

"AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES AND OPERATING EXPENSES OF THE STATE INSURANCE DEPARTMENT FOR THE BIENNIAL PERIOD ENDING JUNE 30, 1989; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. REGULAR SALARIES - STATE. There is hereby established for the State Insurance Department - State for the 1987-89 biennium, the following maximum number of regular employees whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act, or its successor, and all laws amendatory thereto. Provided, however, that any position to which a specific maximum annual salary is set out herein in dollars, shall be exempt from the provisions of said Uniform Classification and Compensation Act. All persons occupying positions authorized herein are hereby governed by the provisions of the Regular Salaries Procedures and Restrictions Act, or its successor.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Years	
				1987-88	1988-89
(1)	9911	STATE INSURANCE COMMISSIONER	1	\$52,834	\$52,834
(2)	9919	INSURANCE ASST DIRECTOR	1	\$46,968	\$46,968
(3)	9784	INSURANCE ASST CMSNR - COMPLIANCE	1	\$38,893	\$38,893
(4)	9925	INSURANCE ASST COMMISSIONER-FINANCE	1	\$37,202	\$37,202
(5)	041Z	INSURANCE CHIEF EXAMINER	1		GRADE 26
	986Z	INSURANCE RISK MANAGEMENT ADMR	1		
(6)	A022	CERTIFIED FINANCIAL EXAMINER	5		GRADE 25
	040Z	INSURANCE CHIEF COUNSEL	1		
(7)	036Z	INSURANCE FISCAL OFFICER	1		GRADE 24
(8)	A140	INSURANCE SENIOR EXAMINER	5		GRADE 23
	A197	SR RISK SPECIALIST	2		
	987Z	INSURANCE ASSOC COUNSEL	3		
	A204	FINANCIAL RESEARCH SPECIALIST	1		
(9)	A182	INSURANCE RISK SPEC	2		GRADE 22
	042Z	LIQUIDATION & REHAB OFF	1		
(10)	794Z	DATA PROCESSING OPERATIONS MANAGER	1		GRADE 21
(11)	A146	RATE & FORM ANALYST SUPERVISOR	2		GRADE 20
(12)	A048	INSURANCE EXAMINER	2		GRADE 19
(13)	A094	SECURITIES CUSTODIAN	1		GRADE 18
	D034	PROGRAMMER ANALYST	1		
(14)	A004	ACCOUNTANT II	2		GRADE 17
	A142	RATE & FORM ANALYST	10		
(15)	R010	ADMINISTRATIVE ASSISTANT II	2		GRADE 16
(16)	A002	ACCOUNTANT I	1		GRADE 15
	X361	INSURANCE INVESTIGATOR	6		
(17)	R009	ADMINISTRATIVE ASSISTANT I	1		GRADE 14
(18)	K041	EXECUTIVE SECY/ADMINISTRATIVE SECY	1		GRADE 13
	K133	MANAGEMENT SUPPORT TECHNICIAN	2		
(19)	K039	DOCUMENT EXAMINER II	5		GRADE 12
	K117	MEDICAL OR LEGAL SECRETARY	2		
(20)	K153	SECRETARY II	6		GRADE 11
(21)	K037	DOCUMENT EXAMINER I	8		GRADE 09

SECTION 2. EXTRA HELP - STATE. There is hereby authorized, for the State Insurance Department - State for the 1987-89 biennium, the following maximum number of part-time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: Three (3) 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, for the appropriate classification.

SECTION 3. APPROPRIATIONS - STATE. There is hereby appropriated, to the State Insurance Department - State, to be payable from the State General Services Fund Account, for personal services and operating expenses of the State Insurance Department - State for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) REGULAR SALARIES	\$ 1,629,323	\$ 1,761,273
(02) EXTRA HELP	2,500	2,500
(03) PERSONAL SERV MATCHING	353,160	451,515
(04) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSES	\$ 395,321	\$ 393,577
(B) CONF. & TRAVEL	12,536	12,536
(C) PROF. FEES	20,206	20,206
(D) CAPITAL OUTLAY	5,600	3,500
(E) DATA PROCESSING	1,183	1,183
TOTAL MAINT. & GEN. OPER.	434,846	431,002
(05) PROFESSIONAL SERVICES	43,187	43,187
TOTAL AMOUNT APPROPRIATED	\$ 2,463,016	\$ 2,689,477

