

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 332 of the Regular Session

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007  
4

*As Engrossed: H2/16/07*

**A Bill**

HOUSE BILL 1326

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 STATE  
11 INSURANCE DEPARTMENT FOR THE BIENNIAL PERIOD  
12 ENDING JUNE 30, 2009; AND FOR OTHER PURPOSES.  
13  
14

**Subtitle**

15 AN ACT FOR THE STATE INSURANCE  
16 DEPARTMENT APPROPRIATION FOR THE  
17 2007-2009 BIENNIUM.  
18  
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20

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 2007-2009 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.  
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Maximum Annual



1				Maximum	Salary Rate	
2	Item	Class		No. of	Fiscal Years	
3	No.	Code	Title	Employees	2007-2008	2008-2009
4	(1)	9918	CHIEF DEPUTY COMMISSIONER	1	\$146,581	\$149,512
5	(2)	9911	STATE INSURANCE COMMISSIONER	1	\$111,143	\$113,365
6	(3)	9919	INSURANCE DEPUTY CMSNR	2	\$107,729	\$109,883
7	(4)	9479	INSURANCE DEPUTY COMMISSIONER INFO	1	\$107,729	\$109,883
8	(5)	9070	INSURANCE DEP CMSNR FINANCIAL REGS	1	\$107,729	\$109,883
9	(6)	9141	CHIEF CERTIFIED FINANCIAL EXAMINER	1	\$89,997	\$91,796
10	(7)	7270	ASST DEP CMSNR - FIN RGULATIONS	1	\$87,356	\$89,103
11	(8)	9142	CERTIFIED FINANCIAL EXAMINER	3	\$85,597	\$87,308
12	(9)	9354	DIRECTOR RISK MANAGEMENT	1	\$76,407	\$77,935
13	(10)	8911	DIRECTOR, FRAUD INVESTIGATION	1	\$76,084	\$77,605
14	(11)	9925	INSURANCE ASST DEPT CMNSR-FINANCE	1	\$73,081	\$74,542
15	(12)	A005	INSURANCE PROPERTY & CASUALTY ADMIN	1		GRADE 26
16	(13)	767Z	WRKS COMP PUB EMP CLAIM ADMR	1		GRADE 26
17	(14)	801Z	ASST DIR FRAUD INVESTIGATION	1		GRADE 26
18	(15)	827Z	DP CENTER MANAGER	1		GRADE 26
19	(16)	986Z	INSURANCE RISK MANAGEMENT ADMR	1		GRADE 26
20	(17)	A146	INSURANCE LIFE & HEALTH ADMIN	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)	A007	INSURANCE CONSUMER SVCS ADMIN	1		GRADE 23
31	(28)	911Z	IFID FISCAL OFFICER	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)	A250	JR AUDITOR	1	GRADE 20
10	(43)	A010	CERTIFIED RATE & FORM ANALYST	2	GRADE 20
11	(44)	A011	MARKET CONDUCT EXAMINER	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)	R009	ADMINISTRATIVE ASSISTANT I	2	GRADE 15
25	(58)	K034	INSURANCE LICENSING SPECIALIST	12	GRADE 15
26	(59)	A108	ACCOUNTING TECHNICIAN II	3	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	

34

35 SECTION 2. EXTRA HELP. There is hereby authorized, for the State  
 36 Insurance Department for the 2007-2009 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.

6  
 7 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated, to  
 8 the State Insurance Department, to be payable from the 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, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) REGULAR SALARIES	\$ 5,762,294	\$ 5,877,471
(02) EXTRA HELP	140,000	140,000
(03) PERSONAL SERVICES MATCHING	1,778,632	1,803,715
(04) OVERTIME	35,000	35,000
(05) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	2,000,000	2,000,000
(B) CONF. & TRAVEL	130,000	130,000
(C) PROF. FEES	50,000	50,000
(D) CAP. OUTLAY	145,000	155,000
(E) DATA PROC.	150,000	150,000
(06) SPECIAL MAINTENANCE	50,000	50,000
(07) PROFESSIONAL SERVICES	<u>386,000</u>	<u>386,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 10,626,926</u>	<u>\$ 10,777,186</u>

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 29 SECTION 4. APPROPRIATION - FRAUD INVESTIGATION UNIT. There is hereby  
 30 appropriated, to the State Insurance Department, to be payable from the State  
 31 Insurance Department Trust Fund, for personal services and operating expenses  
 32 of the State Insurance Department - Fraud Investigation Unit for the biennial  
 33 period ending June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009

