

1 State of Arkansas *As Engrossed: H3/13/15 H3/18/15 H3/20/15*  
2 90th General Assembly  
3 Regular Session, 2015

# A Bill

HOUSE BILL 1152

4  
5 By: Joint Budget Committee  
6

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE STATE INSURANCE  
10 DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2016;  
11 AND FOR OTHER PURPOSES.  
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## Subtitle

14 AN ACT FOR THE STATE INSURANCE DEPARTMENT  
15 APPROPRIATION FOR THE 2015-2016 FISCAL  
16 YEAR.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established  
23 for the State Insurance Department for the 2015-2016 fiscal year, the  
24 following maximum number of regular employees.  
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Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2015-2016
30	(1) U042U	INSURANCE CHIEF DEPUTY COMMISSIONER	1	\$172,535
31	(2) U047U	STATE INSURANCE COMMISSIONER	1	\$130,821
32	(3) N014N	INS DEP COMMR FINANCIAL REGULATIONS	1	GRADE N914
33	(4) N190N	INSURANCE GENERAL COUNSEL	1	GRADE N912
34	(5) G018N	DIRECTOR RISK MANAGEMENT	1	GRADE N910
35	(6) N140N	INS ASST DEP COMMISSIONER FINANCE	1	GRADE N910
36	(7) N023N	INSURANCE DEPUTY COMMISSIONER	2	GRADE N910



1	(8)	N025N	INS DEPUTY COMMR INFO SERVICES	1	GRADE N910
2	(9)	X002N	PROPERTY & CASUALTY MANAGER	1	GRADE N910
3	(10)	N073N	INSURANCE CHF FIN/MKT CONDUCT EXMR	1	GRADE N908
4	(11)	G043N	RISK MANAGEMENT ASSISTANT DIRECTOR	1	GRADE N908
5	(12)	A004N	CERTIFIED FINANCIAL EXAMINER MANAGER	3	GRADE N906
6	(13)	N115N	CRIMINAL INSURANCE FRAUD DIRECTOR	1	GRADE N904
7	(14)	D010N	INSURANCE CHIEF TECHNOLOGY OFFICER	1	GRADE N904
8	(15)	A004C	CERTIFIED FINANCIAL EXAMINER	12	GRADE C130
9	(16)	X002C	INSURANCE PUBLIC EMP CLAIMS DIV DIR	1	GRADE C130
10	(17)	G004C	MANAGING ATTORNEY	3	GRADE C129
11	(18)	G241C	HEALTH INFO TECH OPER & TECH OFFICER	1	GRADE C128
12	(19)	D007C	INFORMATION SYSTEMS MANAGER	2	GRADE C128
13	(20)	G047C	ATTORNEY SPECIALIST	8	GRADE C126
14	(21)	X009C	INSURANCE DEPT DIR OF SECURITY OPS	1	GRADE C126
15	(22)	D034C	DATABASE ADMINISTRATOR	1	GRADE C124
16	(23)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
17	(24)	X017C	INSURANCE LICENSING MANAGER	1	GRADE C124
18	(25)	G259C	INSURANCE PROGRAM MANAGER	1	GRADE C124
19	(26)	G064C	SR HLTH INSURANCE INFORMATION PRG MG	1	GRADE C124
20	(27)	D022C	SYSTEMS SPECIALIST	4	GRADE C124
21	(28)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
22	(29)	D038C	SENIOR SOFTWARE SUPPORT ANALYST	1	GRADE C123
23	(30)	X192C	ASST DIRECTOR FRAUD INVESTIGATION	1	GRADE C122
24	(31)	A044C	AUDIT COORDINATOR	1	GRADE C122
25	(32)	A042C	INSURANCE SENIOR EXAMINER	7	GRADE C122
26	(33)	X034C	PREPAID FUNERAL MANAGER	1	GRADE C122
27	(34)	D044C	SYSTEMS ANALYST	1	GRADE C122
28	(35)	R014C	PERSONNEL MANAGER	1	GRADE C121
29	(36)	D052C	SOFTWARE SUPPORT ANALYST	4	GRADE C121
30	(37)	G107C	WCC PROGRAM MANAGER	1	GRADE C121
31	(38)	G106C	WCC CLAIMS SPECIALIST	5	GRADE C121
32	(39)	G125C	INSURANCE SPECIAL PROJECTS COORD	1	GRADE C120
33	(40)	G120C	RISK CONSULTANT	7	GRADE C120
34	(41)	X072C	CRIMINAL INS FRAUD INVESTIGATOR	7	GRADE C119
35	(42)	A067C	INSURANCE EXAMINER	2	GRADE C119
36	(43)	X066C	INSURANCE PREMIUM TAX EXAMINER	4	GRADE C119

