

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

**Act 2036 of the Regular Session**

*As Engrossed: H3/10/05 H4/4/05 H4/8/05*

**A Bill**

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005

HOUSE BILL 1542

4  
5 By: Joint Budget Committee  
6  
7

**For An Act To Be Entitled**

8  
9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL  
10 SERVICES AND OPERATING EXPENSES FOR THE STATE  
11 INSURANCE DEPARTMENT FOR THE BIENNIAL PERIOD  
12 ENDING JUNE 30, 2007; AND FOR OTHER PURPOSES.  
13

**Subtitle**

14  
15 AN ACT FOR THE STATE INSURANCE  
16 DEPARTMENT APPROPRIATION FOR THE  
17 2005-2007 BIENNIUM.  
18  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
22

23 SECTION 1. REGULAR SALARIES. There is hereby established for the State  
24 Insurance Department for the 2005-2007 biennium, the following maximum number  
25 of regular employees whose salaries shall be governed by the provisions of  
26 the Uniform Classification and Compensation Act (Arkansas Code §§21-5-201 et  
27 seq.), or its successor, and all laws amendatory thereto. Provided, however,  
28 that any position to which a specific maximum annual salary is set out herein  
29 in dollars, shall be exempt from the provisions of said Uniform  
30 Classification and Compensation Act. All persons occupying positions  
31 authorized herein are hereby governed by the provisions of the Regular  
32 Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101), or its  
33 successor.  
34

35 Maximum Annual



1				Maximum	Salary Rate	
2	Item	Class		No. of	Fiscal Years	
3	No.	Code	Title	Employees	2005-2006	2006-2007
4	(1)	9918	CHIEF DEPUTY COMMISSIONER	1	\$140,687	\$143,707
5	(2)	9911	STATE INSURANCE COMMISSIONER	1	\$106,458	\$108,964
6	(3)	9479	INSURANCE DEP CMSNR INFORMATION SVCS	1	\$103,160	\$105,617
7	(4)	9070	INSURANCE DEP CMSNR FINANCIAL REGS	1	\$103,160	\$105,617
8	(5)	9919	INSURANCE DEPUTY CMSNR	2	\$103,160	\$105,617
9	(6)	9141	CHIEF CERTIFIED FINANCIAL EXAMINER	1	\$86,049	\$88,233
10	(7)	7270	ASST DEP CMSNR - FIN REGULATIONS	1	\$83,508	\$85,644
11	(8)	9142	CERTIFIED FINANCIAL EXAMINER	3	\$81,815	\$83,919
12	(9)	9354	DIRECTOR RISK MANAGEMENT	1	\$72,973	\$74,909
13	(10)	8911	DIRECTOR, FRAUD INVESTIGATION	1	\$72,663	\$74,593
14	(11)	9925	INSURANCE ASST DEPT CMNSR-FINANCE	1	\$69,774	\$71,649
15	(12)	A005	INSURANCE PROPERTY & CASUALTY ADMIN	1		GRADE 26
16	(13)	A146	INSURANCE LIFE & HEALTH ADMIN	1		GRADE 26
17	(14)	986Z	INSURANCE RISK MANAGEMENT ADMR	1		GRADE 26
18	(15)	767Z	WRKS COMP PUB EMP CLAIM ADMR	1		GRADE 26
19	(16)	801Z	ASST DIR FRAUD INVESTIGATION	1		GRADE 26
20	(17)	827Z	DP CENTER MANAGER	1		GRADE 26
21	(18)	R038	ATTORNEY SUPERVISOR	3		GRADE 26
22	(19)	R170	ATTORNEY SPECIALIST	9		GRADE 25
23	(20)	A022	CERTIFIED FINANCIAL EXAMINER	12		GRADE 25
24	(21)	074Z	WRKS COMP PUB EMP BEN DET ASST DIR	1		GRADE 24
25	(22)	R006	ASST RISK MANAGEMENT ADMR	1		GRADE 24
26	(23)	D064	SR SYSTEMS PROGRAMMER	2		GRADE 24
27	(24)	D080	APPLICATIONS & SYSTEMS MANAGER	1		GRADE 23
28	(25)	R316	WRKS COMP PUB EMP BEN DET MGR	6		GRADE 23
29	(26)	055Z	DP MANAGER	1		GRADE 23
30	(27)	911Z	IFID FISCAL OFFICER	1		GRADE 23
31	(28)	A007	INSURANCE CONSUMER SVCS ADMIN	1		GRADE 23
32	(29)	A197	SR RISK SPECIALIST	3		GRADE 23
33	(30)	A140	INSURANCE SENIOR EXAMINER	4		GRADE 23
34	(31)	A143	INSURANCE LICENSING ADMIN	1		GRADE 23
35	(32)	909Z	PROGRAM SUPPORT MANAGER	1		GRADE 22
36	(33)	D124	LEAD PROGRAMMER/ANALYST	3		GRADE 22