1	(01)	REGULAR SALARIES	\$	153,929	\$	157,006
2	(02)	PERSONAL SERVICES MATCHING		49,033		49,677
3	(03)	MAINT. & GEN. OPERATION				
4	(A)	OPER. EXPENSE		90,406		90,406
5	(B)	CONF. & TRAVEL		12,000		12,000
6	(C)	PROF. FEES		11,000		11,000
7	(D)	CAP. OUTLAY		0		0
8	(E)	DATA PROC.		<u>0</u>		<u>0</u>
9		TOTAL AMOUNT APPROPRIATED	\$	<u>316,368</u>	\$	<u>320,089</u>

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11 SECTION 5. APPROPRIATION - INSURANCE FRAUD INVESTIGATION DIVISION. There  
 12 is hereby appropriated, to the State Insurance Department, to be payable from  
 13 the Insurance Fraud Investigation Division Trust Fund, for personal services  
 14 and operating expenses of the State Insurance Department - Insurance Fraud  
 15 Investigation Division for the biennial period ending June 30, 2009, the  
 16 following:

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18	ITEM		FISCAL YEARS			
19	<u>NO.</u>		<u>2007-2008</u>	<u>2008-2009</u>		
20	(01)	REGULAR SALARIES	\$	572,560	\$	584,005
21	(02)	PERSONAL SERVICES MATCHING		170,294		172,692
22	(03)	MAINT. & GEN. OPERATION				
23	(A)	OPER. EXPENSE		171,635		171,635
24	(B)	CONF. & TRAVEL		35,000		35,000
25	(C)	PROF. FEES		11,000		11,000
26	(D)	CAP. OUTLAY		6,070		6,070
27	(E)	DATA PROC.		<u>1,000</u>		<u>1,000</u>
28		TOTAL AMOUNT APPROPRIATED	\$	<u>967,559</u>	\$	<u>981,402</u>

29

30 SECTION 6. APPROPRIATION - PREPAID FUNERAL BENEFITS DIVISION. There is  
 31 hereby appropriated, to the State Insurance Department, to be payable from  
 32 the State Insurance Department Prepaid Trust Fund, for personal services and  
 33 operating expenses of the State Insurance Department - Prepaid Funeral  
 34 Benefits Division for the biennial period ending June 30, 2009, the  
 35 following:

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ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) REGULAR SALARIES	\$ 175,942	\$ 179,459
(02) PERSONAL SERVICES MATCHING	53,642	54,379
(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>\$ 331,974</u>	<u>\$ 336,228</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, 2009, 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, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) REFUNDS/REIMBURSEMENTS	<u>\$ 11,000,000</u>	<u>\$ 11,000,000</u>

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

appropriated, to the State Insurance Department, to be payable from the Insurance Continuing Education Trust Fund, for personal services of the State Insurance Department - Continuing Education Program for the biennial period ending June 30, 2009, the following:

ITEM	FISCAL YEARS
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1	<u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
2	(01) REGULAR SALARIES	\$ 19,833	\$ 20,229
3	(02) PERSONAL SERVICES MATCHING	<u>8,353</u>	<u>8,437</u>
4	TOTAL AMOUNT APPROPRIATED	<u>\$ 28,186</u>	<u>\$ 28,666</u>

5

6 SECTION 10. APPROPRIATION - HEALTH INFORMATION COUNSELING. There is hereby  
7 appropriated, to the State Insurance Department, to be payable from the  
8 federal funds as designated by the Chief Fiscal Officer of the State, for  
9 personal services and operating expenses of the State Insurance Department -  
10 Health Information Counseling for the biennial period ending June 30, 2009,  
11 the following:

12

13	ITEM	FISCAL YEARS	
14	<u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
15	(01) REGULAR SALARIES	\$ 107,462	\$ 109,610
16	(02) PERSONAL SERVICES MATCHING	39,303	39,752
17	(03) MAINT. & GEN. OPERATION		
18	(A) OPER. EXPENSE	274,633	274,633
19	(B) CONF. & TRAVEL	0	0
20	(C) PROF. FEES	3,000	3,000
21	(D) CAP. OUTLAY	8,000	8,000
22	(E) DATA PROC.	<u>1,600</u>	<u>1,600</u>
23	TOTAL AMOUNT APPROPRIATED	<u>\$ 433,998</u>	<u>\$ 436,595</u>

24

25 SECTION 11. APPROPRIATION - CONSUMER INFORMATION SYSTEM - CASH. There is  
26 hereby appropriated, to the State Insurance Department, to be payable from  
27 the cash fund deposited in the State Treasury as determined by the Chief  
28 Fiscal Officer of the State, for operating expenses of the State Insurance  
29 Department - Consumer Information System - Cash for the biennial period  
30 ending June 30, 2009, the following:

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32	ITEM	FISCAL YEARS	
33	<u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
34	(01) MAINT. & GEN. OPERATION		
35	(A) OPER. EXPENSE	\$ 173,000	\$ 173,000
36	(B) CONF. & TRAVEL	0	0

1	(C) PROF. FEES	0	0
2	(D) CAP. OUTLAY	0	0
3	(E) DATA PROC.	<u>0</u>	<u>0</u>
4	TOTAL AMOUNT APPROPRIATED	<u>\$ 173,000</u>	<u>\$ 173,000</u>

5  
6 SECTION 12. APPROPRIATION - TRAVEL AND SUBSISTENCE - CASH. There is hereby  
7 appropriated, to the State Insurance Department, to be payable from the cash  
8 fund deposited in the State Treasury as determined by the Chief Fiscal  
9 Officer of the State, for travel and subsistence expenses of the State  
10 Insurance Department for the biennial period ending June 30, 2009, the  
11 following:

13	ITEM	FISCAL YEARS	
14	<u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
15	(01) TRAVEL & SUBSISTENCE EXPENSES	<u>\$ 88,222</u>	<u>\$ 88,222</u>

16  
17 SECTION 13. APPROPRIATION - PUBLIC EMPLOYEE CLAIMS SECTION. There is  
18 hereby appropriated, to the State Insurance Department, to be payable from  
19 the Miscellaneous Agencies Fund Account, for personal services and operating  
20 expenses of the State Insurance Department - Public Employee Claims Section  
21 for the biennial period ending June 30, 2009, the following:

23	ITEM	FISCAL YEARS	
24	<u>NO.</u>	<u>2007-2008</u>	<u>2008-2009</u>
25	(01) REGULAR SALARIES	\$ 861,356	\$ 878,570
26	(02) PERSONAL SERVICES MATCHING	281,166	284,773
27	(03) MAINT. & GEN. OPERATION		
28	(A) OPER. EXPENSE	233,209	233,209
29	(B) CONF. & TRAVEL	13,000	13,000
30	(C) PROF. FEES	1,000	1,000
31	(D) CAP. OUTLAY	15,000	15,000
32	(E) DATA PROC.	<u>4,000</u>	<u>4,000</u>
33	TOTAL AMOUNT APPROPRIATED	<u>\$ 1,408,731</u>	<u>\$ 1,429,552</u>

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35 SECTION 14. APPROPRIATION - STATE EMPLOYEE CLAIMS. There is hereby  
36 appropriated, to the State Insurance Department, to be payable from the

1 Workers' Compensation Revolving Fund, for the payment of state employee  
 2 claims by the State Insurance Department - State Employee Claims for the  
 3 biennial period ending June 30, 2009, the following:

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ITEM	FISCAL YEARS	
NO.	2007-2008	2008-2009
(01) STATE EMPLOYEE CLAIMS	\$ 12,000,000	\$ 12,000,000

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9 SECTION 15. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE CLAIMS. There is hereby  
 10 appropriated, to the State Insurance Department, to be payable from the  
 11 Miscellaneous Revolving Fund, for the payment of public school employee  
 12 claims by the State Insurance Department - Public School Employee Claims for  
 13 the biennial period ending June 30, 2009, the following:

14

ITEM	FISCAL YEARS	
NO.	2007-2008	2008-2009
(01) PUBLIC SCHOOL EMPLOYEE CLAIMS	\$ 450,000	\$ 450,000

18

19 SECTION 16. APPROPRIATION - COUNTY EMPLOYEE CLAIMS. There is hereby  
 20 appropriated, to the State Insurance Department, to be payable from the  
 21 Miscellaneous Revolving Fund, for the payment of county employee claims by  
 22 the State Insurance Department - County Employee Claims for the biennial  
 23 period ending June 30, 2009, the following:

24

ITEM	FISCAL YEARS	
NO.	2007-2008	2008-2009
(01) COUNTY EMPLOYEE CLAIMS	\$ 200,000	\$ 200,000

28

29 SECTION 17. APPROPRIATION - CITY EMPLOYEE CLAIMS. There is hereby  
 30 appropriated, to the State Insurance Department, to be payable from the  
 31 Miscellaneous Revolving Fund, for the payment of city employee claims by the  
 32 State Insurance Department - City Employee Claims for the biennial period  
 33 ending June 30, 2009, the following:

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ITEM	FISCAL YEARS	
NO.	2007-2008	2008-2009