1	(44)	A060C	SENIOR AUDITOR	2	GRADE C119
2	(45)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	4	GRADE C118
3	(46)	X080C	PROP & CASUALTY COMPLIANCE OFFICER	4	GRADE C118
4	(47)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
5	(48)	A080C	FINANCE AUTHORITY SPECIALIST	1	GRADE C117
6	(49)	R025C	HUMAN RESOURCES ANALYST	1	GRADE C117
7	(50)	C016C	INSURANCE ADMINISTRATIVE COORDINATOR	2	GRADE C117
8	(51)	P020C	PRODUCTION ARTIST	1	GRADE C117
9	(52)	X123C	INSURANCE INVESTIGATOR	9	GRADE C116
10	(53)	C037C	ADMINISTRATIVE ANALYST	7	GRADE C115
11	(54)	R033C	BENEFITS ANALYST	1	GRADE C115
12	(55)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
13	(56)	G202C	VOLUNTEER PROGRAM COORDINATOR	3	GRADE C115
14	(57)	G201C	WCC CLAIMS ANALYST	3	GRADE C115
15	(58)	M066C	PROGRAM ELIGIBILITY SPECIALIST	2	GRADE C114
16	(59)	R036C	HUMAN RESOURCES SPECIALIST	1	GRADE C113
17	(60)	C046C	LEGAL SUPPORT SPECIALIST	4	GRADE C113
18	(61)	C056C	ADMINISTRATIVE SPECIALIST III	14	GRADE C112
19	(62)	A098C	FISCAL SUPPORT SPECIALIST	4	GRADE C112
20	(63)	X180C	INSURANCE LICENSING TECHNICIAN	10	GRADE C110
21	(64)	C073C	ADMINISTRATIVE SPECIALIST II	12	GRADE C109
22	(65)	C084C	MAIL SERVICES SPECIALIST	2	GRADE C107
23	(66)	C087C	ADMINISTRATIVE SPECIALIST I	<u>1</u>	GRADE C106
24			MAX. NO. OF EMPLOYEES	189	

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26 SECTION 2. REGULAR SALARIES - LEVEL ONE COOPERATIVE AGREEMENT -  
 27 FEDERAL. There is hereby established for the State Insurance Department -  
 28 Level One Cooperative Agreement - Federal for the 2015-2016 fiscal year, the  
 29 following maximum number of regular employees.

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31				Maximum	Annual
32				Maximum	Salary Rate
33	Item	Class		No. of	Fiscal Year
34	No.	Code	Title	Employees	2015-2016
35	(1)	N023N	INSURANCE DEPUTY COMMISSIONER	1	GRADE N910
36	(2)	L018N	NURSE PRACTITIONER	1	GRADE N904

1	(3)	X005C	PROPERTY & CASUALTY MANAGER	2	GRADE C128
2	(4)	G047C	ATTORNEY SPECIALIST	1	GRADE C126
3	(5)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
4	(6)	G064C	SR HLTH INSURANCE INFO PRG MANAGER	1	GRADE C124
5	(7)	D022C	SYSTEMS SPECIALIST	1	GRADE C124
6	(8)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
7	(9)	A041C	PROGRAM FISCAL MANAGER	1	GRADE C122
8	(10)	G109C	GRANTS MANAGER	2	GRADE C121
9	(11)	G147C	GRANTS COORDINATOR	6	GRADE C119
10	(12)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	1	GRADE C118
11	(13)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
12	(14)	X123C	INSURANCE INVESTIGATOR	3	GRADE C116
13	(15)	C037C	ADMINISTRATIVE ANALYST	1	GRADE C115
14	(16)	C056C	ADMINISTRATIVE SPECIALIST III	1	GRADE C112
15	(17)	C073C	ADMINISTRATIVE SPECIALIST II	<u>3</u>	GRADE C109
16			MAX. NO. OF EMPLOYEES	<u>28</u>	

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 18 SECTION 3. EXTRA HELP. There is hereby authorized, for the State  
 19 Insurance Department for the 2015-2016 fiscal year, the following maximum  
 20 number of part-time or temporary employees, to be known as "Extra Help",  
 21 payable from funds appropriated herein for such purposes: nineteen (19)  
 22 temporary or part-time employees, when needed, at rates of pay not to exceed  
 23 those provided in the Uniform Classification and Compensation Act, or its  
 24 successor, or this act for the appropriate classification.