1	(34)	D123	APPLICATIONS & SYSTEMS ANALYST	1	GRADE 21
2	(35)	R001	INSURANCE PERSONNEL MANAGER	1	GRADE 21
3	(36)	R290	PUBLIC SCHOOL PROGRAM ADVISOR	2	GRADE 21
4	(37)	R298	AGENCY PROGRAM COORDINATOR	3	GRADE 21
5	(38)	A251	SR AUDITOR	1	GRADE 21
6	(39)	D036	SR PROGRAMMER/ANALYST	2	GRADE 21
7	(40)	A079	SR. CERTIFIED RATE AND FORM ANALYST	8	GRADE 21
8	(41)	A048	INSURANCE EXAMINER	2	GRADE 20
9	(42)	A010	CERTIFIED RATE & FORM ANALYST	2	GRADE 20
10	(43)	A011	MARKET CONDUCT EXAMINER	1	GRADE 20
11	(44)	A250	JR AUDITOR	1	GRADE 20
12	(45)	R266	MANAGEMENT PROJECT ANALYST II	9	GRADE 20
13	(46)	X365	CRIMINAL INSURANCE FRAUD INVESTIGAT	5	GRADE 20
14	(47)	X394	SCHOOL INSURANCE SPECIALIST	1	GRADE 20
15	(48)	M097	VOLUNTEER PROGRAM DEVELOPER II	1	GRADE 19
16	(49)	A110	ACCOUNTANT II	2	GRADE 19
17	(50)	A111	ACCOUNTANT	1	GRADE 18
18	(51)	A094	SECURITIES CUSTODIAN	1	GRADE 18
19	(52)	R195	PERSONNEL ANALYST	1	GRADE 18
20	(53)	X361	INSURANCE INVESTIGATOR	9	GRADE 18
21	(54)	X352	HLTH CARE ANALYST II	1	GRADE 17
22	(55)	R010	ADMINISTRATIVE ASSISTANT II	8	GRADE 17
23	(56)	R190	PERSONNEL OFFICER II	1	GRADE 17
24	(57)	A108	ACCOUNTING TECHNICIAN II	3	GRADE 15
25	(58)	R009	ADMINISTRATIVE ASSISTANT I	2	GRADE 15
26	(59)	K034	INSURANCE LICENSING SPECIALIST	12	GRADE 15
27	(60)	K041	EXECUTIVE SECY/ADMINISTRATIVE SECY	5	GRADE 14
28	(61)	K117	MEDICAL OR LEGAL SECRETARY	4	GRADE 14
29	(62)	K153	SECRETARY II	16	GRADE 13
30	(63)	K039	DOCUMENT EXAMINER II	4	GRADE 12
31	(64)	A106	ACCOUNTING TECHNICIAN I	1	GRADE 12
32	(65)	K155	SECRETARY I	<u>1</u>	GRADE 11
33			MAX. NO. OF EMPLOYEES	182	

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35 SECTION 2. EXTRA HELP. There is hereby authorized, for the State  
 36 Insurance Department for the 2005-2007 biennium, the following maximum number

1 of part-time or temporary employees, to be known as "Extra Help", payable  
 2 from funds appropriated herein for such purposes: nineteen (19) temporary or  
 3 part-time employees, when needed, at rates of pay not to exceed those  
 4 provided in the Uniform Classification and Compensation Act, or its  
 5 successor, or this act for the appropriate classification.