1 (01) CITY EMPLOYEE CLAIMS \$ 600,000 \$ 600,000

2

3 SECTION 18. APPROPRIATION - GOVERNMENTAL BONDING BOARD. There is hereby  
 4 appropriated, to the State Insurance Department, to be payable from the  
 5 Fidelity Bond Trust Fund, for operating expenses of the State Insurance  
 6 Department - Governmental Bonding Board for the biennial period ending June  
 7 30, 2009, the following:

8

9 ITEM	FISCAL YEARS	
10 NO.	2007-2008	2008-2009
11 (01) MAINT. & GEN. OPERATION		
12 (A) OPER. EXPENSE	\$ 5,000	\$ 5,000
13 (B) CONF. & TRAVEL	0	0
14 (C) PROF. FEES	0	0
15 (D) CAP. OUTLAY	0	0
16 (E) DATA PROC.	0	0
17 (02) REFUNDS/REIMBURSEMENTS	150,000	150,000
18 (03) CLAIMS	1,000,000	1,000,000
19 (04) INVESTMENTS	760,637	760,637
20 (05) PROFESSIONAL SERVICES	50,000	50,000
21 (06) REINSURANCE	<u>139,218</u>	<u>139,218</u>
22 TOTAL AMOUNT APPROPRIATED	<u>\$ 2,104,855</u>	<u>\$ 2,104,855</u>

23

24 SECTION 19. APPROPRIATION - ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND  
 25 OPERATIONS. There is hereby appropriated, to the State Insurance Department,  
 26 to be payable from the Arkansas Multi-Agency Insurance Trust Fund, for  
 27 expenses and payment of claims by the State Insurance Department - Arkansas  
 28 Multi-Agency Insurance Trust Fund (AMAIT) Operations for the biennial period  
 29 ending June 30, 2009, the following:

30

31 ITEM	FISCAL YEARS	
32 NO.	2007-2008	2008-2009
33 (01) FOR EXPENSES AND CLAIMS FROM AMAIT		
34 FUND	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>

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

1 hereby appropriated, to the State Insurance Department, to be payable from  
 2 the School Vehicle Insurance Reserve Trust Fund, for expenses and payment of  
 3 claims by the State Insurance Department - School Motor Vehicle Operations  
 4 for the biennial period ending June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) EXPENSES & CLAIMS	\$ 5,000,000	\$ 5,000,000

10 SECTION 21. APPROPRIATION - PUBLIC ELEMENTARY AND SECONDARY SCHOOL  
 11 INSURANCE OPERATIONS. There is hereby appropriated, to the State Insurance  
 12 Department, to be payable from the Public Elementary and Secondary School  
 13 Insurance Fund, for expenses and payment of claims by the State Insurance  
 14 Department - Public Elementary and Secondary School Insurance Operations for  
 15 the biennial period ending June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) EXPENSES & CLAIMS	\$ 9,000,000	\$ 9,000,000

21 SECTION 22. APPROPRIATION - CRIMINAL BACKGROUND CHECKS - CASH. There is  
 22 hereby appropriated, to the State Insurance Department, to be payable from  
 23 the cash fund deposited in the State Treasury as determined by the Chief  
 24 Fiscal Officer of the State, for operating expenses of the State Insurance  
 25 Department - Criminal Background Checks - Cash for the biennial period ending  
 26 June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	\$ 100,000	\$ 100,000
(B) CONF. & TRAVEL	0	0
(C) PROF. FEES	0	0
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	0	0
TOTAL AMOUNT APPROPRIATED	\$ 100,000	\$ 100,000

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SECTION 23. APPROPRIATION - ARKANSAS MULTI-AGENCY WORKERS' COMPENSATION TRUST PROGRAM. There is hereby appropriated, to the State Insurance Department, to be payable from the Arkansas Multi-Agency Workers' Compensation Trust Program Fund, for reinsurance, payments of claims filed by State employees that exceed \$250,000 per claim, administrative expenses of the State Insurance Department - Arkansas Multi-Agency Workers' Compensation Trust Program and to provide additional resources in the event that expenditures exceed the authorization in the State Insurance Department - State Employee Claims appropriation of the State Insurance Department - Arkansas Multi-Agency Workers' Compensation Trust Program for the biennial period ending June 30, 2009, the following:

ITEM NO.	FISCAL YEARS	
	2007-2008	2008-2009
(01) ARKANSAS MULTI-AGENCY WORKERS' COMPENSATION TRUST PROGRAM	\$ 2,000,000	\$ 2,000,000

SECTION 24. Arkansas Code §23-79-507(e) regarding Payment from the State Insurance Department Trust Fund, is hereby repealed.