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 26 SECTION 4. APPROPRIATION - OPERATIONS. There is hereby appropriated,  
 27 to the State Insurance Department, to be payable from the State Insurance  
 28 Department Trust Fund, for personal services, operating expenses, special  
 29 maintenance and professional services of the State Insurance Department -  
 30 Operations for the fiscal year ending June 30, 2016, the following:

32	ITEM	FISCAL YEAR
33	<u>NO.</u>	<u>2015-2016</u>
34	(01) REGULAR SALARIES	\$7,011,543
35	(02) EXTRA HELP	140,000
36	(03) PERSONAL SERVICES MATCHING	2,305,841

1	(04) OVERTIME	35,000
2	(05) MAINT. & GEN. OPERATION	
3	(A) OPER. EXPENSE	2,579,878
4	(B) CONF. & TRAVEL	138,000
5	(C) PROF. FEES	142,000
6	(D) CAP. OUTLAY	355,000
7	(E) DATA PROC.	0
8	(06) SPECIAL MAINTENANCE	50,000
9	(07) PROFESSIONAL SERVICES	<u>486,000</u>
10	TOTAL AMOUNT APPROPRIATED	<u><u>\$13,243,262</u></u>

11

12 SECTION 5. APPROPRIATION - FRAUD INVESTIGATION UNIT. There is hereby  
 13 appropriated, to the State Insurance Department, to be payable from the State  
 14 Insurance Department Trust Fund, for personal services and operating expenses  
 15 of the State Insurance Department - Fraud Investigation Unit for the fiscal  
 16 year ending June 30, 2016, the following:

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18	ITEM	FISCAL YEAR
19	<u>NO.</u>	<u>2015-2016</u>
20	(01) REGULAR SALARIES	\$191,107
21	(02) PERSONAL SERVICES MATCHING	63,809
22	(03) MAINT. & GEN. OPERATION	
23	(A) OPER. EXPENSE	119,844
24	(B) CONF. & TRAVEL	12,000
25	(C) PROF. FEES	11,000
26	(D) CAP. OUTLAY	0
27	(E) DATA PROC.	<u>0</u>
28	TOTAL AMOUNT APPROPRIATED	<u><u>\$397,760</u></u>

29

30 SECTION 6. APPROPRIATION - INSURANCE FRAUD INVESTIGATION DIVISION.

31 There is hereby appropriated, to the State Insurance Department, to be  
 32 payable from the Insurance Fraud Investigation Division Trust Fund, for  
 33 personal services and operating expenses of the State Insurance Department -  
 34 Insurance Fraud Investigation Division for the fiscal year ending June 30,  
 35 2016, the following:

36

1	ITEM	FISCAL YEAR
2	<u>NO.</u>	<u>2015-2016</u>
3	(01) REGULAR SALARIES	\$594,810
4	(02) PERSONAL SERVICES MATCHING	191,295
5	(03) MAINT. & GEN. OPERATION	
6	(A) OPER. EXPENSE	191,635
7	(B) CONF. & TRAVEL	35,000
8	(C) PROF. FEES	11,000
9	(D) CAP. OUTLAY	0
10	(E) DATA PROC.	<u>0</u>
11	TOTAL AMOUNT APPROPRIATED	<u><u>\$1,023,740</u></u>

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13           SECTION 7. APPROPRIATION - PREPAID FUNERAL BENEFITS DIVISION. There is  
14 hereby appropriated, to the State Insurance Department, to be payable from  
15 the State Insurance Department Prepaid Trust Fund, for personal services and  
16 operating expenses of the State Insurance Department - Prepaid Funeral  
17 Benefits Division for the fiscal year ending June 30, 2016, the following:

18

19	ITEM	FISCAL YEAR
20	<u>NO.</u>	<u>2015-2016</u>
21	(01) REGULAR SALARIES	\$221,267
22	(02) PERSONAL SERVICES MATCHING	75,737
23	(03) MAINT. & GEN. OPERATION	
24	(A) OPER. EXPENSE	71,390
25	(B) CONF. & TRAVEL	4,000
26	(C) PROF. FEES	27,000
27	(D) CAP. OUTLAY	0
28	(E) DATA PROC.	<u>0</u>
29	TOTAL AMOUNT APPROPRIATED	<u><u>\$399,394</u></u>

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31           SECTION 8. APPROPRIATION - PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM.  
32 There is hereby appropriated, to the State Insurance Department, to be  
33 payable from the Prepaid Funeral Contracts Recovery Program Fund, for the  
34 expenses and payment of claims by the State Insurance Department - Prepaid  
35 Funeral Contracts Recovery Program for the fiscal year ending June 30, 2016,  
36 the following:

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ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) EXPENSES AND CLAIMS FOR PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM	<u>\$500,000</u>

SECTION 9. APPROPRIATION - REFUNDS OF OVERPAYMENTS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payments of miscellaneous tax and fee refunds by the State Insurance Department - Refunds of Overpayments for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REFUNDS/REIMBURSEMENTS	<u>\$11,000,000</u>

SECTION 10. 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 fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$25,268
(02) PERSONAL SERVICES MATCHING	<u>10,812</u>
TOTAL AMOUNT APPROPRIATED	<u>\$36,080</u>

SECTION 11. APPROPRIATION - HEALTH INFORMATION COUNSELING. There is hereby appropriated, to the State Insurance Department, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for personal services and operating expenses of the State Insurance Department - Health Information Counseling for the fiscal year ending June 30, 2016, the following:

1	ITEM	FISCAL YEAR
2	<u>NO.</u>	<u>2015-2016</u>
3	(01) REGULAR SALARIES	\$203,617
4	(02) PERSONAL SERVICES MATCHING	76,747
5	(03) MAINT. & GEN. OPERATION	
6	(A) OPER. EXPENSE	284,063
7	(B) CONF. & TRAVEL	0
8	(C) PROF. FEES	356,409
9	(D) CAP. OUTLAY	0
10	(E) DATA PROC.	<u>0</u>
11	TOTAL AMOUNT APPROPRIATED	<u><u>\$920,836</u></u>

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13 SECTION 12. APPROPRIATION - CONSUMER INFORMATION SYSTEM - CASH. There  
 14 is hereby appropriated, to the State Insurance Department, to be payable from  
 15 the cash fund deposited in the State Treasury as determined by the Chief  
 16 Fiscal Officer of the State, for operating expenses of the State Insurance  
 17 Department - Consumer Information System - Cash for the fiscal year ending  
 18 June 30, 2016, the following:

19

20	ITEM	FISCAL YEAR
21	<u>NO.</u>	<u>2015-2016</u>
22	(01) MAINT. & GEN. OPERATION	
23	(A) OPER. EXPENSE	\$79,005
24	(B) CONF. & TRAVEL	0
25	(C) PROF. FEES	0
26	(D) CAP. OUTLAY	0
27	(E) DATA PROC.	<u>0</u>
28	TOTAL AMOUNT APPROPRIATED	<u><u>\$79,005</u></u>

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30 SECTION 13. APPROPRIATION - TRAVEL AND SUBSISTENCE - CASH. There is  
 31 hereby appropriated, to the State Insurance Department, to be payable from  
 32 the cash fund deposited in the State Treasury as determined by the Chief  
 33 Fiscal Officer of the State, for travel and subsistence expenses of the State  
 34 Insurance Department - Travel and Subsistence - Cash for the fiscal year  
 35 ending June 30, 2016, the following:

36

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) TRAVEL & SUBSISTENCE EXPENSES	<u>\$100,000</u>

4

5 SECTION 14. APPROPRIATION - PUBLIC EMPLOYEE CLAIMS SECTION. There is  
 6 hereby appropriated, to the State Insurance Department, to be payable from  
 7 the Miscellaneous Agencies Fund Account, for personal services and operating  
 8 expenses of the State Insurance Department - Public Employee Claims Section  
 9 for the fiscal year ending June 30, 2016, the following:

10

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$997,445
(02) PERSONAL SERVICES MATCHING	343,737
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	509,609
(B) CONF. & TRAVEL	13,000
(C) PROF. FEES	1,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$1,864,791</u></u>

22

23 SECTION 15. APPROPRIATION - STATE EMPLOYEE CLAIMS. There is hereby  
 24 appropriated, to the State Insurance Department, to be payable from the  
 25 Workers' Compensation Revolving Fund, for payment of state employee claims by  
 26 the State Insurance Department - State Employee Claims for the fiscal year  
 27 ending June 30, 2016, the following:

28

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) STATE EMPLOYEE CLAIMS	<u>\$16,500,000</u>

32

33 SECTION 16. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE CLAIMS. There is  
 34 hereby appropriated, to the State Insurance Department, to be payable from  
 35 the Miscellaneous Revolving Fund, for payment of public school employee  
 36 claims by the State Insurance Department - Public School Employee Claims for

1 the fiscal year ending June 30, 2016, the following:

2

3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2015-2016</u>
5 (01) PUBLIC SCHOOL EMPLOYEE CLAIMS	<u>\$450,000</u>

