

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 853 of the Regular Session**

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005  
4

*As Engrossed: H3/8/05*  
**A Bill**

HOUSE BILL 1379

5 By: Joint Budget Committee  
6  
7

**For An Act To Be Entitled**

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL  
10 SERVICES AND OPERATING EXPENSES FOR THE  
11 DEPARTMENT OF FINANCE AND ADMINISTRATION -  
12 REVENUE SERVICES DIVISION FOR THE BIENNIAL PERIOD  
13 ENDING JUNE 30, 2007; AND FOR OTHER PURPOSES.  
14

**Subtitle**

15  
16 AN ACT FOR THE DEPARTMENT OF FINANCE  
17 AND ADMINISTRATION - REVENUE SERVICES  
18 DIVISION APPROPRIATION FOR THE 2005-2007  
19 BIENNIUM.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. REGULAR SALARIES - REVENUE SERVICES DIVISION. There is hereby  
26 established for the Department of Finance and Administration - Revenue  
27 Services Division for the 2005-2007 biennium, the following maximum number of  
28 regular employees whose salaries shall be governed by the provisions of the  
29 Uniform Classification and Compensation Act (Arkansas Code §§21-5-201 et  
30 seq.), or its successor, and all laws amendatory thereto. Provided, however,  
31 that any position to which a specific maximum annual salary is set out herein  
32 in dollars, shall be exempt from the provisions of said Uniform  
33 Classification and Compensation Act. All persons occupying positions  
34 authorized herein are hereby governed by the provisions of the Regular  
35 Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101), or its



1 successor.

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				Maximum Annual		
				Maximum	Salary Rate	
				No. of	Fiscal Years	
Item	Class			Employees	2005-2006	2006-2007
No.	Code	Title				
(1)	7160	REV ASST CMSR - POLICY & LEGAL		1	\$96,431	\$98,787
(2)	7159	REV ASST CMSR - OPER & ADMIN		1	\$96,431	\$98,787
(3)	9942	DFA REVENUE CHIEF COUNSEL		1	\$90,081	\$92,342
(4)	9610	DFA STATE REVENUE OFC ADMR		1	\$90,081	\$92,342
(5)	9609	DFA TAX ADMINISTRATOR		2	\$90,081	\$92,342
(6)	9607	DFA MOTOR VEHICLE ADMR		1	\$90,081	\$92,342
(7)	9606	DFA TAX AUDIT ADMR		1	\$90,081	\$92,342
(8)	9605	DFA DRIVER LICENSE ADMR		1	\$90,081	\$92,342
(9)	R012	ADMINISTRATIVE LAW JUDGE		3	GRADE	26
(10)	R038	ATTORNEY SUPERVISOR		2	GRADE	26
(11)	R170	ATTORNEY SPECIALIST		9	GRADE	25
(12)	512Z	DFA REVENUE PROBLEM RESOLUTION OFR		2	GRADE	25
(13)	073Z	DFA REVENUE TAX DIVISION MANAGER		14	GRADE	25
(14)	921Z	DFA DIVISION MANAGER III		3	GRADE	24
(15)	138Z	DFA DIVISION MANAGER II		8	GRADE	23
(16)	167Z	DFA DIVISION MANAGER I		13	GRADE	21
(17)	A104	TAX AUDITOR SUPERVISOR		21	GRADE	21
(18)	D036	SR PROGRAMMER/ANALYST		1	GRADE	21
(19)	A036	FIELD AUDITOR SUPERVISOR		1	GRADE	20
(20)	A037	DFA REVENUE DISTRICT MANAGER		6	GRADE	20
(21)	A069	DFA TAX ADMIN SECTION SUPERVISOR		4	GRADE	20
(22)	A102	TAX AUDITOR II		167	GRADE	20
(23)	A110	ACCOUNTANT II		6	GRADE	19
(24)	G026	BLDG AND GROUNDS COORDINATOR		1	GRADE	19
(25)	R204	PARALEGAL/LEGAL ASSISTANT		1	GRADE	19
(26)	R424	FAIR HEARING REFEREE		25	GRADE	19
(27)	N199	TAXPAYER INFORMATION OFFICER		1	GRADE	19
(28)	V040	PURCHASE AGENT II/PURCHASE AGENT		1	GRADE	18
(29)	A111	ACCOUNTANT		9	GRADE	18
(30)	A176	DFA REVENUE ASST DIST MANAGER		5	GRADE	18