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 7 *SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated, to*  
 8 *the State Insurance Department, to be payable from the State Insurance*  
 9 *Department Trust Fund, for personal services and operating expenses of the*  
 10 *State Insurance Department - Operations for the biennial period ending June*  
 11 *30, 2007, the following:*

ITEM	FISCAL YEARS	
NO.	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 5,458,883	\$ 5,614,682
(02) EXTRA HELP	140,000	140,000
(03) PERSONAL SERVICES MATCHING	1,552,011	1,581,498
(04) OVERTIME	35,000	35,000
(05) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	2,195,605	2,195,605
(B) CONF. & TRAVEL	190,136	190,136
(C) PROF. FEES	110,871	110,871
(D) CAP. OUTLAY	100,000	100,000
(E) DATA PROC.	215,000	215,000
(06) SPECIAL MAINTENANCE	50,000	50,000
(07) PROFESSIONAL SERVICES	<u>286,000</u>	<u>286,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 10,333,506</u>	<u>\$ 10,518,792</u>

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 30 *SECTION 4. APPROPRIATION - FRAUD INVESTIGATION UNIT. There is hereby*  
 31 *appropriated, to the State Insurance Department, to be payable from the State*  
 32 *Insurance Department Trust Fund, for personal services and operating expenses*  
 33 *of the State Insurance Department - Fraud Investigation Unit for the biennial*  
 34 *period ending June 30, 2007, the following:*

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 146,518	\$ 150,912
(02) PERSONAL SERVICES MATCHING	43,931	44,787
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	90,406	90,406
(B) CONF. & TRAVEL	12,000	12,000
(C) PROF. FEES	11,000	11,000
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	<u>0</u>	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 303,855</u>	<u>\$ 309,105</u>

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13 SECTION 5. APPROPRIATION - INSURANCE FRAUD INVESTIGATION DIVISION. There  
 14 is hereby appropriated, to the State Insurance Department, to be payable from  
 15 the Insurance Fraud Investigation Division Trust Fund, for personal services  
 16 and operating expenses of the State Insurance Department - Insurance Fraud  
 17 Investigation Division for the biennial period ending June 30, 2007, the  
 18 following:

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ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 539,163	\$ 554,889
(02) PERSONAL SERVICES MATCHING	151,217	154,283
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	172,635	171,635
(B) CONF. & TRAVEL	35,000	35,000
(C) PROF. FEES	11,000	11,000
(D) CAP. OUTLAY	19,570	6,070
(E) DATA PROC.	<u>1,000</u>	<u>1,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 929,585</u>	<u>\$ 933,877</u>

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 34 SECTION 6. APPROPRIATION - PREPAID FUNERAL BENEFITS DIVISION. There is  
 35 hereby appropriated, to the State Insurance Department, to be payable from  
 36 the State Insurance Department Prepaid Trust Fund, for personal services and

operating expenses of the State Insurance Department - Prepaid Funeral Benefits Division for the biennial period ending June 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 163,256	\$ 168,104
(02) PERSONAL SERVICES MATCHING	47,195	48,140
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	69,390	69,390
(B) CONF. & TRAVEL	4,000	4,000
(C) PROF. FEES	27,000	27,000
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	<u>2,000</u>	<u>2,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 312,841</u>	<u>\$ 318,634</u>

SECTION 7. APPROPRIATION - PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM. There is hereby appropriated, to the State Insurance Department, to be payable from the Prepaid Funeral Contracts Recovery Program Fund, for expenses and claims of the Prepaid Funeral Contracts Recovery Program of the State Insurance Department for the biennial period ending June 30, 2007, the sum of .....\$1,000,000.