6

7 SECTION 17. APPROPRIATION - COUNTY EMPLOYEE CLAIMS. There is hereby  
 8 appropriated, to the State Insurance Department, to be payable from the  
 9 Miscellaneous Revolving Fund, for payment of county employee claims by the  
 10 State Insurance Department - County Employee Claims for the fiscal year  
 11 ending June 30, 2016, the following:

12

13 ITEM	FISCAL YEAR
14 <u>NO.</u>	<u>2015-2016</u>
15 (01) COUNTY EMPLOYEE CLAIMS	<u>\$200,000</u>

16

17 SECTION 18. APPROPRIATION - CITY EMPLOYEE CLAIMS. There is hereby  
 18 appropriated, to the State Insurance Department, to be payable from the  
 19 Miscellaneous Revolving Fund, for payment of city employee claims by the  
 20 State Insurance Department - City Employee Claims for the fiscal year ending  
 21 June 30, 2016, the following:

22

23 ITEM	FISCAL YEAR
24 <u>NO.</u>	<u>2015-2016</u>
25 (01) CITY EMPLOYEE CLAIMS	<u>\$600,000</u>

26

27 SECTION 19. APPROPRIATION - GOVERNMENTAL BONDING BOARD. There is  
 28 hereby appropriated, to the State Insurance Department, to be payable from  
 29 the Fidelity Bond Trust Fund, for operating expenses, refunds,  
 30 reimbursements, claims, investments, professional services, and reinsurance  
 31 of the State Insurance Department - Governmental Bonding Board for the fiscal  
 32 year ending June 30, 2016, the following:

33

34 ITEM	FISCAL YEAR
35 <u>NO.</u>	<u>2015-2016</u>
36 (01) MAINT. & GEN. OPERATION	

1	(A) OPER. EXPENSE	\$5,000
2	(B) CONF. & TRAVEL	0
3	(C) PROF. FEES	0
4	(D) CAP. OUTLAY	0
5	(E) DATA PROC.	0
6	(02) REFUNDS/REIMBURSEMENTS	150,000
7	(03) CLAIMS	3,000,000
8	(04) INVESTMENTS	760,637
9	(05) PROFESSIONAL SERVICES	50,000
10	(06) REINSURANCE	<u>139,218</u>
11	TOTAL AMOUNT APPROPRIATED	<u><u>\$4,104,855</u></u>

12

13 SECTION 20. APPROPRIATION - ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND.

14 There is hereby appropriated, to the State Insurance Department, to be  
 15 payable from the Arkansas Multi-Agency Insurance Trust Fund, for expenses and  
 16 payment of claims by the State Insurance Department - Arkansas Multi-Agency  
 17 Insurance Trust Fund for the fiscal year ending June 30, 2016, the following:

18

19	ITEM	FISCAL YEAR
20	<u>NO.</u>	<u>2015-2016</u>
21	(01) FOR EXPENSES AND CLAIMS FROM AMAIT	
22	FUND	<u><u>\$10,000,000</u></u>

23

24 SECTION 21. APPROPRIATION - PUBLIC SCHOOL INSURANCE PROGRAM. There is  
 25 hereby appropriated, to the State Insurance Department, to be payable from  
 26 the Public School Insurance Trust Fund, for expenses and payment of claims by  
 27 the State Insurance Department - Public School Insurance Program for the  
 28 fiscal year ending June 30, 2016, the following:

29

30	ITEM	FISCAL YEAR
31	<u>NO.</u>	<u>2015-2016</u>
32	(01) EXPENSES AND CLAIMS	<u><u>\$14,000,000</u></u>

33

34 SECTION 22. APPROPRIATION - CRIMINAL BACKGROUND CHECKS - CASH. There  
 35 is hereby appropriated, to the State Insurance Department, to be payable from  
 36 the cash fund deposited in the State Treasury as determined by the Chief

1 Fiscal Officer of the State, for operating expenses of the State Insurance  
 2 Department - Criminal Background Checks - Cash for the fiscal year ending  
 3 June 30, 2016, the following:

4	5 ITEM	6 FISCAL YEAR
7	NO.	2015-2016
8	(01) MAINT. & GEN. OPERATION	
9	(A) OPER. EXPENSE	\$125,000
10	(B) CONF. & TRAVEL	0
11	(C) PROF. FEES	0
12	(D) CAP. OUTLAY	0
13	(E) DATA PROC.	<u>0</u>
14	TOTAL AMOUNT APPROPRIATED	<u><u>\$125,000</u></u>

15 SECTION 23. APPROPRIATION - RATE REVIEW - FEDERAL. There is hereby  
 16 appropriated, to the State Insurance Department, to be payable from the  
 17 federal funds as designated by the Chief Fiscal Officer of the State, for  
 18 personal services and operating expenses of the State Insurance Department -  
 19 Rate Review - Federal for the fiscal year ending June 30, 2016, the  
 20 following:

21	22 ITEM	23 FISCAL YEAR
24	NO.	2015-2016
25	(01) REGULAR SALARIES	\$199,667
26	(02) PERSONAL SERVICES MATCHING	60,725
27	(03) MAINT. & GEN. OPERATION	
28	(A) OPER. EXPENSE	1,013,525
29	(B) CONF. & TRAVEL	191,416
30	(C) PROF. FEES	4,380,080
31	(D) CAP. OUTLAY	0
32	(E) DATA PROC.	<u>0</u>
33	TOTAL AMOUNT APPROPRIATED	<u><u>\$5,845,413</u></u>

34 SECTION 24. APPROPRIATION - LEVEL ONE COOPERATIVE AGREEMENT - FEDERAL.  
 35 There is hereby appropriated, to the State Insurance Department, to be  
 36 payable from the federal funds as designated by the Chief Fiscal Officer of

1 the State, for personal services and operating expenses associated with the  
 2 Federal-State Partnership Health Insurance Exchange of the State Insurance  
 3 Department - Level One Cooperative Agreement - Federal for the fiscal year  
 4 ending June 30, 2016, the following:

5	6 ITEM	FISCAL YEAR
7	<u>NO.</u>	<u>2015-2016</u>
8	(01) REGULAR SALARIES	\$1,272,986
9	(02) PERSONAL SERVICES MATCHING	431,735
10	(03) MAINT. & GEN. OPERATION	
11	(A) OPER. EXPENSE	1,009,574
12	(B) CONF. & TRAVEL	257,148
13	(C) PROF. FEES	36,618,646
14	(D) CAP. OUTLAY	0
15	(E) DATA PROC.	<u>0</u>
16	TOTAL AMOUNT APPROPRIATED	<u><u>\$39,590,089</u></u>

17  
 18 SECTION 25. APPROPRIATION - MEDICARE - MIPPA - 2. There is hereby  
 19 appropriated, to the State Insurance Department, to be payable from the  
 20 federal funds as designated by the Chief Fiscal Officer of the State, for  
 21 operating expenses and grants and aid by the State Insurance Department -  
 22 Medicare - MIPPA - 2 for the fiscal year ending June 30, 2016, the following:

24	ITEM	FISCAL YEAR
25	<u>NO.</u>	<u>2015-2016</u>
26	(01) MAINT. & GEN. OPERATION	
27	(A) OPER. EXPENSE	\$72,452
28	(B) CONF. & TRAVEL	0
29	(C) PROF. FEES	81,896
30	(D) CAP. OUTLAY	0
31	(E) DATA PROC.	0
32	(02) MEDICARE IMPROVEMENT FOR PATIENTS &	
33	PROVIDERS GRANTS	<u>166,502</u>
34	TOTAL AMOUNT APPROPRIATED	<u><u>\$320,850</u></u>

35  
 36 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

1 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER  
2 PROVISION. In the event the State Insurance Department is unable to maintain  
3 a full roster of examination personnel, and upon approval of the Chief Fiscal  
4 Officer of the State, the resulting unused appropriations in Regular  
5 Salaries, Extra Help, and Personal Services Matching may be transferred to  
6 the Professional Services special line item for the purpose of contracting  
7 with qualified individuals or firms for examination assistance.

8 The provisions of this section shall be in effect only from July 1, ~~2014~~  
9 2015 through June 30, ~~2015~~ 2016.

10  
11 SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. (a) As  
13 used in this section, "Health Care Independence Program" means the Health  
14 Care Independence Program established under the Health Care Independence Act  
15 of 2014, Arkansas Code § 20-77-2401 et seq.

16 (b)(1) Determining the maximum number of employees, the maximum amount  
17 of appropriation, for what purposes an appropriation is authorized, and  
18 general revenue funding for a state agency each fiscal year is the  
19 prerogative of the General Assembly.

20 (2) The purposes of subdivision (b)(1) of this section are  
21 typically accomplished by:

22 (A) Identifying the purpose in the appropriation act;

23 (B) Delineating such maximums in the appropriation act for  
24 a state agency; and

25 (C) Delineating the general revenue allocations authorized  
26 for each fund and fund account by amendment to the Revenue Stabilization Law,  
27 Arkansas Code § 19-5-101 et seq.

28 (3) It is both necessary and appropriate that the General  
29 Assembly restrict the use of appropriations authorized in this act.

