(01) UNPAVED ROADS PROGRAM GRANTS & AIDS	¢250,000
31 32	OR OPERATING EXPENSES	\$250,000
33	SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATE	TO THE ADVANCAS
34	CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPOR	
35	TRAINING PROGRAM EXPENSES. The Arkansas Economic Developme	
36	(AEDC) may utilize Industry Training Program (ITP) appropr	



### STATE OF ARKANSAS

Asa Hutchinson Governor

March 15, 2017

Senator Larry Teague, Co-Chair Representative Lane Jean, Co-Chair Joint Budget Committee Arkansas General Assembly State Capitol Building Little Rock, AR 72201

### Dear Co-Chairs:

I respectfully request amendments to the following ten Department of Human Services appropriation bills.

I respectfully request amendment to HB1438 the 2017-2018 Operations Appropriation Bill for the Department of Human Services – Director's Office.

Please amend SECTION 1. REGULAR SALARIES – OPERATIONS as follows:

	Ŋ	Iaxi	mum Annual
*	Maximum		Salary Rate
Item Class	No. of		Fiscal Year
No. Code Title	Employees		2017-2018
(76) A056C DHS FINANCIAL SECTION MA		8	GRADE C120
(91) A065C PAYROLL SERVICES COORDIN	NATOR 3	2	GRADE C119
(93) X062C QUALITY ASSURANCE COORD	DINATOR 3	2	GRADE C119
(101) A074C FISCAL SUPPORT SUPERVISO	R 10	9	GRADE C118
(107) R027C BUDGET SPECIALIST	16	14	GRADE C117
(110) D071C COMPUTER SUPPORT ANALY	ST ±	- 3	GRADE C117
(113) G180C GRANTS ANALYST	34	30	GRADE C117
(119) B076C RESEARCH PROJECT ANALYS		3	GRADE C117
(120) E040C STAFF DEVELOPMENT COOR		6	GRADE C117
(138) G202C VOLUNTEER PROGRAM COO	RDINATOR 8	7	GRADE C115
(139) X156C FRAUD INVESTIGATOR	8	7	GRADE C114
(154) Co56C ADMINISTRATIVE SPECIALIS	T III 29	28	GRADE C112
(155) A098C FISCAL SUPPORT SPECIALIST	29	27	GRADE C112
(159) So54C PRINTER	4	3	GRADE C111
(161) Ro38C HUMAN RESOURCES ASSISTA	ANT 6	3	GRADE C110

(163) Vo25C WAREHOUSE SPECIALIST
(164) Co73C ADMINISTRATIVE SPECIALIST II
(165) CO73C ADMINISTRATIVE SPECIALIST II
(164) CO73C ADMINISTRATIVE SPECIALIST II
(165) CO73C ADMINISTRATIVE SPECIALIST II
(164) CO73C ADMINISTRATIVE SPECIALIST II
(165) CO73C ADMINISTRATIVE SPECIALIST II
(164) CO73C ADMINISTRATIVE SPECIALIST II
(165) CO73C ADMINISTRATIVE SPECIALIST II
(164) CO73C ADMINISTRATIVE SPECIALIST II
(165) CO73C ADMINISTRATIVE SPECIALIST II
(165

This request will reduce the Department's number of authorized positions by twenty-seven, providing for more efficient agency operations.

Please amend SECTION 11. SPECIAL LANGUAGE as follows:

Delete item (c) and renumber accordingly.

This request will delete Youth Services special language from the Director's Office appropriation bill, so that the appropriate special language can be added in the Division of Youth Services appropriation bill.

Page 13, line 16, delete "two" and substitute "four".

This request will permit the Department four reallocation of resources transfer requests in a fiscal year, which will allow the Department to make the most effective use of the resources allocated to it in order to better serve the citizens of Arkansas.

I respectfully request amendment to HB1283, the 2017-2018 Operations Appropriation Bill for the Department of Human Services – Division of Aging and Adult Services.

Please amend SECTION 1. REGULAR SALARIES – OPERATIONS as follows and renumber the item numbers accordingly:

			Maxi	mum Annual
		Maximum		Salary Rate
Item Class		No. of		Fiscal Year
No. Code	Title	Employee	S	2017-2018
(12) Mo16C	DHS FIELD MANAGER		5 4	GRADE C120
(13) Lo38C	REGISTERED NURSE		<del>76</del> 75	GRADE C120
(17) Mo25C	PROGRAM ELIGIBILITY COOR	RDINATOR I	2 1	GRADE C118
(18) Mo45C	ADULT PROTECTIVE SERVICE	ES WORKER	<del>37</del> 35	GRADE C117
(24) G198C	DHS/DAAS PROGRAM SPECIA	ALIST	10 9	GRADE C116
(25) Mo51C	FAMILY SERVICE WORKER			GRADE C116
(29) Mo66C	PROGRAM ELIGIBILITY SPEC	IALIST	75 74	GRADE C114
(31) Co56C	ADMINISTRATIVE SPECIALIS	TIII	12 11	GRADE C112
MAX.	NO. OF EMPLOYEES	5	<del>300</del> 291	

I respectfully request amendment to SB196, the 2017-2018 Operations Appropriation Bill for the Department of Human Services – Division of Medical Services.

Please amend SECTION 1. REGULAR SALARIES - OPERATIONS as follows:

	N	Iaxi	mum Annual
	Maximum		Salary Rate
Item Class	No. of		Fiscal Year
No. Code Title	Employees		2017-2018
(45) Co73C ADMINISTRATIVE SPECIAL	IST II 8	Z	GRADE C109
(46) Co87C ADMINISTRATIVE SPECIAL	IST I 3	2	GRADE C106
MAX. NO. OF EMPLOYEES	263	26	<u>1</u>

This request will reduce the Department's number of authorized positions by two, providing for more efficient agency operations.

Please delete SECTION 13. SPECIAL LANGUAGE - REVIEW OF RULES IMPACTING STATE MEDICAID COSTS in its entirety.

This request will delete language that would be obsolete upon passage of House Bill 1919, concerning the process for the review of rules impacting State Medicaid costs.

Please delete SECTION 15. SPECIAL LANGUAGE – MEDICAID PRIMARY CARE CASE MANAGEMENT PROGRAM in its entirety and renumber the sections accordingly.

This request will delete language for an expired pilot program.

I respectfully request amendment to SB198 the 2017-2018 Operations Appropriation Bill for the Department of Human Services – Division of Youth Services.

Please amend SECTION 1. REGULAR SALARIES – OPERATIONS as follows and renumber the item numbers accordingly:

			M	aximum Annual
		Maximum		Salary Rate
Item Class		No. of		Fiscal Year
No. Code	Title	Employees		2017-2018
(12) X062C	QUALITY ASSURANCE COOR	DINATOR	3	2 GRADE C119
(23) Co56C	ADMINISTRATIVE SPECIALIS	TIII	6	5 GRADE C112

(24) A098C FISCAL SUPPORT SPECIALIST 1 GRADE C112 MAX. NO. OF EMPLOYEES 65 62

This request will reduce the Department's number of authorized positions by three, providing for more efficient agency operations.

Please delete SECTION 12. SPECIAL LANGUAGE – REGULAR SALARIES – CONTINGENT EDUCATIONAL SERVICES POSITIONS in its entirety.

Please add the following two new special language sections and renumber the sections accordingly:

SECTION XX. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. RESIDENTIAL SERVICES CONTINGENCY. If it has been determined that the Department of Human Services - Division of Youth Services cannot continue to contract with private providers for residential juvenile services, educational services, therapeutic services, and/or medical services and deems it necessary to utilize Department staff to provide all or parts of the required services above, the Department is authorized to seek the approval of the Chief Fiscal Officer of the State, the Governor and the Arkansas Legislative Council or Joint Budget Committee to utilize the contingent residential services positions contained in this Act and to make the appropriate transfers from any line item authorized in Section 8 of this Act to any line item authorized in Section 3 of this Act. If it has been determined that the Department of Human Services -Division of Youth Services cannot continue to operate one or more of the various service components of a Residential Facility for residential juvenile services. educational services, therapeutic services, and/or medical services and deems it necessary to utilize a contract with private provider(s), the Department is authorized to seek the approval of the Chief Fiscal Officer of the State, the Governor and the Arkansas Legislative Council or Joint Budget Committee to make the appropriate transfers from any line item authorized in Section 3 of this Act to any line item authorized in Section 8 of this Act.