~~(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, during the next fiscal year, the State Insurance Department shall transfer in equal quarterly installments from the State Insurance Department Trust Fund for deposit into the pool 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 two million dollars (\$2,000,000).~~

~~(2) For any fiscal year in which the board and the plan administrator determine that the pool did not incur a deficit as calculated under subdivision (b)(2) of this section, the department shall not transfer any funds to the pool from the State Insurance Department Trust Fund under subdivision (e)(1)(B) of this section during the following fiscal year.~~

1 ~~(3) The provisions of this subsection shall expire on June 30, 2007.~~

2  
3 SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE  
4 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL RATES  
5 OF PAY. Due to the highly competitive job market conditions for the  
6 insurance examination professionals and the necessity of recruiting and  
7 retaining qualified personnel, the ~~Arkansas~~ State Insurance Department is  
8 authorized special rates of pay for current and new employees in the  
9 classifications listed under subsection (a) below.

10 (a)

11 CLASS

12	CODE	TITLE	GRADE
13	A140	Insurance Senior Examiner	23
14	A075	Financial Analyst II	21
15	A038	Financial Analyst	20
16	A048	Insurance Examiner	20

17 (b) The Insurance Department will submit a salary structure plan that  
18 addresses the recruiting and retention needs of the department for approval  
19 *by the Chief Fiscal Officer and ~~review~~ approval by the Arkansas Legislative*  
20 *Council or Joint Budget Committee. Salary adjustments implemented under this*  
21 *provision shall be reported monthly to the Arkansas Legislative Council.*

22 *(c) Determining the maximum number of employees and the maximum amount*  
23 *of appropriation and general revenue funding for a state agency each fiscal*  
24 *year is the prerogative of the General Assembly. This is usually*  
25 *accomplished by delineating such maximums in the appropriation act(s) for a*  
26 *state agency and the general revenue allocations authorized for each fund and*  
27 *fund account by amendment to the Revenue Stabilization law. Further, the*  
28 *General Assembly has determined that the State Insurance Department may*  
29 *operate more efficiently if some flexibility is provided to the State*  
30 *Insurance Department authorizing broad powers under this Section. Therefore,*  
31 *it is both necessary and appropriate that the General Assembly maintain*  
32 *oversight by requiring prior approval of the Legislative Council or Joint*  
33 *Budget Committee as provided by this section. The requirement of approval by*  
34 *the Legislative Council or Joint Budget Committee is not a severable part of*  
35 *this section. If the requirement of approval by the Legislative Council or*  
36 *Joint Budget Committee is ruled unconstitutional by a court of competent*

1 jurisdiction, this entire section is void.

2 ~~(e)~~ (d) This special provision shall be in full force and effect for the  
3 biennium beginning July 1, ~~2005~~ 2007 and ending June 30, ~~2007~~ 2009.

4 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
5 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER  
6 PROVISION. In the event the State Insurance Department is unable to maintain  
7 a full roster of examination personnel during the ~~2005-2007~~ 2007-2009  
8 Biennium, and upon approval of the Chief Fiscal Officer of the State, the  
9 resulting unused appropriations in Regular Salaries, Extra Help, and Personal  
10 Services Matching may be transferred to the Professional Services special  
11 line item for the purpose of contracting with qualified individuals or firms  
12 for examination assistance.

13 The provisions of this section shall be in effect only from July 1,  
14 ~~2005~~ 2007 through June 30, ~~2007~~ 2009.

15  
16 SECTION 27. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized  
17 by this act shall be limited to the appropriation for such agency and funds  
18 made available by law for the support of such appropriations; and the  
19 restrictions of the State Procurement Law, the General Accounting and  
20 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
21 Procedures and Restrictions Act, or their successors, and other fiscal  
22 control laws of this State, where applicable, and regulations promulgated by  
23 the Department of Finance and Administration, as authorized by law, shall be  
24 strictly complied with in disbursement of said funds.

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

34  
35 SECTION 29. EMERGENCY CLAUSE. It is found and determined by the General  
36 Assembly, that the Constitution of the State of Arkansas prohibits the

1 appropriation of funds for more than a two (2) year period; that the  
2 effectiveness of this Act on July 1, 2007 is essential to the operation of  
3 the agency for which the appropriations in this Act are provided, and that in  
4 the event of an extension of the Regular Session, the delay in the effective  
5 date of this Act beyond July 1, 2007 could work irreparable harm upon the  
6 proper administration and provision of essential governmental programs.  
7 Therefore, an emergency is hereby declared to exist and this Act being  
8 necessary for the immediate preservation of the public peace, health and  
9 safety shall be in full force and effect from and after July 1, 2007.

10  
11 */s/ Joint Budget Committee*

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13 *APPROVED: 3/19/2007*  
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