30 (c)(1) Except as provided in this subsection, the State Insurance  
31 Department shall not allocate, budget, expend, or utilize any appropriation  
32 authorized by the General Assembly for the purpose of advertisement,  
33 promotion, or other activities designed to promote or encourage enrollment in  
34 the Arkansas Health Insurance Marketplace or the Health Care Independence  
35 Program, including without limitation:

36 (A) Unsolicited communications mailed to potential

1 recipients;

2 (B) Television, radio, or online commercials;

3 (C) Billboard or mobile billboard advertising;

4 (D) Advertisements printed in newspapers, magazines, or

5 other print media; and

6 (E) Internet websites and electronic media.

7 (2) This subsection does not prohibit the department from:

8 (A) Direct communications with:

9 (i) Licensed insurance agents; and

10 (ii) Persons licensed by the department;

11 (B) Solicited communications with potential recipients;

12 (C)(i) Responding to an inquiry regarding the coverage for  
13 which a potential recipient might be eligible, including without limitation  
14 providing educational materials or information regarding any coverage for  
15 which the individual might qualify.

16 (ii) Educational materials and information  
17 distributed under subdivision (c)(2)(C)(i) of this section shall contain only  
18 factual information and shall not contain subjective statements regarding the  
19 coverage for which the potential recipient might be eligible; and

20 (D) Using an Internet website for the exclusive purpose of  
21 enrolling individuals in the Arkansas Health Insurance Marketplace or the  
22 Health Care Independence Program.

23 (d) The State Insurance Department shall not apply for or accept any  
24 funds, including without limitation federal funds, for the purpose of  
25 advertisement, promotion, or other activities designed to promote or  
26 encourage enrollment in the Arkansas Health Insurance Marketplace or the  
27 Health Care Independence Program.

28 (e)(1) Except as provided in subdivision (e)(2) of this section, the  
29 State Insurance Department shall not:

30 (A)(i) Except as provided in subdivision (e)(1)(A)(ii) of  
31 this section, allocate, budget, expend, or utilize an appropriation  
32 authorized by the General Assembly for the purpose of funding activities of  
33 navigators, guides, certified application counselors, and certified licensed  
34 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,  
35 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

36 (ii) Subdivision (e)(1)(A)(i) of this section does

1 not apply to regulatory and training responsibilities related to navigators,  
2 guides, certified application counselors, and certified licensed producers;  
3 and

4 (B) Apply for or accept any funds, including without  
5 limitation federal funds, for the purpose of funding activities of  
6 navigators, guides, certified application counselors, and certified licensed  
7 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,  
8 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

9 (2) Subdivision (e)(1) of this section does not apply to  
10 certified application counselors at health related institutions, including  
11 without limitation the University of Arkansas for Medical Sciences.

12 (f) An appropriation authorized by the General Assembly shall not be  
13 subject to the provisions allowed through reallocation of resources or  
14 transfer of appropriation authority for the purpose of transferring an  
15 appropriation to any other appropriation authorized for the State Insurance  
16 Department to be allocated, budgeted, expended, or utilized in a manner  
17 prohibited by this section.

18 (g) The provisions of this section are severable, and the invalidity  
19 of any subsection or subdivision of this section shall not affect other  
20 provisions of the section that can be given effect without the invalid  
21 provision.

22 (h) This section expires on June 30, ~~2015~~ 2016.

23  
24 *SECTION 28. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 23-61-*  
25 *710(c) is amended to read as follows:*

26 (c) *The commissioner shall at the end of each biennium period*  
27 *cause to be transferred into the General Revenue Fund Account of the State*  
28 *Apportionment Fund the excess of the State Insurance Department Trust Fund*  
29 *moneys over an amount equal to ~~three (3)~~ one (1) fiscal-year budget for the*  
30 *department.*

31  
32 *SECTION 29. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 26-57-*  
33 *604(a)(1), concerning the remittance of insurance premium taxes, is amended*  
34 *to read as follows:*

35 (a)(1)(A) *Coincident with the filing of the tax report, each*  
36 *authorized life or accident and health insurer, including licensed health*

1 maintenance organizations, may apply for a credit for the noncommissioned  
2 salaries and wages of the insurer's Arkansas employees ~~which~~ that are paid in  
3 connection with its insurance operations.

4 (B)(i) The credit may be applied as an offset against the  
5 premium tax imposed in § 26-57-603(d) on life and accident and health  
6 insurance.

7 (ii) However, the credit shall not be applied as an  
8 offset against the premium tax on collections resulting from an eligible  
9 individual insured under § 20-77-2401 et seq. or § 23-61-801 et seq.