SECTION XX. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EXTRA HELP SALARIES - CONTINGENT RESIDENTIAL SERVICES POSITIONS. There is hereby established for the Department of Human Services - Division of Youth Services - Contingent Residential Services Positions, the following maximum number of positions whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act (Arkansas Code §21-5-201 et seq.), or its successor, and all laws amendatory thereto. Requests to use positions will be based upon the non-contracted services for residential juvenile services, educational services,

therapeutic services, and/or medical services. If at such time a category(s) of services are contracted with private providers, identified positions associated with such service(s) shall be returned to the contingency pool. In order to ensure required staffing levels, Extra Help positions authorized herein are specifically exempt from limitation of hours, either by act or regulation. The provisions of this section shall be in effect through June 30, 2018.

### **CONTINGENT POSITIONS - RESIDENTIAL SERVICES**

			<b>MAXIMUM</b>
<u>ITEM</u>	CLASS		NO. OF
NO.	CODE	TITLE	<b>EMPLOYEES</b>
<u>(01)</u>	9999	EXTRA HELP	320
	GRAND TOTAL CONT	TINGENT POSITIONS	320

Please amend the Emergency Clause for Senate Bill 198 to reflect an effective date for the two new special language sections above from and after the date of its passage and approval.

These requests will provide the special language needed to address the evolving needs of the Division.

I appreciate your consideration of this matter.

Asa Hutchinson

AH:db:car

### Hall of the House of Representatives

91st General Assembly - Regular Session, 2017

Amendment Form

DRAFT

#### Subtitle of House Bill No. 1438

AN ACT FOR THE DEPARTMENT OF HUMAN SERVICES - DIRECTOR'S OFFICE APPROPRIATION FOR THE 2017-2018 FISCAL YEAR.

### Amendment No. \_\_\_ to House Bill No. 1438

Amend House Bill No. 1438 as originally introduced:

Page 3, line 34, delete "9" and substitute "8"

AND

Page 4, line 13, delete "3" and substitute "2"

AND

Page 4, line 15, delete "3" and substitute "2"

AND

Page 4, line 23, delete "10" and substitute "9"

AND

Page 4, line 29, delete "16" and substitute "14"

AND

Page 4, line 32, delete "4" and substitute "3"

AND

Page 4, line 35, delete "34" and substitute "30"

AND

Page 5, line 5, delete "5" and substitute "3"

AND

DRAFT

LCW056 - 03-15-2017 14:46:39

Page 5, line 6, delete "7" and substitute "6"

AND

Page 5, line 24, delete "8" and substitute "7"

AND

Page 5, line 25, delete "8" and substitute "7"

AND

Page 6, line 4, delete "29" and substitute "28"

AND

Page 6, line 5, delete "29" and substitute "27"

AND

Page 6, line 9, delete "4" and substitute "3"

AND

Page 6, line 11, delete "6" and substitute "3"

AND

Page 6, line 13, delete "2" and substitute "1"

AND

Page 6, line 14, delete "12" and substitute "9"

AND

Page 6, line 16, delete "705" and substitute "678"

AND

Page 11, delete lines 31 through 36 in their entirety and substitute the following:

"— (e) YOUTH SERVICES — HOUSING AND SEPARATION APPROPRIATION PROVISIONS. The Division of Youth Services (DYS) is authorized to fulfill its responsibility to house offenders between the ages of 18 and 21 and to separate juvenile offenders by age and seriousness of offense by either employing additional state employees and providing the corresponding operating expenses or entering into professional services contracts. If the Division of Youth"

AND

Page 12, delete lines 1 through 6 in their entirety and substitute the following:

"Services determines that the Division needs to employ state employees to fulfill the housing and separation requirements, they may transfer up to the total amount appropriated for the DYS—Residential Services Program appropriation to the appropriate DYS appropriation and line items, upon approval of the Chief Fiscal Officer of the State, and prior review by the Legislative Council or Joint Budget Committee; and"

AND

Page 12, line 7, delete "(d)" and substitute "(d) (c)"

AND

Page 13, line 16, delete "two" and substitute "two four".

The Amendment was read	
By: Joint Budget Committee	
LCW/LCW - 03-15-2017 14:46:39	
LCW056	Chief Clerk

1	State of	Arkansas				
2		neral Asse		A Bill		
3		Session,	•			HOUSE BILL 1438
4	S	,				110 0 0 2 2 2 2 1 1 2 0
5	By: Join	nt Budget	Committee			
6	-					
7				For An Act To Be E	Cntitled	
8		А	N ACT TO	MAKE AN APPROPRIATION FO	OR PERSONAL S	ERVICES
9		A	ND OPERAT	ING EXPENSES FOR THE DE	PARTMENT OF H	UMAN
10		S	ERVICES -	DIRECTOR'S OFFICE FOR	THE FISCAL YE	AR
11		E	NDING JUN	E 30, 2018; AND FOR OTH	ER PURPOSES.	
12						
13						
14				Subtitle		
15			AN AC	CT FOR THE DEPARTMENT OF	HUMAN	
16			SERVI	CES - DIRECTOR'S OFFICE		
17			APPRO	OPRIATION FOR THE 2017-2	018 FISCAL	
18			YEAR.			
19						
20						
21	BE IT	ENACTED	BY THE G	ENERAL ASSEMBLY OF THE	STATE OF ARKA	NSAS:
22						
23		SECTION	1. REGUL	AR SALARIES - OPERATION	S. There is	hereby established
24	for th	e Depar	tment of	Human Services - Direct	or's Office f	or the 2017-2018
25	fiscal	year,	the follo	wing maximum number of	regular emplo	yees.
26						
27						Maximum Annual
28					Maximum	Salary Rate
29	Item	Class			No. of	Fiscal Year
30	No.	Code	Title		Employees	2017-2018
31	(1)	บ133บ	DHS EXEC	UTIVE DIRECTOR	1	\$282,800
32	(2)	A019N	DHS DEP	CFO-MEDICAL SERVICES	1	GRADE N915
33	(3)	L023N		TY DIRECTOR	2	GRADE N915
34	(4)	NO11N		F INFORMATION OFFICER	1	GRADE N912
35	(5)	A020N		CHIEF FIN OFFICER-HUMAN		GRADE N912
36	(6)	N016N	DHS DEP	DIR ADMINISTRATIVE SVCS	2	GRADE N911



1	(151)	S045C	PRINTING ESTIMATOR/PLANNER	1	GRADE C113		
2	(152)	C043C	RECORDS MANAGEMENT ANALYST	6	GRADE C113		
3	(153)	L066C	REHABILITATION INSTRUCTOR	1	GRADE C113		
4	(154)	C056C	ADMINISTRATIVE SPECIALIST III	29	GRADE C112		
5	(155)	A098C	FISCAL SUPPORT SPECIALIST	29	GRADE C112		
6	(156)	V022C	PURCHASING TECHNICIAN	1	GRADE C112		
7	(157)	V021C	SURPLUS PROPERTY AGENT	1	GRADE C112		
8	(158)	S056C	FOOD PREPARATION SUPERVISOR	1	GRADE C111		
9	(159)	S054C	PRINTER	4	GRADE C111		
10	(160)	D090C	COMPUTER PUBLISHING OPERATOR	1	GRADE C110		
11	(161)	R038C	HUMAN RESOURCES ASSISTANT	6	GRADE C110		
12	(162)	C062C	LOCAL OFFICE ADMINISTRATIVE ASSISTANT	2	GRADE C110		
13	(163)	V025C	WAREHOUSE SPECIALIST	2	GRADE C110		
14	(164)	C073C	ADMINISTRATIVE SPECIALIST II	12	GRADE C109		
15	(165)	C087C	ADMINISTRATIVE SPECIALIST I	3	GRADE C106		
16		MAX. NO	O. OF EMPLOYEES	705			
17							
18		SECTION	2. EXTRA HELP - OPERATIONS. There is	hereby a	uthorized, for		
19	the De	partment	t of Human Services - Director's Office	for the	2017-2018 fiscal		
20	year, the following maximum number of part-time or temporary employees, to be						
21	known as "Extra Help", payable from funds appropriated herein for such						
22	purpos	es: th:	irty (30) temporary or part-time employ	ees, whe	n needed, at		
23	rates	of pay 1	not to exceed those provided in the Uni	form Cla	ssification and		
24	Compen	sation A	Act, or its successor, or this act for	the appr	opriate		
25	classi	fication	ı.				
26							
27		SECTION	3. APPROPRIATION - OPERATIONS. There	is hereb	y appropriated,		
28	to the	Departm	ment of Human Services - Director's Off	ice, to	be payable from		
29	the pa	ying aco	count as determined by the Chief Fiscal	Officer	of the State,		
30	for pe	rsonal s	services and operating expenses of the	Departme	nt of Human		
31	Servic	es - Din	rector's Office for the fiscal year end	ing June	30, 2018, the		
32	follow	ing:					
33							
34	ITEM				FISCAL YEAR		
35	NO.				2017-2018		
36	(01)	REGULAR	SALARIES		\$31,069,481		