SECTION 8. APPROPRIATION - REFUNDS OF OVERPAYMENTS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for the payment of miscellaneous tax and fee refunds by the State Insurance Department for the biennial period ending June 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REFUNDS/REIMBURSEMENTS	<u>\$ 11,000,000</u>	<u>\$ 11,000,000</u>

SECTION 9. APPROPRIATION - CONTINUING EDUCATION PROGRAM. There is hereby

1 appropriated, to the State Insurance Department, to be payable from the  
 2 Insurance Continuing Education Trust Fund, for personal services of the State  
 3 Insurance Department - Continuing Education Program for the biennial period  
 4 ending June 30, 2007, the following:

5		FISCAL YEARS	
6			
7	ITEM	2005-2006	2006-2007
8	<u>NO.</u>		
9	(01) REGULAR SALARIES	\$ 21,437	\$ 22,079
10	(02) PERSONAL SERVICES MATCHING	<u>8,021</u>	<u>8,148</u>
11	TOTAL AMOUNT APPROPRIATED	<u>\$ 29,458</u>	<u>\$ 30,227</u>

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13 SECTION 10. APPROPRIATION - HEALTH INFORMATION COUNSELING. There is hereby  
 14 appropriated, to the State Insurance Department, to be payable from the  
 15 federal funds as designated by the Chief Fiscal Officer of the State, for  
 16 personal services and operating expenses of the State Insurance Department -  
 17 Health Information Counseling for the biennial period ending June 30, 2007,  
 18 the following:

19		FISCAL YEARS	
20			
21	ITEM	2005-2006	2006-2007
22	<u>NO.</u>		
23	(01) REGULAR SALARIES	\$ 118,401	\$ 122,035
24	(02) PERSONAL SERVICES MATCHING	42,289	42,997
25	(03) MAINT. & GEN. OPERATION		
26	(A) OPER. EXPENSE	150,372	150,372
27	(B) CONF. & TRAVEL	8,000	8,000
28	(C) PROF. FEES	3,000	3,000
29	(D) CAP. OUTLAY	8,000	8,000
30	(E) DATA PROC.	<u>1,600</u>	<u>1,600</u>
31	TOTAL AMOUNT APPROPRIATED	<u>\$ 331,662</u>	<u>\$ 336,004</u>

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33 SECTION 11. APPROPRIATION - CONSUMER INFORMATION SYSTEM - CASH. There is  
 34 hereby appropriated, to the State Insurance Department, to be payable from  
 35 the cash fund deposited in the State Treasury as determined by the Chief  
 36 Fiscal Officer of the State, for operating expenses of the State Insurance

1 Department - Consumer Information System for the biennial period ending June  
2 30, 2007, the following:

3		FISCAL YEARS	
4			
5	ITEM	2005-2006	2006-2007
6	<u>NO.</u>		
7	(01) MAINT. & GEN. OPERATION		
8	(A) OPER. EXPENSE	\$ 93,000	\$ 93,000
9	(B) CONF. & TRAVEL	5,000	5,000
10	(C) PROF. FEES	75,000	75,000
11	(D) CAP. OUTLAY	0	0
12	(E) DATA PROC.	<u>0</u>	<u>0</u>
13	TOTAL AMOUNT APPROPRIATED	<u>\$ 173,000</u>	<u>\$ 173,000</u>

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15 SECTION 12. APPROPRIATION - TRAVEL AND SUBSISTENCE - CASH. There is hereby  
16 appropriated, to the State Insurance Department, to be payable from the cash  
17 fund deposited in the State Treasury as determined by the Chief Fiscal  
18 Officer of the State, for travel and subsistence expenses of the State  
19 Insurance Department for the biennial period ending June 30, 2007, the  
20 following:

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23	ITEM	FISCAL YEARS	
24	<u>NO.</u>	2005-2006	2006-2007
25	(01) TRAVEL & SUBSISTENCE EXPENSES	<u>\$ 88,222</u>	<u>\$ 88,222</u>