1	(31)	A192	INCOME TAX AUDITOR	1	GRADE 18
2	(32)	A194	TAX EXAMINER SUPV	10	GRADE 18
3	(33)	A071	REVENUE AGENT IV	12	GRADE 18
4	(34)	A043	DFA CASHIER SPECIALIST	3	GRADE 18
5	(35)	A029	DFA REVENUE SECTION SUPERVISOR	12	GRADE 18
6	(36)	A034	FIELD AUDITOR	4	GRADE 17
7	(37)	A172	REVENUE AGENT III	41	GRADE 17
8	(38)	R010	ADMINISTRATIVE ASSISTANT II	11	GRADE 17
9	(39)	V030	INVENTORY CONTROL MANAGER	1	GRADE 17
10	(40)	X349	TAX INVESTIGATOR	34	GRADE 17
11	(41)	G161	GENERAL MAINTENANCE REPAIRMAN	7	GRADE 17
12	(42)	K048	LEGAL SECRETARY II	9	GRADE 16
13	(43)	R156	REVENUE DEPT SUPERVISOR	31	GRADE 16
14	(44)	A134	TAXPAYER SERVICES REP	175	GRADE 16
15	(45)	A108	ACCOUNTING TECHNICIAN II	13	GRADE 15
16	(46)	A109	TAX EXAMINER II	4	GRADE 15
17	(47)	A028	REVENUE AGENT II	31	GRADE 15
18	(48)	R009	ADMINISTRATIVE ASSISTANT I	1	GRADE 15
19	(49)	V051	STOREROOM SUPV/STORE SUPV	1	GRADE 15
20	(50)	K011	ADMINISTRATIVE OFFICE SUPERVISOR	14	GRADE 15
21	(51)	K016	TRANSPORTATION SERVICES REP	183	GRADE 14
22	(52)	K041	EXECUTIVE SECY/ADMINISTRATIVE SECY	6	GRADE 14
23	(53)	K079	MICRO-PHOTOGRAPHER SUPERVISOR	1	GRADE 14
24	(54)	K117	MEDICAL OR LEGAL SECRETARY	1	GRADE 14
25	(55)	A027	REVENUE AGENT I	56	GRADE 14
26	(56)	K153	SECRETARY II	36	GRADE 13
27	(57)	K002	CASHIER III	61	GRADE 13
28	(58)	K145	CASHIER/CASHIER II	230	GRADE 12
29	(59)	K039	DOCUMENT EXAMINER II	86	GRADE 12
30	(60)	A106	ACCOUNTING TECHNICIAN I	3	GRADE 12
31	(61)	A184	ASST REVENUE AGENT	37	GRADE 12
32	(62)	K155	SECRETARY I	8	GRADE 11
33	(63)	V043	SHIPPING & RECEIVING CLERK	1	GRADE 11
34	(64)	W023	RECORDS CENTER OPERATOR II	4	GRADE 10
35	(65)	V029	INVENTORY CONTROL CLERK	1	GRADE 10
36	(66)	K006	DATA ENTRY SPECIALIST	2	GRADE 10

1	(67)	K037	DOCUMENT EXAMINER I	8	GRADE 10
2	(68)	K065	MAIL OFFICER	4	GRADE 09
3	(69)	K182	MAIL PROCESSOR	1	GRADE 08
4	(70)	G169	CUSTODIAL SUPV I	1	GRADE 06
5	(71)	G035	CUSTODIAL WRKR II	<u>11</u>	GRADE 04
6			MAX. NO. OF EMPLOYEES	1,468	

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8 SECTION 2. EXTRA HELP - REVENUE SERVICES DIVISION. There is hereby  
 9 authorized, for the Department of Finance and Administration - Revenue  
 10 Services Division for the 2005-2007 biennium, the following maximum number of  
 11 part-time or temporary employees, to be known as "Extra Help", payable from  
 12 funds appropriated herein for such purposes: two hundred twenty one (221)  
 13 temporary or part-time employees, when needed, at rates of pay not to exceed  
 14 those provided in the Uniform Classification and Compensation Act, or its  
 15 successor, or this act for the appropriate classification.