- 1 by providing transfer authority in subsection (d) of this section, and since
- 2 the General Assembly has granted the agency broad powers under the transfer
- 3 authority concept, it is both necessary and appropriate that the General
- 4 Assembly maintain oversight of the utilization of the transfer authority by
- 5 requiring prior approval of the Legislative Council or Joint Budget Committee
- 6 in the utilization of this transfer authority. Therefore, the requirement of
- 7 approval by the Legislative Council or Joint Budget Committee is not a
- 8 severable part of this section. If the requirement of approval by the
- 9 Legislative Council or Joint Budget Committee is ruled unconstitutional by a
- 10 court of competent jurisdiction, this entire section is void.
- 11 The provisions of this section shall be in effect only from July 1, 2016
- 12 2017 through June 30, 2017 2018.

13

- 14 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
- 16 AUTHORITY. The Director of the Department of Human Services shall have
- 17 transfer authority provided by the following:
- 18 (a) DEPARTMENT OF HUMAN SERVICES RENOVATION FUND. The Director of the
- 19 Department of Human Services is authorized to request fund transfers
- 20 according to the provisions established by Arkansas Code Ann. 19-5-1020,
- 21 Department of Human Services Renovation Fund, as amended herein; and
- 22 (b) MATCH TRANSFER. The Director of the Department of Human Services,
- 23 with the approval of the Chief Fiscal Officer of the State, is authorized to
- 24 effect inter-agency and inter-divisional fund transfers for the purpose of
- 25 providing the State's matching share for payments made to that Division or
- 26 Office or its service providers for services eligible for federal
- 27 reimbursement under programs administered by the Department of Human
- 28 Services. The Department of Human Services shall report to the Legislative
- 29 Council or Joint Budget Committee on a quarterly basis all fund transfers
- 30 made in accordance with the authority granted by this section; and
- 31 (c) YOUTH SERVICES HOUSING AND SEPARATION APPROPRIATION PROVISIONS. The 32 Division of Youth Services (DYS) is authorized to fulfill its responsibility 33 to house offenders between the ages of 18 and 21 and to separate juvenile
- 34 offenders by age and seriousness of offense by either employing additional
- 35 state employees and providing the corresponding operating expenses or
- 36 entering into professional services contracts. If the Division of Youth

Services determines that the Division needs to employ state employees to

fulfill the housing and separation requirements, they may transfer up to the

total amount appropriated for the DYS - Residential Services Program

appropriation to the appropriate DYS appropriation and line items, upon

approval of the Chief Fiscal Officer of the State, and prior review by the

Legislative Council or Joint Budget Committee; and

(d) REALLOCATION OF RESOURCES: (1) The Department of Human Services (DHS) provides hundreds of different services to over 1 million Arkansans. The 9 specific mix of service needs and the funding and staffing required to 10 provide them can vary significantly based on many factors, including natural 11 disasters, changing federal mandates and funding sources, demographic shifts, 12 fluctuating court-ordered services, social trends, and job market variations 13 such as nursing shortages. The impact of these factors through the course of 14 any fiscal year make it very difficult for the Department to accurately 15 predict the exact needs for funding, appropriation and positions in each of 16 its over 100 different appropriations. To ensure that it can respond quickly 17 to changing client needs and make the most effective use of the resources 18 allocated to it, the Department of Human Services shall be authorized to 19 utilize the reallocation of resource authority to make the proper adjustments 20 to the budgets within the Department. Therefore, upon determination by the 21 Director of the Department of Human Services that a reallocation of resources 22 within the department is necessary for the efficient and effective operation 23 of the department, the director, with approval of the Governor, shall have 24 the authority to request, from the Chief Fiscal Officer of the State, a 25 transfer of positions, appropriations, line item appropriations, and funds 26 within or between existing and newly created divisions, offices, sections, or 27 units of the department. Provided, however, that no transfer of funds or 28 appropriation that provides direct support or matching support for the 29 Arkansas Medicaid Program shall be made to any other fund account or 30 appropriation that does not directly support the Arkansas Medicaid Program. 31 Further, no positions, funds, or appropriation authorized during the budget 32 process for the Division of Children and Family Services' compliance with 33 initiatives established under the Angela R. consent decree shall be 34 transferred to any other division. Nothing in this provision is intended to 35 prevent the one-time transfers of savings in any other program to the Arkansas Medicaid Program, with the exception of the provisions previously 36

- 1 cited for the Division of Children and Family Services Angela R. consent
- 2 decree. The Division of Developmental Disabilities Grants to Community
- 3 Providers line item of the Developmental Disabilities Services Grants-in-
- 4 Aid appropriation may not be decreased. The appropriation, funding, and
- 5 positions provided for the five Human Development Centers shall remain at a
- 6 level sufficient to ensure quality care for the Centers' residents. The
- 7 exemptions provided in this subsection whereby certain DHS Programs and
- 8 Divisions are protected from appropriation, fund, or position transfers are
- 9 applicable only to the reallocation or transfer authority granted herein, and
- 10 not by any reductions which are applicable to all state programs.
- 11 The Director of the Department of Human Services shall submit any requests
- 12 for transfers to and must receive approval of the requests for transfers from
- 13 the Chief Fiscal Officer of the State, the Governor, and the Arkansas
- 14 Legislative Council or Joint Budget Committee prior to the effective date of
- 15 the transfers. Provided, however, that the Department of Human Services shall
- be limited to submitting no more than two reallocation of resources transfer
- requests during any fiscal year. In each Departmental request no single
- 18 division will request reallocation for more than one purpose as listed in
- 19 this section. Transfer authority for unforeseen purposes shall further be
- 20 limited to no more than 5% of the total appropriation, funding, and positions
- 21 authorized for the Department. Reallocation of resources transfers may
- 22 include multiple items but shall be limited to the following purposes:
- 23 i) Medicaid Program;
- 24 ii) Facilities and institutions costs, including operational expenses and
- 25 construction/renovation/equipping expenses;
- 26 iii) Departmental grants and contracts;
- 27 iv) Court ordered settlements and payments;
- 28 v) Payment of administrative expenses, including but not limited to, overtime
- 29 and other costs of personnel for critical services or functions necessary to
- 30 carry out the mission of the agency;
- 31 vi) Restructuring efforts as deemed necessary to comply with new and/or
- 32 unanticipated federal or state mandates; and/or
- 33 vii) Redirecting internal resources, both direct and/or indirect, to meet
- 34 client needs and services.
- 35 Determining the maximum number of employees and the maximum amount of
- 36 appropriation and general revenue funding for a state agency each fiscal year

### ARKANSAS SENATE

## 91st General Assembly - Regular Session, 2017 Amendment Form

DRAFT

Subtitle of Senate Bill No. 196
AN ACT FOR THE DEPARTMENT OF HUMAN SERVICES - DIVISION OF MEDICAL SERVICES
APPROPRIATION FOR THE 2017-2018 FISCAL YEAR.
Amendment No to Senate Bill No. 196
Amend Senate Bill No. 196 as originally introduced:
Page 3, line 4, delete "8" and substitute "7"
AND
Page 3, line 5, delete "3" and substitute "2"
AND
Page 3, line 6, delete "263" and substitute "261"
AND
Pages 10 through 12, delete SECTION 13 in its entirety
AND
Pages 14 through 18, delete SECTION 15 in its entirety
AND
Appropriately renumber the SECTIONs of the bill.
IDID A IGUT
DRAFT The Amendment was read the first time, rules suspended and read the second time and
By: Joint Budget Committee LCW/LCW - 03-15-2017 14:37:05