SECTION 4. REGULAR SALARIES - PUBLIC EMPLOYEES CLAIMS SECTION. There is hereby established for the State Insurance Department - Public Employees Claims Section for the 1987-89 biennium, the following maximum number of regular employees whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act, or its successor, and all laws amendatory thereto. Provided, however, that any position to which a specific maximum annual salary is set out herein in dollars, shall be exempt from the provisions of said Uniform Classification and Compensation Act. All persons occupying positions authorized herein are hereby governed by the provisions of the Regular Salaries Procedures and Restrictions Act, or its successor.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate	
				Fiscal Years 1987-88	1988-89
(1)	767Z	WK CMP PUBLIC EMPLOYEES CLAIM ADMR	1	GRADE 26	
(2)	074Z	WK COMP PUB EMPL BEN DET ASST DIR	1	GRADE 24	
(3)	R316	WK CMP PUB EMP BENEFITS DET MGR	4	GRADE 23	
	987Z	INSURANCE ASSOC COUNSEL	3		
(4)	L193	MEDICAL REHAB REPRESENTATIVE	1	GRADE 20	
(5)	R400	WK CMP PUB EMPL BEN DETER ASST MGR	2	GRADE 19	
(6)	R010	ADMINISTRATIVE ASSISTANT II	1	GRADE 16	
(7)	A178	INSURANCE REP	1	GRADE 14	
(8)	K117	MEDICAL OR LEGAL SECRETARY	1	GRADE 12	
(9)	A013	BOOKKEEPER II/ACCOUNTING ASST II	2	GRADE 11	
	K011	CLERICAL SUPERVISOR	1		

	K153 SECRETARY II	5	
(10)	K037 DOCUMENT EXAMINER I	1	GRADE 09
	K155 SECRETARY I	2	
(11)	K023 CLERK TYPIST II	<u>2</u>	GRADE 07
	MAX NO. OF EMPLOYEES	28	

SECTION 5. APPROPRIATIONS - PUBLIC EMPLOYEES CLAIMS SECTION. There is hereby appropriated, to the State Insurance Department, to be payable from the State General Services Fund Account, for personal services and operating expenses of the State Insurance Department - Public Employees Claims Section for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) REGULAR SALARIES	\$ 503,178	\$ 503,178
(02) PERSONAL SERV MATCHING	120,045	120,045
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSES	\$ 133,361	\$ 133,361
(B) CONF. & TRAVEL	1,000	1,000
(C) PROF. FEES	0	0
(D) CAPITAL OUTLAY	1,235	1,235
(E) DATA PROCESSING	<u>0</u>	<u>0</u>
TOTAL MAINT. & GEN. OPER.	<u>135,596</u>	<u>135,596</u>
TOTAL AMOUNT APPROPRIATED	\$ 758,819	\$ 758,819

SECTION 6. APPROPRIATIONS - TAX REFUND - CASH. There is hereby appropriated, to the State Insurance Department, to be payable from the cash funds of the State Insurance Department, for payment of refunds to taxes by the State Insurance Department - Tax Refund for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) REFUND TO TAXES	\$ 50,000	\$ 50,000

SECTION 7. APPROPRIATIONS - TRAVEL AND SUBSISTENCE - CASH. There is hereby appropriated, to the State Insurance Department, to be payable from the cash funds of the State Insurance Department, for travel and subsistence expenses of the State Insurance Department - Travel and Subsistence for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) TRAVEL & SUBSISTENCE EXP	\$ 200,000	\$ 200,000

SECTION 8. APPROPRIATIONS - FIREMEN'S RELIEF AND PENSION. There is hereby appropriated, to the State Insurance Department, to be payable from the Firemen's Relief and Pension Fund, for payment of the Firemen's Relief and Pension Fund taxes by the State Insurance Department - Firemen's Relief and Pension Program for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) GRANTS	\$ 10,000,000	\$ 11,000,000

SECTION 9. APPROPRIATIONS - POLICE OFFICERS' PENSION AND RELIEF PROGRAM. There is hereby appropriated, to the State Insurance Department, to be payable

from the Police Officer's Pension and Relief Fund, for payment of the Police Officer's Pension and Relief Fund taxes by the State Insurance Department - Police Officer's Pension and Relief Program for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) GRANTS	\$ 8,000,000	\$ 8,000,000

SECTION 10. APPROPRIATIONS - PUBLIC SCHOOL EMPLOYEES CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of public school employees claims by the State Insurance Department - Public Employees Claims Section for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) CLAIMS	\$ 5,250,000	\$ 6,500,000

SECTION 11. APPROPRIATIONS - COUNTY EMPLOYEES CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of county employees claims by the State Insurance Department - Public Employees Claims Section for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) CLAIMS	\$ 4,250,000	\$ 4,250,000

SECTION 12. APPROPRIATIONS - CITY EMPLOYEES CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of city employees claims by the State Insurance Department - Public Employees Claims Section for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) CLAIMS	\$ 6,250,000	\$ 6,250,000