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17 SECTION 3. APPROPRIATION - REVENUE SERVICES DIVISION - OPERATIONS. There  
 18 is hereby appropriated, to the Department of Finance and Administration -  
 19 Revenue Services Division, to be payable from the State Central Services  
 20 Fund, for personal services and operating expenses of the Department of  
 21 Finance and Administration - Revenue Services Division - Operations for the  
 22 biennial period ending June 30, 2007, the following:

24	ITEM	FISCAL YEARS	
25	<u>NO.</u>	<u>2005-2006</u>	<u>2006-2007</u>
26	(01) REGULAR SALARIES	\$ 40,269,852	\$ 42,056,956
27	(02) EXTRA HELP	666,866	664,466
28	(03) PERSONAL SERVICES MATCHING	13,263,263	13,688,725
29	(04) OVERTIME	125,000	125,000
30	(05) MAINT. & GEN. OPERATION		
31	(A) OPER. EXPENSE	20,308,720	20,556,555
32	(B) CONF. & TRAVEL	115,450	115,450
33	(C) PROF. FEES	2,178,207	2,193,207
34	(D) CAP. OUTLAY	757,630	420,700
35	(E) DATA PROC.	680,000	180,000
36	(06) REFUND/REIMBURSEMENTS	<u>250,000</u>	<u>250,000</u>

1 TOTAL AMOUNT APPROPRIATED \$ 78,614,988 \$ 80,251,059

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3 SECTION 4. APPROPRIATION - COMMERCIAL DRIVERS LICENSE PROGRAM. There is  
 4 hereby appropriated, to the Department of Finance and Administration -  
 5 Revenue Services Division, to be payable from the Commercial Driver License  
 6 Fund, for personal services and operating expenses of the Department of  
 7 Finance and Administration - Revenue Services Division - Commercial Driver's  
 8 License Program for the biennial period ending June 30, 2007, the following:

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11 ITEM	FISCAL YEARS	
12 NO.	2005-2006	2006-2007
13 (01) REGULAR SALARIES	\$ 271,246	\$ 279,460
14 (02) PERSONAL SERVICES MATCHING	90,235	91,805
15 (03) MAINT. & GEN. OPERATION		
16 (A) OPER. EXPENSE	304,736	304,736
17 (B) CONF. & TRAVEL	0	0
18 (C) PROF. FEES	0	0
19 (D) CAP. OUTLAY	0	0
20 (E) DATA PROC.	<u>949,116</u>	<u>949,116</u>
21 TOTAL AMOUNT APPROPRIATED	<u>\$ 1,615,333</u>	<u>\$ 1,625,117</u>

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23 SECTION 5. APPROPRIATION - INDIVIDUAL INCOME TAX AND AD VALOREM PROPERTY  
 24 TAX REBATES. There is hereby appropriated, to the Department of Finance and  
 25 Administration - Revenue Services Division, to be payable from the Individual  
 26 Income Tax Withholding Fund, for the purpose of making individual income tax  
 27 refunds of taxes withheld under the provisions of Arkansas Code beginning at  
 28 26-51-901 and property tax rebates under Amendment 79 of the Arkansas  
 29 Constitution by the Department of Finance and Administration - Revenue  
 30 Services Division for the biennial period ending June 30, 2007, the  
 31 following:

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34 ITEM	FISCAL YEARS	
35 NO.	2005-2006	2006-2007
36 (01) INDIVIDUAL INCOME TAX & AD VALOREM		

PROPERTY TAX REBATES - REFUND/REIMB \$ 580,000,000 \$ 580,000,000

SECTION 6. APPROPRIATION - CORPORATE INCOME TAX. There is hereby appropriated, to the Department of Finance and Administration - Revenue Services Division, to be payable from the Corporate Income Tax Withholding Fund, for the purpose of making corporate tax refunds of taxes withheld under the provisions of Arkansas Code 26-51-901 by the Department of Finance and Administration - Revenue Services Division for the biennial period ending June 30, 2007, the following:

Table with 3 columns: ITEM NO., FISCAL YEARS 2005-2006, 2006-2007. Row 1: (01) CORPORATE INCOME TAX - REFUND/REIMBURSEMENTS \$ 65,000,000 \$ 65,000,000

SECTION 7. APPROPRIATION - GASOLINE TAX REFUNDS. There is hereby appropriated, to the Department of Finance and Administration - Revenue Services Division, to be payable from the Gasoline Tax Refund Fund, for paying the valid gasoline tax refund claims of agricultural users and bus drivers in the manner and to the extent provided by law by the Department of Finance and Administration - Revenue Services Division for the biennial period ending June 30, 2007, the following:

Table with 3 columns: ITEM NO., FISCAL YEARS 2005-2006, 2006-2007. Row 1: (01) GASOLINE TAX REFUND CLAIMS \$ 1,500,000 \$ 1,500,000

SECTION 8. APPROPRIATION - INTERSTATE MOTOR FUEL TAX REFUNDS. There is hereby appropriated, to the Department of Finance and Administration - Revenue Services Division, to be payable from the Interstate Motor Fuel Tax Refund Fund, for paying refunds to interstate users of motor fuels and special motor fuels as authorized by law by the Department of Finance and Administration - Revenue Services Division for the biennial period ending June 30, 2007, the following:

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ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) INTERSTATE MOTOR FUEL TAX - REFUND/REIMBURSEMENTS	<u>\$ 12,000,000</u>	<u>\$ 12,000,000</u>

SECTION 9. APPROPRIATION - MISCELLANEOUS TAX REFUNDS. There is hereby appropriated, to the Department of Finance and Administration - Revenue Services Division, to be payable from the Miscellaneous Revolving Fund, for making refunds of taxes erroneously paid and for refunds of the gross receipts taxes paid upon tickets to athletic events pursuant to Arkansas Code 26-52-511 and for other purposes as authorized by law by the Department of Finance and Administration - Revenue Services Division for the biennial period ending June 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) MISCELLANEOUS TAX - REFUND/REIMBURSEMENTS	<u>\$ 40,000,000</u>	<u>\$ 40,000,000</u>

SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. APPROPRIATION TRANSFERS. The Director of the Department of Finance and Administration is authorized to transfer appropriation between refund line item appropriations in this Act. The Director of the Department of Finance and Administration shall immediately report any such transfers to the Arkansas Legislative Council. Such report shall contain the amounts transferred and the reasons for the same. The provisions of this section shall be in effect only from July 1, ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EXTRA HELP EXEMPTION. Extra Help positions authorized herein are specifically exempt from limitation of hours, either by act or regulation. Provided,

1 however, when a temporary or part-time employee is employed by the Department  
2 of Finance and Administration - Revenue Services for a period of time  
3 exceeding seven (7) months, a report of such shall be filed with the Arkansas  
4 Legislative Council.

5 The provisions of this section shall be in effect only from July 1, ~~2003~~  
6 2005 through June 30, ~~2005~~ 2007.

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

15 (a) Special rates may be authorized up to the maximum authorized for the  
16 grade assigned the classification of a position for the following specific  
17 classifications only:

18 CLASS

19 CODE	TITLE	GRADE
20 A104	Tax Auditor Supervisor	21
21 A102	Tax Auditor II	20
22 A100	Tax Auditor I	18
23 A105	Tax Auditor Trainee	17

24 (b) A plan for providing special rates of pay indicated in subsection (a)  
25 shall be reviewed by and approved by the Office of Personnel Management and  
26 receive advice of the Legislative Council each year.