## Stricken language will be deleted and underlined language will be added.

1		Arkansas	A D:11		
2	91st Ger	neral Asse	embly A Bill		
3	Regular	Session,	2017		SENATE BILL 196
4					
5	By: Join	nt Budget	Committee		
6					
7			For An Act To Be En	titled	
8		A	N ACT TO MAKE AN APPROPRIATION FOR	PERSONAL SER	RVICES
9		A	ND OPERATING EXPENSES FOR THE DEPA	RTMENT OF HUN	IAN
10		S	ERVICES - DIVISION OF MEDICAL SERV	ICES FOR THE	
11		F	ISCAL YEAR ENDING JUNE 30, 2018; A	ND FOR OTHER	
12		P	URPOSES.		
13					
14					
15			Subtitle		
16			AN ACT FOR THE DEPARTMENT OF H	HUMAN	
17			SERVICES - DIVISION OF MEDICAL	L SERVICES	
18			APPROPRIATION FOR THE 2017-201	18 FISCAL	
19			YEAR.		
20					
21					
22	BE IT	ENACTED	BY THE GENERAL ASSEMBLY OF THE ST	ATE OF ARKANS	SAS:
23					
24		SECTION	1. REGULAR SALARIES - OPERATIONS.	There is he	ereby established
25	for th	e Depar	tment of Human Services - Division	of Medical	Services for the
26	2017-2	018 fis	cal year, the following maximum nu	mber of regui	lar employees.
27					
28					Maximum Annual
29				Maximum	Salary Rate
30	Item	Class		No. of	Fiscal Year
31	No.	Code	Title E	Employees	2017-2018
32	(1)	N181N	DIRECTOR OF MEDICAL SERVICES	1	GRADE N915
33	(2)	L016N	REGISTERED PHARMACIST	6	GRADE N911
34	(3)	N189N	DHS/DMS DEPUTY DIRECTOR	1	GRADE N908
35	(4)	N080N	DHS/DMS ASSISTANT DIRECTOR - FISO	CAL 1	GRADE N907
36	(5)	N099N	DHS/DMS ADD - LONG TERM CARE	1	GRADE N906



- promulgated by the Arkansas Department of Health which shall establish a separate licensure category for the private care agencies for the provision of Medicaid reimbursable personal care services seven (7) days a week.
  - (g) The Arkansas Department of Health shall supervise the conduct of the personal care agencies defined herein.
  - (h) The purpose of this section is to insure the care provided by the private care agencies is consistent with the rules and regulations of the Arkansas Department of Health.

The provisions of this section shall be in effect only from July 1,  $\frac{2016}{2017}$  through June 30,  $\frac{2017}{2018}$ .

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- SECTION 13 SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REVIEW OF RULES IMPACTING STATE MEDICAID COSTS. (a) In light of the rapidly rising potential costs to the State attributable to the Medicaid program and the importance of Medicaid expenditures to the health and welfare of the citizens of this State, the General Assembly finds it desirable to exercise more thorough review of future proposed changes to rules that might impact those costs or expenditures.
- 20 (b) As used in this section, "rule impacting state Medicaid costs" means
  21 a proposed rule, as defined by § 25-15-202(9) or a proposed amendment to an
  22 existing rule, as defined by § 25-15-202(9) that would, if adopted, adjust
  23 Medicaid reimbursement rates, Medicaid eligibility criteria, or Medicaid
  24 benefits, including without limitation a proposed rule or a proposed
  25 amendment to an existing rule seeking to accomplish the following:
  - (1) Reduce the number of individuals covered by Arkansas Medicaid;
  - (2) Limit the types of services covered by Arkansas Medicaid;
- 28 (3) Reduce the utilization of services covered by Arkansas Medicaid;
  - (4) Reduce provider reimbursement;
- 30 (5) Increase consumer cost-sharing;
- 31 (6) Reduce the cost of administering Arkansas Medicaid;
- 32 (7) Increase Arkansas Medicaid revenues;
- 33 (8) Reduce fraud and abuse in the Arkansas Medicaid program;
- 34 (9) Change any of the methodologies used for reimbursement of 35 providers;
- 36 (10) Seek a new waiver or modification of an existing waiver of any

- 1 provision under Title XIX of the Social Security Act, 42 U.S.C. § 1396-1 et.
- 2 seq., including a waiver that would allow a demonstration project;
- 3 (11) Participate or seek to participate in the waiver authority of 4 Section 1115(a)(1) of the Social Security Act, 42 U.S.C. § 1396-1(a)(1) that
- 5 would allow operation of a demonstration project or program;
- 6 (12) Participate or seek to participate in a request under Section
- 7 1115(a)(2) of the Social Security Act, 42 U.S.C. § 1396-1(a)(2) for the
- 8 Secretary of the Department of Health and Human Services to provide federal
- 9 financial participation for costs associated with a demonstration project or
- 10 program;
- 11 (13) Implement managed care provisions under Section 1932 of the Social
- 12 Security Act, 42 U.S.C. § 1396 u-2; or
- 13 (14) Participate or seek to participate in the Centers for Medicare and
- 14 Medicaid Services Innovation projects or programs.
- (c)(l) In addition to filing requirements under the Arkansas
- 16 Administrative Procedure Act, § 25-15-201 et seq., and § 10-3-309, the
- 17 Department of Human Services shall, at least thirty (30) days before the
- 18 expiration of the period for public comment, file a proposed rule impacting
- 19 state Medicaid costs or a proposed amendment to an existing rule impacting
- 20 state Medicaid costs with the Senate Interim Committee on Public Health,
- 21 Welfare, and Labor and the House Interim Committee on Public Health, Welfare,
- 22 and Labor, or, when the General Assembly is in session, with the Senate
- 23 Committee on Public Health, Welfare, and Labor and the House Committee on
- 24 Public Health, Welfare and Labor.
- 25 (2) Any review of the proposed rule or proposed amendment to an
- 26 existing rule by the Senate and House Interim Committees on Public Health,
- 27 Welfare and Labor or the Senate and House Committees on Public Health,
- 28 Welfare, and Labor shall occur within forty-five (45) days of the date the
- 29 proposed rule or proposed amendment to an existing rule is filed with the
- 30 committees.
- 31 (d)(1) If adopting an emergency rule impacting state Medicaid costs,
- 32 in addition to the filing requirements under the Arkansas Administrative
- 33 Procedure Act, § 25-15-201 et seq. and § 10-3-309, the Department of Human
- 34 Services shall notify the Speaker of the House of Representatives, the
- 35 President Pro Tempore of the Senate, the chair of the Senate Committee on
- 36 Public Health, Welfare, and Labor, and the chair of the House Committee on

- 1 Public Health, Welfare and Labor of the emergency rule and provide each of
- 2 them a copy of the rule on the first day the emergency rule is effective.
- 3 (2) Any review of the emergency rule by the Senate and House
- 4 Interim Committees on Public Health, Welfare and Labor or the Senate and
- 5 House Committees on Public Health, Welfare, and Labor shall occur within
- 6 forty-five (45) days of the date the emergency rule is provided to the
- 7 chairs.
- 8 (e) This section expires on June 30, 2017 2018.