10  
11 SECTION 30. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 26-57-  
12 610(b)(2), concerning the disposition of insurance premium taxes, is amended  
13 to read as follows:

14 (2) The taxes based on premiums collected ~~to implement the~~  
15 ~~private insurance option under the Health Care Independence Program~~  
16 ~~established by § 20-77-2405 and the Arkansas Health Care Independence Program~~  
17 ~~demonstration approved by the United States Department of Health and Human~~  
18 ~~Services on September 27, 2013, under § 20-77-2401 et seq. and § 23-61-801 et~~  
19 ~~seq. shall be:~~

20 (A) At the time of deposit separately certified by the  
21 commissioner to the Treasurer of State for classification and distribution  
22 under this section; and

23 (B) Transferred to the Health Care Independence Program  
24 Trust Fund and used as provided by § 19-5-1141;

25  
26 SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
27 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING  
28 RESTRICTIONS. The State Insurance Department shall not allocate, budget,  
29 expend or commit for expenditure any appropriation authorized by the General  
30 Assembly for final implementation of a state-based health insurance exchange  
31 by the Arkansas Health Insurance Marketplace Board as established in Arkansas  
32 Code § 23-61-803 et seq. until after the decision of the United States  
33 Supreme Court in King v. Burwell, 759 F.3d 358 (4th Cir.), cert. granted,  
34 U.S. , 135 S. Ct. 475(2014).

35 The provisions of this Section shall be in effect from the date of the  
36 passage and approval of this Act through June 30, 2016.

1  
2           *SECTION 32. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code Title 23,*  
3 *Chapter 61, Subchapter 8, is amended to add an additional section to read as*  
4 *follows:*

5           *23-61-808. Restriction on use of grant funds for final implementation*  
6 *of a state-based health insurance exchange.*

7           *The Arkansas Health Insurance Marketplace and the Board of Directors of*  
8 *the Arkansas Health Insurance Marketplace shall not allocate, budget, expend,*  
9 *or commit for expenditure any grant funds received for final implementation*  
10 *of a state-based health insurance exchange under § 23-61-801 et seq. until*  
11 *after the decision of the United States Supreme Court in King v. Burwell, 759*  
12 *F.3d 358 (4th Cir.), cert. granted, U.S., 135 S. Ct. 475 (2014).*

13  
14           SECTION 33. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
15 authorized by this act shall be limited to the appropriation for such agency  
16 and funds made available by law for the support of such appropriations; and  
17 the 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.

23  
24           SECTION 34. LEGISLATIVE INTENT. It is the intent of the General  
25 Assembly that any funds disbursed under the authority of the appropriations  
26 contained in this act shall be in compliance with the stated reasons for  
27 which this act was adopted, as evidenced by the Agency Requests, Executive  
28 Recommendations and Legislative Recommendations contained in the budget  
29 manuals prepared by the Department of Finance and Administration, letters, or  
30 summarized oral testimony in the official minutes of the Arkansas Legislative  
31 Council or Joint Budget Committee which relate to its passage and adoption.

32  
33           *SECTION 35. EMERGENCY CLAUSE. It is found and determined by the*  
34 *General Assembly, that the Constitution of the State of Arkansas prohibits*  
35 *the appropriation of funds for more than a one (1) year period; that the*  
36 *effectiveness of this Act on July 1, 2015 is essential to the operation of*

1 the agency for which the appropriations in this Act are provided; with the  
2 exception that ~~SECTION 28~~ SECTIONS 28, 31 and 32 in this Act shall be in full  
3 force and effect from and after the date of its passage and approval and  
4 SECTIONS 29 and 30 shall be in full force and effect from and after January  
5 1, 2015, and that in the event of an extension of the Legislative Session,  
6 the delay in the effective date of this Act beyond July 1, 2015, with the  
7 exception that ~~SECTION 28~~ SECTIONS 28, 31 and 32 in this Act shall be in full  
8 force and effect from and after the date of its passage and approval and  
9 SECTIONS 29 and 30 shall be in full force and effect from and after January  
10 1, 2015, could work irreparable harm upon the proper administration and  
11 provision of essential governmental programs. Therefore, an emergency is  
12 hereby declared to exist and this Act being necessary for the immediate  
13 preservation of the public peace, health and safety shall be in full force  
14 and effect from and after July 1, 2015; with the exceptions that ~~SECTION 28~~  
15 SECTIONS 28, 31 and 32 in this Act shall be in full force and effect from and  
16 after the date of its passage and approval and SECTIONS 29 and 30 shall be in  
17 full force and effect from and after January 1, 2015.

18  
19 /s/Joint Budget Committee

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22 **APPROVED: 04/01/2015**  
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