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27 SECTION 13. APPROPRIATION - PUBLIC EMPLOYEE CLAIMS SECTION. There is  
28 hereby appropriated, to the State Insurance Department, to be payable from  
29 the Miscellaneous Agencies Fund Account, for personal services and operating  
30 expenses of the State Insurance Department - Public Employee Claims Section  
31 for the biennial period ending June 30, 2007, the following:

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34	ITEM	FISCAL YEARS	
35	<u>NO.</u>	2005-2006	2006-2007
36	(01) REGULAR SALARIES	\$ 835,909	\$ 860,860

1	(02) PERSONAL SERVICES MATCHING	255,163	260,028
2	(03) MAINT. & GEN. OPERATION		
3	(A) OPER. EXPENSE	333,909	240,209
4	(B) CONF. & TRAVEL	13,000	13,000
5	(C) PROF. FEES	1,000	1,000
6	(D) CAP. OUTLAY	10,000	10,000
7	(E) DATA PROC.	<u>4,000</u>	<u>4,000</u>
8	TOTAL AMOUNT APPROPRIATED	<u>\$ 1,452,981</u>	<u>\$ 1,389,097</u>

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10 SECTION 14. APPROPRIATION - STATE EMPLOYEE CLAIMS. There is hereby  
 11 appropriated, to the State Insurance Department, to be payable from the  
 12 Workers' Compensation Revolving Fund, for the payment of state employee  
 13 claims by the State Insurance Department - State Employee Claims for the  
 14 biennial period ending June 30, 2007, the following:

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17	ITEM	FISCAL YEARS	
18	<u>NO.</u>	<u>2005-2006</u>	<u>2006-2007</u>
19	(01) STATE EMPLOYEE CLAIMS	<u>\$ 10,150,000</u>	<u>\$ 10,150,000</u>

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21 SECTION 15. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE CLAIMS. There is hereby  
 22 appropriated, to the State Insurance Department, to be payable from the  
 23 Miscellaneous Revolving Fund, for the payment of public school employee  
 24 claims by the State Insurance Department - Public School Employee Claims for  
 25 the biennial period ending June 30, 2007, the following:

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28	ITEM	FISCAL YEARS	
29	<u>NO.</u>	<u>2005-2006</u>	<u>2006-2007</u>
30	(01) PUBLIC SCHOOL EMPLOYEE CLAIMS	<u>\$ 450,000</u>	<u>\$ 450,000</u>

31

32 SECTION 16. APPROPRIATION - COUNTY EMPLOYEE CLAIMS. There is hereby  
 33 appropriated, to the State Insurance Department, to be payable from the  
 34 Miscellaneous Revolving Fund, for the payment of county employee claims by  
 35 the State Insurance Department - County Employee Claims for the biennial  
 36 period ending June 30, 2007, the following:

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ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) COUNTY EMPLOYEE CLAIMS	<u>\$ 200,000</u>	<u>\$ 200,000</u>

SECTION 17. APPROPRIATION - CITY EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for the payment of city employee claims by the State Insurance Department - City Employee Claims for the biennial period ending June 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) CITY EMPLOYEE CLAIMS	<u>\$ 600,000</u>	<u>\$ 600,000</u>

SECTION 18. APPROPRIATION - GOVERNMENTAL BONDING BOARD. There is hereby appropriated, to the State Insurance Department, to be payable from the Fidelity Bond Trust Fund, for operating expenses of the State Insurance Department - Governmental Bonding Board for the biennial period ending June 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	\$ 5,000	\$ 5,000
(B) CONF. & TRAVEL	0	0
(C) PROF. FEES	0	0
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	0	0
(02) REFUNDS/REIMBURSEMENTS	150,000	150,000
(03) CLAIMS	1,000,000	1,000,000
(04) INVESTMENTS	760,637	760,637
(05) PROFESSIONAL SERVICES	50,000	50,000