- 10 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 11 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTH
- 12 CARE INDEPENDENCE PROGRAM ARKANSAS WORKS AND ARKANSAS HEALTH INSURANCE
- 13 MARKETPLACE RESTRICTIONS. (a) As used in this section, "Health Care
- 14 Independence Program Arkansas Works" means the Health Care Independence
- 15 Program Arkansas Works established under the Health Care Independence Act of
- 16 2013, Arkansas Gode § 20-77-2401 et seq. Arkansas Works Act of 2016, Arkansas
- 17 Code § 23-61-1001 et seq.
- 18 (b)(1) Determining the maximum number of employees, the maximum amount
- 19 of appropriation, for what purposes an appropriation is authorized, and
- 20 general revenue funding for a state agency each fiscal year is the
- 21 prerogative of the General Assembly.
- 22 (2) The purposes of subdivision (b)(l) of this section are
- 23 typically accomplished by:
- 24 (A) Identifying the purpose in the appropriation act;
- 25 (B) Delineating such maximums in the appropriation act for
- 26 a state agency; and
- 27 (C) Delineating the general revenue allocations authorized
- 28 for each fund and fund account by amendment to the Revenue Stabilization Law,
- 29 Arkansas Code § 19-5-101 et seq.
- 30 (3) It is both necessary and appropriate that the General
- 31 Assembly restrict the use of appropriations authorized in this act.
- 32 (c)(1) Except as provided in this subsection, the Department of Human
- 33 Services shall not allocate, budget, expend, or utilize any appropriation
- 34 authorized by the General Assembly for the purpose of advertisement,
- 35 promotion, or other activities designed to promote or encourage enrollment in
- 36 the Arkansas Health Insurance Marketplace or the Health Care Independence

- 1 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.
- 2 (ii) Subdivision (e)(1)(A)(i) of this section does
- 3 not apply to regulatory and training responsibilities related to navigators,
- 4 guides, certified application counselors, and certified licensed producers;
- 5 and
- 6 (B) Apply for or accept any funds, including without
- 7 limitation federal funds, for the purpose of funding activities of
- 8 navigators, guides, certified application counselors, and certified licensed
- 9 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
- 10 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.
- 11 (2) Subdivision (e)(1) of this section does not apply to
- 12 certified application counselors at health related institutions, including
- 13 without limitation the University of Arkansas for Medical Sciences.
- 14 (f) An appropriation authorized by the General Assembly shall not be
- 15 subject to the provisions allowed through reallocation of resources or
- 16 transfer of appropriation authority for the purpose of transferring an
- 17 appropriation to any other appropriation authorized for the Department of
- 18 Human Services to be allocated, budgeted, expended, or utilized in a manner
- 19 prohibited by this section.
- 20 (g) The provisions of this section are severable, and the invalidity
- 21 of any subsection or subdivision of this section shall not affect other
- 22 provisions of the section that can be given effect without the invalid
- 23 provision.
  - (h) This section expires on June 30, 2017 2018.

- SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 27 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAID
- 28 PRIMARY CARE CASE MANAGEMENT PROGRAM.
  - (a) The General Assembly finds that:
- 30 (1) The Arkansas Delta is an area that is medically underserved
- 31 and has some of the worst health outcomes in our state, with a large number
- 32 of recipients who are in the top quartile of costs;
- 33 (2)(A) There has been much success in other states, particularly
- 34 in the Louisiana Delta with improvements in health outcomes and saving money
- 35 through the use of an intensive care-coordination, shared-savings model of
- 36 care.

1	(B) This success has come through contracting with private
2	companies that specialize in working with those individuals who meet certain
3	criteria and are at a minimum in the top quartile of costs to the Medicaid
4	program;
5	(3) Medicaid is one of the largest percentage expenditures of
6	Arkansas tax dollars, and there is a need for reforming approaches to the use
7	of these dollars; and
8	(4) The approach created in this section to dealing with this
9	population has never been implemented in Arkansas.
10	(b)(1)(A) The Department of Human Services shall contract with an
11	experienced vendor to implement a two-year Medicaid Primary Care Case
12	Management shared-savings pilot program in the Arkansas Delta region to begin
13	January 1, 2014.
14	(B) The department shall give preference to a vendor that:
15	(i) Demonstrates experience with the type of model
16	established under this section in the type of geographic area specified in
17	subsection (e) of this section;
18	(ii) Has demonstrated customer satisfaction as
19	documented through independent Consumer Assessment of Healthcare Providers
20	and Systems survey; and
21	(iii) Maintains a Utilization Review Accreditation
22	Commission accreditation for its Health Utilization Management and Case
23	Management programs.
24	(2) The pilot program shall encompass a minimum of five thousand
25	(5,000) recipients who:
26	(A) Are not currently in the Arkansas Patient-Centered
27	Medical Home Program, the federal Comprehensive Primary Care Initiative, or a
28	similar home health program;
29	(B)(i) Have catastrophic or chronic conditions as defined
30	by the Johns Hopkins Adjusted Clinical Groups System; or
31	(ii) Are women with a history of past high-risk
32	pregnancies, poor birth outcomes or preterm deliveries; and
33	(C) Whose estimated costs are in the top quartile for
34	their defined population.
35	(c) The yendor shall recruit an adequate number of primary care

clinics to initiate the program.

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1
           (d) The Medicaid Primary Care Case Management shared savings pilot
 2
    program shall exclude the Alternatives for Persons with Disabilities, the
 3
    Division of Developmental Disabilities Services Alternative Community
 4
    Services, ElderChoices, Living Choices Assisted Living waivers, and members
 5
    of the Program of All-Inclusive Care for the Elderly.
 6
           (e) The Medicaid Primary Care Case Management program shared savings
 7
    pilot program shall include without limitation the following Arkansas delta
 8
     counties:
 9
                 (1) Arkansas;
10
                 (2) Ashley;
11
                 (3) Baxter;
12
                 (4) Bradley;
13
                 (5) Calhoun;
14
                 (6) Chicot;
15
                 (7) Clay;
16
                 (8) Cleveland;
17
                 (9) Crittenden;
18
                 (10) Cross;
19
                 (11) Dallas:
20
                 (12) Desha;
21
                 (13) Drew;
22
                 (14) Fulton;
23
                 (15) Grant;
24
                 (16) Greene;
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                 (17) Independence;
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                 (18) Izard;
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                 (19)
                       Jackson;
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                       Jefferson;
                 (20)
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                 (21) Lawrence;
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                 (22) Lee;
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                 (23) Lincoln;
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                 (24) Lonoke;
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                 (25) Marion;
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                 (26) Mississippi;
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                 (27)
                       Monroe;
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                 (28)
                       Ouachita;
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1
                 (29)
                      Phillips;
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                 (30) Poinsett;
 3
                       Prairie:
                 (31)
                 (32) Randolph;
 4
 5
                 (33)
                       Searcy;
 6
                 (34)
                       Sharp;
 7
                       St. Francis;
                 (35)
                 (36)
 8
                       Stone;
                       Union;
 9
                 (37)
10
                       Van Buren; and
                 (38)
11
                 (39)
                      Woodruff.
12
               The department shall require that a contracting vendor generate
13
     savings in comparison to a risk-adjusted Arkansas Fee-For-Service benchmark.
14
           (g) The per-member monthly fee paid to the vendor shall not decrease
15
     the current primary care case management fee paid to the primary care
16
     providers.
17
           (h)(l) Savings realized under the Medicaid Primary Care Case
18
     Management program shall be shared:
19
                       (A) Thirty-four percent (34%) with the department; and
                       (B)(i) Sixty-six percent (66%) with the Medicaid Primary
20
21
     Care Case Management shared-savings pilot program vendor up to a maximum
22
     sharing cap of five percent (5%) of the total cost of administrative and
23
     health service expenditures as defined by the Centers for Medicare and
24
     Medicaid Service.
25
                             (ii) Further, fifty percent (50%) of savings
26
     received by the vendor shall be shared with eligible contracted network
27
     primary care providers based upon meeting agreed upon performance standards.
28
                 (2) Twenty five percent (25%) of the Medicaid Primary Care Case
29
     Management shared-savings pilot program vendor's administrative per member
30
     per month fee shall be at risk and shall be paid back to the state if savings
31
     are not realized.
32
           (i)(1) After the Medicaid Primary Care Case Management shared-savings
     pilot program has operated for fifteen (15) months, the department shall
33
     utilize an agreed upon savings algorithm to calculate savings based on the
34
     first twelve (12) months of operations, allowing three (3) months of run-out.
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36
                 (2)(A) Savings shall be disbursed within thirty (30) calendar
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l days of final calculation.