SECTION 13. APPROPRIATIONS - STATE EMPLOYEES CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Worker's Compensation Revolving Fund, for payment of state employees claims by the State Insurance Department - Public Employees Claims Section for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(01) CLAIMS	\$ 8,250,000	\$ 10,000,000

SECTION 14. APPROPRIATIONS - STATE, COUNTY, MUNICIPAL AND PUBLIC SCHOOL EMPLOYEES BOND ADVISORY COMMITTEES. There is hereby appropriated, to the State Insurance Department, to be payable from the State General Services Fund Account, for operating expenses of the State Insurance Department - State, County, Municipal and Public School Employees Bond Advisory Committees for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89

(01)	MAINT. & GEN. OPERATION			
	(A) OPER. EXPENSES	\$	500	\$ 500
	(B) CONF. & TRAVEL		0	0
	(C) PROF. FEES		0	0
	(D) CAPITAL OUTLAY		0	0
	(E) DATA PROCESSING		0	0
	TOTAL MAINT. & GEN. OPER.			500 500
	TOTAL AMOUNT APPROPRIATED			\$ 500 \$ 500

SECTION 15. The State Insurance Department is authorized to request special rates of pay to attract exceptionally well qualified applicants (as defined in Section 1 of Act 199 of 1969, as amended) to fill vacant positions in the classifications listed under subsection (b) below. Special rates of pay may also be requested for current and new employees in these classifications when necessary to meet job market conditions subject to the following restrictions:

(a) that applications for special rates of pay above step 4 shall have been reviewed and approved by the Office of Personnel Management after seeking the advice of the Arkansas Legislative Council.

(b) that special rates may be authorized up to the maximum authorized for the grade assigned the classification of a position for the following specific classifications only:

Class		
Code_	Title	Grade
A022	Certified Financial Examiner	25
A140	Insurance Senior Examiner	23
O41Z	Chief Examiner	26

SECTION 16. PUBLIC EMPLOYEES CLAIMS DIVISION REIMBURSEMENT. During the biennial period ending June 30, 1989, the Insurance Department shall certify quarterly to the Chief Fiscal Officer of the State the cost for administering the Public Employees Claims Division. Such certification shall be made the month following each quarter of the fiscal year. After such certification has been received and approved by the Chief Fiscal Officer, the Chief Fiscal Officer shall transfer funds from the Public School Fund, Municipal Aid Fund, County Aid Fund and the Workers' Compensation Fund to the State General Services Fund Account in order to provide reimbursement for personal services and operating expenses of the Public Employees Claims Division. The amount transferred from each fund shall be the actual cost associated with said fund, as certified to and approved by the Chief Fiscal Officer.

During the biennial period beginning July 1, 1989, and thereafter, the Insurance Department shall certify to the Chief Fiscal Officer of the State the cost of administering the Public Employees Claims Division. Such certification shall be made the month following each quarter of the fiscal year, and shall include a report of the expenditures of the Division for workers' compensation claims paid on behalf of the Cities, the Counties, and the Public Schools, each of the three reported as a class of employers, and each State Agency supported from Treasury Funds or Fund Accounts. After such certification has been received and approved by the Chief Fiscal Officer, the Chief Fiscal Officer shall transfer funds from the Public School Fund, the Municipal Aid Fund, the County Aid Fund and from the various treasury funds of state agencies to the State General Services Fund Account. Said transfers shall be made in the same proportion that payments were made in behalf of that entity for workers' compensation claims in the prior quarter as certified by the Insurance Department. The amount transferred shall be the proportional cost associated with said Fund as certified to and approved by the Chief

Fiscal Officer. Should a state agency be supported from more than one Treasury Fund, the fund transfers from that agency shall be in the same proportion that appropriations were made to that agency for regular salaries from the respective funds.

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 Purchasing 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.

SECTION 18. LEGISLATIVE INTENT. It is the intent of the General 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 19. CONTRACT RESTRICTIONS. The agency, board, commission, department or institution to whom funds are appropriated by this Act shall not enter into any contract for any professional or consultant services which shall extend for more than twenty (20) actual working days or the total compensation exceeds five thousand dollars (\$5,000) during any one fiscal year without first seeking the advice of the Arkansas Legislative Council. Provided further, that all contracts for professional or consultant services shall be submitted monthly to the Chief Fiscal Officer of the State for reporting to the Legislative Council.

SECTION 20. EMERGENCY CLAUSE. It is hereby found and determined by the Seventy-Sixth General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 1987 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 Regular Session, the delay in the effective date of this Act beyond July 1, 1987 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, 1987.

APPROVED: April 7, 1987