1	(06) REINSURANCE	<u>139,218</u>	<u>139,218</u>
2	TOTAL AMOUNT APPROPRIATED	<u>\$ 2,104,855</u>	<u>\$ 2,104,855</u>

3

4 SECTION 19. APPROPRIATION - ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND

5 OPERATIONS. There is hereby appropriated, to the State Insurance Department,

6 to be payable from the Arkansas Multi-Agency Insurance Trust Fund, for

7 expenses and payment of claims by the State Insurance Department - Arkansas

8 Multi-Agency Insurance Trust Fund (AMAIT) Operations for the biennial period

9 ending June 30, 2007, the following:

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12	ITEM	FISCAL YEARS	
13	NO.	<u>2005-2006</u>	<u>2006-2007</u>
14	(01) FOR EXPENSES & CLAIMS FROM AMAIT		
15	FUND	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>

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17 SECTION 20. APPROPRIATION - SCHOOL MOTOR VEHICLE OPERATIONS. There is

18 hereby appropriated, to the State Insurance Department, to be payable from

19 the School Vehicle Insurance Reserve Trust Fund, for expenses and payment of

20 claims by the State Insurance Department - School Motor Vehicle Operations

21 for the biennial period ending June 30, 2007, the following:

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24	ITEM	FISCAL YEARS	
25	NO.	<u>2005-2006</u>	<u>2006-2007</u>
26	(01) EXPENSES & CLAIMS	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>

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28 SECTION 21. APPROPRIATION - PUBLIC ELEMENTARY AND SECONDARY SCHOOL

29 INSURANCE OPERATIONS. There is hereby appropriated, to the State Insurance

30 Department, to be payable from the Public Elementary and Secondary School

31 Insurance Fund, for expenses and payment of claims by the State Insurance

32 Department - Public Elementary and Secondary School Insurance Operations

33 for the biennial period ending June 30, 2007, the following:

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36	ITEM	FISCAL YEARS	
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<u>NO.</u>	<u>2005-2006</u>	<u>2006-2007</u>
(01) EXPENSES & CLAIMS	<u>\$ 9,000,000</u>	<u>\$ 9,000,000</u>

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SECTION 22. APPROPRIATION - ARKANSAS COMPREHENSIVE HEALTH INSURANCE POOL. There is hereby appropriated, to the State Insurance Department, to be payable from the State Insurance Department Trust Fund, for payments to the Arkansas Comprehensive Health Insurance Pool as set out in Arkansas Code § 23-79-507(e), for each fiscal year of the biennial period ending June 30, 2007, a sum not to exceed.....\$2,000,000.

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SECTION 23. APPROPRIATION - FIRE DEPARTMENTS. There is hereby appropriated, to the State Insurance Department, to be payable from the State Insurance Department Trust Fund, for making payments to the Arkansas Rural Risk Underwriting Association for distribution on an equal basis to all participating fire departments as may be provided by law, and only from those monies not required to fund the appropriation in Section 22 of this Act, for each fiscal year of the biennial period ending June 30, 2007, a sum not to exceed.....\$2,000,000.

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SECTION 24. Arkansas Code § 23-79-507(e), concerning the funding of the Arkansas Comprehensive Health Insurance Pool, is amended to read as follows:

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(e) Payment from the State Insurance Department Trust Fund.  
 (1)(A) Following the close of each fiscal year, the board ~~and the plan administrator~~ shall determine whether the pool has incurred a deficit as calculated under subdivision (b)(2) of this section.  
 (B) If a deficit under subdivision (b)(2) of this section has been incurred, the State Insurance Department shall, during the next fiscal year, transfer from the State Insurance Department Trust Fund in equal quarterly installments during the next fiscal year for deposit into the pool, from the State Insurance Department Trust Fund, in equal quarterly installments, a sum equal to the deficit from those funds in the State Insurance Department Trust Fund that are in excess of the amount needed to meet the requirements of the approved annual budget for the applicable fiscal year but not to exceed ~~eight~~ two million dollars ~~(\$8,000,000)~~ (\$2,000,000).  
 (2) For any fiscal year in which the board ~~and the plan administrator~~