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- 2 (B) After the initial year of operation, savings shall be 3 calculated on a quarterly basis.
- 4 (j) This section does not conflict with or reduce the Medicaid 5 hospital access payments under section § 20-77-1901 et seq.
- 6 (k)(1) This section does not require a physician to participate in the 7 pilot program created under this section.
- 8 (2) A physician has the right to refuse to contract under the 9 pilot program created under this section or to terminate the contract at any 10 time without penalty.
- 11 (1) If requested, the vendor shall agree to support any contracted 12 physician in meeting the requirements of the Arkansas Patient-Centered 13 Medical Home model.
- The provisions of this section shall be in effect only from July 1, 2016 15 2017 through June 30, 2017 2018.

SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
SEVERABILITY. If any provisions of this act or the application of this act
to any person or circumstance is held invalid, such invalidity shall not
affect other provisions or applications of the act which can be given effect
without the invalid provision or application, and to this end the provisions

23 of this act are declared to be severable.

SECTION 17. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

35 SECTION 18. LEGISLATIVE INTENT. It is the intent of the General 36 Assembly that any funds disbursed under the authority of the appropriations

## ARKANSAS SENATE

91st General Assembly - Regular Session, 2017

Amendment Form

DRAFT

Subtitle of Senate Bill No. 198

AN ACT FOR THE DEPARTMENT OF HUMAN SERVICES - DIVISION OF YOUTH SERVICES APPROPRIATION FOR THE 2017-2018 FISCAL YEAR.

Amendment No. \_\_\_ to Senate Bill No. 198

Amend Senate Bill No. 198 as originally introduced:

Page 2, line 6, delete "3" and substitute "2"

AND

Page 2, line 17, delete "6" and substitute "\_\_\_\_5"

AND

Page 2, delete line 18 in its entirety

AND

Page 2, line 19, delete "65" and substitute "62"

AND

Pages 6 through 7, delete SECTION 12 in its entirety and substitute the following:

"SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

RESIDENTIAL SERVICES CONTINGENCY. If it has been determined that the Department of Human Services - Division of Youth Services cannot continue to contract with private provider(s) for residential juvenile services, educational services, therapeutic services, and/or medical services and deems it necessary to utilize Department staff to provide all or parts of the required services above, the Department is authorized to seek the approval of the Chief Fiscal Officer of the State, the Governor and the Arkansas Legislative Council or Joint Budget Committee to utilize the contingent residential services positions contained in this Act and to make the appropriate transfers from any line item authorized in the RESIDENTIAL SERVICES appropriation of this Act to any line item authorized in the

DRAFT

LCW061 - 03-15-2017 14:48:03

Page 1 of 3

OPERATIONS appropriation of this Act. If it has been determined that the Department of Human Services - Division of Youth Services cannot continue to operate one or more of the various service components of a Residential Facility for residential juvenile services, educational services, therapeutic services, and/or medical services and deems it necessary to utilize a contract with private provider(s), the Department is authorized to seek the approval of the Chief Fiscal Officer of the State, the Governor and the Arkansas Legislative Council or Joint Budget Committee to make the appropriate transfers from any line item authorized in the OPERATIONS appropriation of this Act to any line item authorized in the RESIDENTIAL SERVICES appropriation of this Act.

SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EXTRA HELP SALARIES - CONTINGENT RESIDENTIAL SERVICES POSITIONS. There is hereby established for the Department of Human Services - Division of Youth Services - Contingent Residential Services Positions, the following maximum number of positions whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act (Arkansas Code § 21-5-201 et seq.), or its successor, and all laws amendatory thereto. Requests to use positions will be based upon the non-contracted services for residential juvenile services, educational services, therapeutic services, and/or medical services. If at such time a category(s) of services are contracted with private provider(s), identified positions associated with such service(s) shall be returned to the contingency pool. In order to ensure required staffing levels, Extra Help positions authorized herein are specifically exempt from limitation of hours, either by Act or regulation.

## CONTINGENT POSITIONS - RESIDENTIAL SERVICES

			MAXIMUM
ITEM	CLASS		NO. OF
NO.	CODE	TITLE	EMPLOYEES
(01)	9999	EXTRA HI	ELP320
GRAND	TOTAL CONTINGENT	POSITIONS	320

The provisions of this section shall be in effect through June 30, 2018."

AND

PAGE 8, delete SECTION 15 in its entirety and substitute the following:

Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2017 is essential to the operation of the agency for which the appropriations in this Act are provided; with the exception that Sections 12 and 13 in this Act shall be in full force and effect from and after the date of its passage and approval, and that in the event of an extension of the legislative session, the delay in the effective date of this Act shall be in full force and 13 in this Act shall be in full force and effect from and after the date of its passage and approval, could work irreparable harm upon the proper

administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2017; with the exception that Sections 12 and 13 in this Act shall be in full force and effect from and after the date of its passage and approval."

AND

Appropriately renumber the SECTIONs of the bill.

The Amendment was read the first time, rules suspended and read the second time and	
By: Joint Budget Committee	
LCW/LCW - 03-15-2017 14:48:03	
LCW061	Secretary

1	State of A	Arkansas				
2	91st Gene	eral Asse	embly	A Bill		
3	Regular S	Session,	2017			SENATE BILL 198
4	C					
5	By: Join	t Budget	Committee			
6						
7			For An	Act To Be Ent	titled	
8		A	N ACT TO MAKE AN APPE	ROPRIATION FOR	PERSONAL SER	VICES
9		A	ND OPERATING EXPENSES	FOR THE DEPAR	RTMENT OF HUM	IAN
10		S	ERVICES - DIVISION OF	YOUTH SERVICE	ES FOR THE FI	SCAL
11		Y	EAR ENDING JUNE 30, 2	2018; AND FOR (	OTHER PURPOSE	S.
12						
13						
14				Subtitle		
15			AN ACT FOR THE D	EPARTMENT OF H	IUMAN	
16			SERVICES - DIVIS	ION OF YOUTH S	ERVICES	
17			APPROPRIATION FO	R THE 2017-201	8 FISCAL	
18			YEAR.			
19						
20						
21	BE IT E	ENACTED	BY THE GENERAL ASSEM	BLY OF THE ST.	ATE OF ARKANS	SAS:
22						
23	S	SECTION	1. REGULAR SALARIES	- OPERATIONS.	There is he	ereby established
24	for the	Depar	tment of Human Servic	es - Division	of Youth Ser	vices for the
25	2017-20	)18 fis	cal year, the followi	ng maximum nu	mber of regul	ar employees.
26						
27						Maximum Annual
28					Maximum	Salary Rate
29	Item	Class			No. of	Fiscal Year
30	No.	Code	Title	E	mployees	2017-2018
31	(1)	N026N	DHS DEPUTY DIRECTOR	OF DYS	1	GRADE N909
32	(2)	N124N	DHS/DYS ASSISTANT D	IVISION DIRECT	OR 2	GRADE N904
33	(3)	X007C	DHS/DYS ADMIN PROG (	COMPLIANCE	1	GRADE C127
34	(4)	G255C	DYS ACADEMIC ADMINIS	STRATOR	1	GRADE C126
35	(5)	E010C	DHS/DYS EDUCATION MA	ANAGER	1	GRADE C125
36	(6)	G082C	DHS/DYS ADMISSIONS I	EVALUATOR	1	GRADE C123



- 1 Department of Human Services, Division of Youth Services. The funds shall be
- 2 held by the Department of Human Services, Division of Youth Services from the
- 3 proceeds of the sale of timber that may be harvested from land owned by the
- 4 Division of Youth Services. All funds deposited and all expenses shall be
- 5 tracked separately. The harvesting of timber is specifically authorized to
- 6 provide funds to finance capital improvements to the physical plant and for
- 7 the purchase of major capital equipment by the Mansfield Facility from which
- 8 the timber is sold.
- 9 The Division of Youth Services shall report all income derived from the
- 10 sale of timber to the Chief Fiscal Officer of the State and the Arkansas
- 11 Legislative Council or Joint Budget Committee. Any contracts initiated for
- 12 the harvesting and sale of timber shall be submitted to the Review
- 13 Subcommittee of the Arkansas Legislative Council or Joint Budget Committee
- 14 for prior review. All expenditures of funds derived from the sale of timber
- 15 will be expended in accordance with relevant state purchasing laws.