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

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30 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
31 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND  
32 BALANCES. COMMERCIAL DRIVER LICENSE FUND (A) For all appropriations as  
33 provided in this Act, the agency disbursing officer shall monitor the level  
34 of fund balances in relation to expenditures on a monthly basis. If any  
35 proposed expenditures would cause the Commercial Driver License Fund to  
36 decline below one million, one hundred twenty-nine thousand, six hundred

1 dollars (\$1,129,600), the disbursing officer shall immediately notify the  
2 executive head of the agency. Prior to any obligations being made under  
3 these circumstances, the agency head shall file written documentation with  
4 the Chief Fiscal Officer of the State requesting approval of the  
5 expenditures. Such documentation shall provide sufficient financial data to  
6 justify the expenditures and shall include the following:

- 7 1) a plan that clearly indicates the specific fiscal impact of such
- 8 expenditures on the fund balance.
- 9 2) information clearly indicating and explaining what programs would be cut
- 10 or any other measures to be taken by the agency to restore the fund balance.
- 11 3) the extent to which any of the planned expenditures are for one-time costs
- 12 or one-time purchase of capitalized items.
- 13 4) a statement certifying that the expenditure of fund balances will not
- 14 jeopardize the financial health of the agency, nor result in a permanent
- 15 depletion of the fund balance.

16 (B) The Chief Fiscal Officer of the State shall review the request and  
17 approve or disapprove all or any part of the request, after having sought  
18 prior review by the Legislative Council.  
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20 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE  
21 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CONTINGENT  
22 POSITIONS. There is hereby established for the Department of Finance and  
23 Administration - Revenue Division - Contingent Positions for the ~~2003-2005~~  
24 2005-2007 biennium, the following maximum number of regular employees whose  
25 salaries shall be governed by the provisions of the Uniform Classification and  
26 Compensation Act (Arkansas Code 21-5-201 et seq.), or its successor, and all  
27 laws amendatory thereto. All persons occupying positions authorized herein are  
28 hereby governed by the provisions of the Regular Salaries Procedures and  
29 Restrictions Act (Arkansas Code 21-5-101), or its successor.

30 CONTINGENT POSITIONS - DATA ENTRY

			MAXIMUM ANNUAL	
			MAXIMUM	SALARY RATE
ITEM	CLASS		NO. OF	FISCAL YEARS
NO.	CODE	TITLE	EMPLOYEES	<del>2003-04</del> <del>2004-05</del>
				<u>2005-06</u> <u>2006-07</u>
36	(1)	R156 REVENUE DEPT SUPERVISOR	2	GRADE 16

1	(2)	K039	DOCUMENT EXAMINER II	8	GRADE 12
2	(3)	K006	DATA ENTRY SPECIALIST	40	GRADE 10
3			MAX CONTINGENT EMPLOYEES	50	

4 If it has been determined by the Director of the Department of Finance and  
 5 Administration that the Department cannot continue a contract with a private  
 6 provider and the Director deems it necessary to utilize Department staff to  
 7 provide the required services, the Department is allowed, after seeking prior  
 8 review by the Arkansas Legislative Council or Joint Budget Committee, to  
 9 utilize the contingent positions for data entry contained in this Section and  
 10 make the appropriate transfers from the various *Maintenance and Operations*,  
 11 *Professional Fees and Services* or *Data Processing* line items contained in  
 12 *Section 3 of this Act* to Regular Salaries and Personal Services Matching.

13  
 14 SECTION 15. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized  
 15 by this act shall be limited to the appropriation for such agency and funds  
 16 made available by law for the support of such appropriations; and the  
 17 restrictions of the State Procurement Law, the General Accounting and  
 18 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
 19 Procedures and Restrictions Act, or their successors, and other fiscal  
 20 control laws of this State, where applicable, and regulations promulgated by  
 21 the Department of Finance and Administration, as authorized by law, shall be  
 22 strictly complied with in disbursement of said funds.

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

32  
 33 SECTION 17. EMERGENCY CLAUSE. It is found and determined by the General  
 34 Assembly, that the Constitution of the State of Arkansas prohibits the  
 35 appropriation of funds for more than a two (2) year period; that the  
 36 effectiveness of this Act on July 1, 2005 is essential to the operation of

1 the agency for which the appropriations in this Act are provided, and that in  
2 the event of an extension of the Regular Session, the delay in the effective  
3 date of this Act beyond July 1, 2005 could work irreparable harm upon the  
4 proper administration and provision of essential governmental programs.  
5 Therefore, an emergency is hereby declared to exist and this Act being  
6 necessary for the immediate preservation of the public peace, health and  
7 safety shall be in full force and effect from and after July 1, 2005.

8  
9 */s/ Joint Budget Committee*

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12 *APPROVED: 3/15/2005*  
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