1 *determines* that the pool did not incur a deficit as calculated under  
 2 subdivision (b)(2) of this section, the State Insurance Department ~~department~~  
 3 shall not, during the following fiscal year, transfer any funds to the pool  
 4 from the State Insurance Department Trust Fund under subdivision (e)(1)(B) of  
 5 this section ~~during the following fiscal year.~~

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7 SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE  
 8 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL RATES  
 9 OF PAY. Due to the highly competitive job market conditions for the  
 10 insurance examination professionals and the necessity of recruiting and  
 11 retaining qualified personnel, the Arkansas Insurance Department is  
 12 authorized special rates of pay for current and new employees in the  
 13 classifications listed under subsection (a) below.

14 (a)

15 CLASS

16	CODE	TITLE	GRADE
17	A140	Insurance Senior Examiner	23
18	<u>A075</u>	<u>Financial Analyst II</u>	<u>21</u>
19	A038	Financial Analyst	20
20	A048	Insurance Examiner	20

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22 (b) The Insurance Department will submit a salary structure plan that  
 23 addresses the recruiting and retention needs of the department for approval  
 24 by the Chief Fiscal Officer and review by the Arkansas Legislative Council.  
 25 Salary adjustments implemented under this provision shall be reported monthly  
 26 to the Arkansas Legislative Council.

27 (c) This special provision shall be in full force and effect for the  
 28 biennium beginning July 1, ~~2003~~ 2005 and ending June 30, ~~2005~~ 2007.

29

30 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE  
 31 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER  
 32 PROVISION. In the event the State Insurance Department is unable to maintain a  
 33 full roster of examination personnel during the 2005-2007 Biennium, and upon  
 34 approval of the Chief Fiscal Officer of the State, the resulting unused  
 35 appropriations in Regular Salaries, Extra Help, and Personal Services Matching  
 36 may be transferred to the Professional Services special line item for the

1 purpose of contracting with qualified individuals or firms for examination  
2 assistance.

3 The provisions of this section shall be in effect only from July 1, 2005  
4 through June 30, 2007.

5  
6 SECTION 27. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized  
7 by this act shall be limited to the appropriation for such agency and funds  
8 made available by law for the support of such appropriations; and the  
9 restrictions of the State Procurement Law, the General Accounting and  
10 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
11 Procedures and Restrictions Act, or their successors, and other fiscal  
12 control laws of this State, where applicable, and regulations promulgated by  
13 the Department of Finance and Administration, as authorized by law, shall be  
14 strictly complied with in disbursement of said funds.

15  
16 SECTION 28. LEGISLATIVE INTENT. It is the intent of the General Assembly  
17 that any funds disbursed under the authority of the appropriations contained  
18 in this act shall be in compliance with the stated reasons for which this act  
19 was adopted, as evidenced by the Agency Requests, Executive Recommendations  
20 and Legislative Recommendations contained in the budget manuals prepared by  
21 the Department of Finance and Administration, letters, or summarized oral  
22 testimony in the official minutes of the Arkansas Legislative Council or  
23 Joint Budget Committee which relate to its passage and adoption.

24  
25 SECTION 29. EMERGENCY CLAUSE. It is found and determined by the General  
26 Assembly, that the Constitution of the State of Arkansas prohibits the  
27 appropriation of funds for more than a two (2) year period; that the  
28 effectiveness of this Act on July 1, 2005 is essential to the operation of  
29 the agency for which the appropriations in this Act are provided, and that in  
30 the event of an extension of the Regular Session, the delay in the effective  
31 date of this Act beyond July 1, 2005 could work irreparable harm upon the  
32 proper administration and provision of essential governmental programs.  
33 Therefore, an emergency is hereby declared to exist and this Act being  
34 necessary for the immediate preservation of the public peace, health and  
35 safety shall be in full force and effect from and after July 1, 2005.

36

1

*/s/ Joint Budget Committee APPROVED: 04/13/2005e*