The provisions of this section shall be in effect only from July 1, 2016

17 <u>2017</u> through June 30, <del>2017</del> <u>2018</u>.

18

19 SECTION 12 SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

20 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REGULAR

- 21 SALARIES CONTINGENT EDUCATIONAL SERVICES POSITIONS. If it has been
- 22 determined by the Director of the Department of Human Services that the
- 23 Division of Youth Services cannot continue a contract with a private provider
- 24 for educational services and deems it necessary to utilize Division staff to
- 25 provide the required educational services, the Division is authorized, to
- 26 seek the approval of the Chief Fiscal Officer of the State, the Governor and
- 27 the Arkansas Legislative Council or Joint Budget Committee, to utilize the
- 28 contingent educational services positions contained in this Act and to make
- 29 the appropriate transfers from the Residential Services Appropriation line
- 30 item contained in this Act to Regular Salaries, Personal Services Matching,
- 31 and various Maintenance and General Operations classifications.
- 32 There is hereby established for the Division of Youth Services -
- 33 Contingent Educational Services Positions for the 2016-2017 2017-2018 fiscal
- 34 year, the following maximum number of regular employees whose salaries shall
- 35 be governed by the provisions of the Uniform Classification and Compensation
- 36 Act (Arkansas Code 21-5-201 et seq.), or its successor, and all laws

- 1 amendatory thereto. Provided, however, that any position to which a specific
- 2 maximum annual salary is set out herein in dollars, shall be exempt from the
- 3 provisions of said Uniform Classification and Compensation Act. All persons
- 4 occupying positions authorized herein are hereby governed by the provisions
- 5 of the Regular Salaries Procedures and Restrictions Act (Arkansas Code 21-5-
- 6 101), or its successor.
- 7 CONTINGENT POSITIONS EDUCATIONAL SERVICES

8							MAXIMUM A	ANNUAL
9					MAXI	MUM	SALARY	RATE
10	ITEM	CLASS			NO.	OF'	FISCAL	YEAR
11	NO.	CODE	TITLE		EMPL(	OYEES	2016-2017	2017-2018
12	(01)	E004C	SCHOOL PR	INCIPAL		1	GRADE	C126
13	(02)	E017C	ASSISTANT	PRINCIPAL		2	GRADE	C123
14	(03)	E035C	CERTIFIED	MASTERS TEAC	HER	80	GRADE	C119
15	(04)	E032C	EDUCATIONA	AL COUNSELOR		3	GRADE	C119
16	(05)	C058C	EDUCATION	PARAPROFESSI	ONAL	<u>34</u>	GRADE	C111
17	GRAND	TOTAL	CONTINGENT	EMPLOYEES		120		

- 18 If the Division requests continuation of a "Contingent Educational
- 19 Services Position" position(s) as established herein during the next fiscal
- 20 year, the position(s) must be requested as a new position(s) in the
- 21 Division's budget request.
- 22 The provisions of this section shall be in effect only from July 1, 2016
- 23 2017 through June 30, 2017 2018.

- 25 SECTION 13. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
- 26 authorized by this act shall be limited to the appropriation for such agency
- 27 and funds made available by law for the support of such appropriations; and
- 28 the restrictions of the State Procurement Law, the General Accounting and
- 29 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
- 30 Procedures and Restrictions Act, or their successors, and other fiscal
- 31 control laws of this State, where applicable, and regulations promulgated by
- 32 the Department of Finance and Administration, as authorized by law, shall be
- 33 strictly complied with in dispursement of said funds.

- 35 SECTION 14. LEGISLATIVE INTENT. It is the intent of the General
- 36 Assembly that any funds disbursed under the authority of the appropriations

contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption. EMERGENCY CLAUSE. It is found and determined by the SECTION 15. General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the 

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

1 2	State of Arkansas 91st General Assembly	A Bill	
3	Regular Session, 2017		HOUSE BILL 1712
4	Regular Session, 2017		HOUSE BILL 1712
5	By: Joint Budget Committee	24	
6	By. John Budget Committee		
7		For An Act To Be Entitled	
8	AN ACT TO	O MAKE AN APPROPRIATION FOR OPERATING	
9		FOR THE DEPARTMENT OF ARKANSAS STATE I	POLTCE
10		AS WIRELESS INFORMATION NETWORK, WHICH	
11		EMENTAL AND IN ADDITION TO THOSE FUNDS	
12		ATED BY ACT 265 OF 2016; AND FOR OTHER	
13	PURPOSES	7	
14			
15			
16		Subtitle	
17	AN	ACT FOR THE DEPARTMENT OF ARKANSAS	
18	STA	TTE POLICE - ARKANSAS WIRELESS	
19	INF	ORMATION NETWORK (AWIN) SUPPLEMENTAL	
20	APP	PROPRIATION.	
21			
22			
23	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF ARKAI	NSAS:
24			
25	SECTION 1. APP	ROPRIATION - ARKANSAS WIRELESS INFORMA	TION NETWORK (AWIN)
26	- GENERAL REVENUE.	There is hereby appropriated, to the Do	epartment of
27	Arkansas State Polic	e, to be payable from the Department of	f Arkansas State
28	Police Fund, for ope	rations, maintenance, equipment and va-	rious system
29	requirements and exp	enses of the Department of Arkansas St	ate Police -
30	Arkansas Wireless In	formation Network, which shall be supp	lemental and in
31	addition to those fu	nds appropriated in Section 12 of Act	265 of 2016, the
32	following:		
33			
34	ITEM		FISCAL YEAR
35	NO.		2016-2017
36	(O1) MATNT & CEN	ODEDATION	

1	(A) OPER. EXPENSE	\$500,000
2	(B) CONF. & TRAVEL	0
3	(C) PROF. FEES	0
4	(D) CAP. OUTLAY	0
5	(E) DATA PROC.	0
6	TOTAL AMOUNT APPROPRIATED	<u>\$500,000</u>

SECTION 2 SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND TRANSFER. Any funds remaining in the Department of Arkansas State Police Fund collected for salvage auction buyer's identification cards pursuant to Arkansas Code Annotated § 23-112-614, repealed by Act 265 of 2011, may be used to fund the operating expenses and other costs associated with the Arkansas Wireless Information Network (AWIN) or the purchase and equipping of vehicles.

The provisions of this section shall be in effect from July 1, 2016 through June 30, 2017.

SECTION 3. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

 Assembly, that funds provided by the General Assembly for the operations of the Department of Arkansas State Police are, due to unforeseen circumstances, insufficient for the Department of Arkansas State Police to continue to provide essential governmental services; that the provisions of this act will provide the necessary monies for the Department of Arkansas State Police to continue such services; and that a delay in the effective date of this Act could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after the date of its passage and approval.

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.

## Stricken language would be deleted from and underlined language would be added to present law. Act 265 of the Regular Session

1 2	State of Arkansas  88th General Assembly  As Engrossed: H2/28/11  A Bill
3	Regular Session, 2011 HOUSE BILL 1496
	Regular Session, 2011
4 5	By: Representatives Williams, Allen, Baird, T. Baker, Barnett, Carnine, Dale, J. Edwards, Fielding,
6	Gaskill, Hall, Hickerson, Hobbs, Hyde, Ingram, Johnston, Kerr, Lea, Lindsey, Murdock, Pierce, Rice, T.
7	Rogers, Sanders, Steel, T. Steele, Stubblefield, T. Thompson, Vines, Walker, Westerman, B. Wilkins, H.
8	Wilkins, Woods, Wright, Bell, Biviano, Carter, Eubanks, Leding, Word  Pru Senetara I. Diamona Bladesa I. Chasterfield Elliett Eiles S. Flavors M. Lemauroux B. Sample
9	By: Senators J. Dismang, Bledsoe, L. Chesterfield, Elliott, Files, S. Flowers, M. Lamoureux, B. Sample,
10	D. Wyatt
11	For An Act To Be Entitled
12	
13	AN ACT TO CONFORM THE SALVAGE AUCTION BUYER'S
14	IDENTIFICATION CARD LAW TO THE COMMERCE CLAUSE OF
15	ARTICLE 1, § 8 OF THE UNITED STATES CONSTITUTION; AND
16	FOR OTHER PURPOSES.
17	
18	C-1-441-
19	Subtitle
20	TO CONFORM THE SALVAGE AUCTION BUYER'S
21	IDENTIFICATION CARD LAW TO THE COMMERCE
22	CLAUSE OF ARTICLE 1, § 8 OF THE UNITED
23	STATES CONSTITUTION.
24	
25	
26	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27	
28	SECTION 1. Arkansas Code § 23-112-602(9), regarding definitions under
29	the used motor vehicle buyers protection law, is repealed.
30	(9) "Salvage auction" means an auto auction that provides for
31	the wholesale exchange or sale of wrecked, salvaged, damaged, or water-
32	damaged motor vehicles using an auction format;
33	
34	SECTION 2. Arkansas Code § 23-112-614 is amended to read as follows:
35	23-112-614. Salvage auction buyer's identification card Auto auction
36	fees for salvage-titled or parts-only titled vehicles.



As Engrossed: H2/28/11 HB1496

```
(a) On and after January 1, 2006, sales of motor vehicles at a salvage
1
    auction in the State of Arkansas shall be open only to persons who possess an
2
    Arkansas salvage auction buyer's identification card issued under this
 3
    section.
 4
 5
          (b)(1)(A) The salvage auction buyer's identification card authorizing
    persons to bid or buy motor vehicles at a salvage auction shall be available
 6
 7
    to any person, business, or corporation, or an employee thereof, that:
                             (i) Possesses a valid new motor vehicle dealer
 8
 9
    license under § 23-112-301, a used motor vehicle dealer license under § 23-
    112-607, a valid wrecker license under § 27-14-2001, or is a licensed motor
10
     vehicle dealer from another state under § 23-112-616; and
11
                             (ii) Registers with the Department of Arkansas State
12
13
     Police.
14
                       (B) Salvage auction buyer's identification cards shall be
     issued by the department on a form prescribed by the department and shall
15
16
     contain at a minimum:
                             (i) The name, address, driver's license number, any
17
18
     dealer's or wrecker's license numbers, physical description, and signature of
19
     the applicant; and
20
                             (ii) The name and address of the employer of the
21
     applicant.
                 (2) The department shall issue the salvage auction buyer's
22
     identification card at a fee not to exceed:
23
                       (A) Thirty-five dollars ($35.00) for the first card issued
24
25
     to the cardholder and fifty dollars ($50.00) for the second card issued to
     the cardholder if the cardholder is:
26
                             (i) An Arkansas resident dealer or wrecker; and
27
                             (ii) At least one (1) of the following:
28
                                   (a) A licensed new motor vehicle dealer;
29
                                   (b) A licensed used motor vehicle dealer; or
30
                                   (c) A wrecker licensed as required under § 27-
31
32
     14-2001; or
                       (B) Three hundred fifty dollars ($350) for the first card
33
     issued to the cardholder and two hundred fifty dollars ($250) for the second
34
     card issued to the cardholder if the cardholder is:
35
                             (i) An out-of-state resident; and
36
```

T	(11) Breensed by another State as a motor ventere
2	dealer or wrecker and meets the requirements of the department.
3	(3) A person or entity who is a cardholder under this section
4	shall be limited to no more than two (2) salvage auction buyer's
5	identification cards under this section.
6	(4) The salvage auction buyer's identification card shall be
7	renewable each year for a fee of the same amount.
8	(5) The fees collected under this subsection shall be remitted
9	as follows:
10	(A)(i) A five-dollar $($5.00)$ fee shall be charged to the
11	buyer of each item at a salvage an auto auction that is regulated under the
12	salvage auction buyer's identification card and sold on a certificate of
13	title that is labeled "salvage" or "parts-only".
14	(b) The fee shall be classified as is special revenues revenue and
15	shall be deposited into the State Treasury.
16	(ii)(c) The Treasurer of State shall transfer the special revenues
17	received under subdivision (b)(5)(A)(i) of this section on the last business
18	day of each month as follows:
19	$\frac{(a)}{(1)}$ Fifty percent (50%) for the Arkansas Department of
20	Environmental Quality to be used for inspection and oversight of auto
21	auctions for the purpose of enforcing to enforce all laws and regulations
22	rules administered by the Arkansas Department of Environmental Quality; and
23	(b)(2) Fifty percent (50%) for the Department of Arkansas State
24	Police to be used for inspection and oversight of auto auctions; and.
25	(B) The remaining amount to the State Treasury, there to
26	be deposited as special revenues to the credit of the Department of $\Lambda r kansas$
27	State Police Fund, to be used to offset the administrative costs for issuance
28	of the salvage auction buyer's identification card under this section.
29	(c)(1) The owner, manager, or person in charge of a salvage auction
30	shall:
31	(A) Prohibit the bidding by any person who does not
32	possess a salvage auction buyer's identification card;
33	(B) Refuse to sell a motor vehicle to any person if the
34	person does not possess a valid salvage auction buyer's identification card;
35	and and
36	(C) Prohibit any person who intends to purchase without a

1	salvage auction buyer's identification card from being present at the salvage
2	auction site during a sale, except as provided under subdivision (c)(2) of
3	this section.
4	(2) Each holder of a salvage auction buyer's identification card
5	may be accompanied at the salvage auction by anyone in accordance with that
6	salvage auction's guidelines.
7	(d)(1) A salvage auction buyer's identification card may be cancelled
8	if the person pleads guilty or nolo contendere to or has been found guilty
9	of:
10	(A) Unauthorized use of a vehicle;
1.1	(B) Theft of property or theft by receiving if a stolen
12	motor vehicle or stolen vehicle parts were involved; or
13	(C) Violating any provision of this subchapter.
4	(2) A salvage auction buyer's identification card issued to a
15	licensed motor vehicle dealer or salesperson or to a licensed wrecker may be
16	cancelled if:
L 7	(A) The person's license is cancelled; or
18	(B) The license is no longer valid.
L9	(e)(1) The owner, manager, or person in charge of a salvage auction
20	shall keep a register of all sales of motor vehicles for three (3) years from
21	the date of the sale.
22	(2) The sales transaction register shall include:
23	(A) A motor vehicle's:
24	(i) Make;
25	(ii) Model;
26	(iii) Year;
27	(iv)—Body style; and
28	(v) Vehicle identification number;
29	(B) The name and address of the seller and buyer of the
30	motor vehicle; and
31	(C) The salvage auction buyer's identification card
32	number.
33	(3) The register shall be made available for inspection by law
34	enforcement officers of the state, county, or municipality during regular
35	business hours on business days at the salvage auction's business location.

1	SECTION 3. Arkansas Code §§ 23-112-615 and 23-112-616 are repealed.
2	23-112-615. Prohibition.
3	(a) It is unlawful for the owner, manager, or person in charge of a
4	salvage auction to:
5	(1) Fail to prohibit the bidding by any person who does not
6	possess a salvage auction buyer's identification card;
7	(2) Fail to refuse to sell a motor vehicle to any person if the
8	person does not possess a valid salvage auction buyer's identification card;
9	<del>or</del>
10	(3) Fail to prohibit any person who intends to purchase without
11	a salvage auction buyer's identification card from being present at the
12	salvage auction site during a sale, except as provided under § 23-112-
13	614(c)(2).
14	(b) A violation of subsection (a) of this section is a Class B
15	misdemeanor.
16	
17	23-112-616. Dealers from other states.
18	Nothing in § 23-112-614 shall prohibit a motor vehicle dealer from
19	another state from buying a motor vehicle at a salvage auction in the State
20	of Arkansas 1f:
21	(1) The state in which the dealer is licensed extends the same
22	privilege to a dealer licensed in Arkansas; and
23	(2) The out-of-state motor vehicle dealer obtains a salvage
24	auction buyer's identification card as required in § 23-112-614.
25	
26	SECTION 4. Arkansas Code § 19-6-301(226), regarding special revenues
27	is amended to read as follows:
28	(226) Salvage auction buyer's identification card Auto auction
29	fees for salvage-titled or parts-only titled vehicles, § 23-112-614(b)(5);
30	
31	/s/Williams
32	
<b>3</b> 3	
34	APPROVED: 03/10/2011
35	
36	