

1 State of Arkansas
2 92nd General Assembly
3 Fiscal Session, 2020

A Bill

HOUSE BILL 1073

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 DEPARTMENT OF COMMERCE
10 - STATE SECURITIES DEPARTMENT FOR THE FISCAL YEAR
11 ENDING JUNE 30, 2021; AND FOR OTHER PURPOSES.
12

Subtitle

13 AN ACT FOR THE DEPARTMENT OF COMMERCE -
14 STATE SECURITIES DEPARTMENT APPROPRIATION
15 FOR THE 2020-2021 FISCAL YEAR.
16
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
20

21 SECTION 1. REGULAR SALARIES. There is hereby established for the
22 Department of Commerce - State Securities Department for the 2020-2021 fiscal
23 year, the following maximum number of regular employees.
24

| Item | Class | | Maximum | Maximum Annual |
|------|-------|---------------------------------------|-----------|----------------|
| No. | Code | Title | No. of | Salary Rate |
| | | | Employees | Fiscal Year |
| | | | | 2020-2021 |
| 29 | (1) | U040U SECURITIES COMMISSIONER | 1 | GRADE SE02 |
| 30 | (2) | D051C SYSTEMS APPLICATIONS SUPERVISOR | 1 | GRADE IT05 |
| 31 | (3) | N137N SECURITIES DEPUTY COMMISSIONER | 1 | GRADE GS14 |
| 32 | (4) | G004C MANAGING ATTORNEY | 1 | GRADE GS13 |
| 33 | (5) | X008C SECURITIES CHIEF EXAMINER | 2 | GRADE GS13 |
| 34 | (6) | G025C ATTORNEY SUPERVISOR | 1 | GRADE GS12 |
| 35 | (7) | G047C ATTORNEY SPECIALIST | 6 | GRADE GS11 |
| 36 | (8) | X015C SECURITIES EXAMINER SUPERVISOR | 3 | GRADE GS11 |



| | | | | |
|---|------|-------------------------------------|----------|------------|
| 1 | (9) | A052C ACCOUNTING COORDINATOR | 1 | GRADE GS09 |
| 2 | (10) | X032C SENIOR SECURITIES EXAMINER | 9 | GRADE GS09 |
| 3 | (11) | X061C SECURITIES EXAMINER | 4 | GRADE GS07 |
| 4 | (12) | C037C ADMINISTRATIVE ANALYST | 1 | GRADE GS06 |
| 5 | (13) | C056C ADMINISTRATIVE SPECIALIST III | 3 | GRADE GS04 |
| 6 | (14) | A098C FISCAL SUPPORT SPECIALIST | 1 | GRADE GS04 |
| 7 | (15) | C046C LEGAL SUPPORT SPECIALIST | <u>2</u> | GRADE GS04 |
| 8 | | MAX. NO. OF EMPLOYEES | 37 | |

9

10 SECTION 2. EXTRA HELP. There is hereby authorized, for the Department
 11 of Commerce - State Securities Department for the 2020-2021 fiscal year, the
 12 following maximum number of part-time or temporary employees, to be known as
 13 "Extra Help", payable from funds appropriated herein for such purposes: two
 14 (2) temporary or part-time employees, when needed, at rates of pay not to
 15 exceed those provided in the Uniform Classification and Compensation Act, or
 16 its successor, or this act for the appropriate classification.

17

18 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 19 to the Department of Commerce, to be payable from the Securities Department
 20 Fund, for personal services and operating expenses of the Department of
 21 Commerce - State Securities Department for the fiscal year ending June 30,
 22 2021, the following:

23

| 24 | ITEM | FISCAL YEAR |
|----|---------------------------------|---------------------------|
| 25 | <u>NO.</u> | <u>2020-2021</u> |
| 26 | (01) REGULAR SALARIES | \$2,229,477 |
| 27 | (02) EXTRA HELP | 16,000 |
| 28 | (03) PERSONAL SERVICES MATCHING | 701,832 |
| 29 | (04) MAINT. & GEN. OPERATION | |
| 30 | (A) OPER. EXPENSE | 530,660 |
| 31 | (B) CONF. & TRAVEL | 30,000 |
| 32 | (C) PROF. FEES | 20,984 |
| 33 | (D) CAP. OUTLAY | 0 |
| 34 | (E) DATA PROC. | 0 |
| 35 | (05) EXAMINATION TRAVEL | <u>20,000</u> |
| 36 | TOTAL AMOUNT APPROPRIATED | <u><u>\$3,548,953</u></u> |

SECTION 4. APPROPRIATION - REFUNDS AND REIMBURSEMENTS. There is hereby appropriated, to the Department of Commerce, to be payable from cash funds as defined by cash funds as defined by Arkansas Code 19-4-801, for refunds and reimbursements of the Department of Commerce - State Securities Department for the fiscal year ending June 30, 2021, the following:

| ITEM NO. | FISCAL YEAR 2020-2021 |
|-----------------------------|-----------------------|
| (01) REFUNDS/REIMBURSEMENTS | <u>\$50,000</u> |

SECTION 5. APPROPRIATION - INVESTOR EDUCATION FUND. There is hereby appropriated, to the Department of Commerce, to be payable from the Investor Education Fund, for operating expenses, promotional items, and grants of the Department of Commerce - State Securities Department for the fiscal year ending June 30, 2021, the following:

| ITEM NO. | FISCAL YEAR 2020-2021 |
|------------------------------|-----------------------|
| (01) MAINT. & GEN. OPERATION | |
| (A) OPER. EXPENSE | \$36,000 |
| (B) CONF. & TRAVEL | 0 |
| (C) PROF. FEES | 0 |
| (D) CAP. OUTLAY | 0 |
| (E) DATA PROC. | 0 |
| (02) GRANTS AND AID | 125,000 |
| (03) PROMOTIONAL ITEMS | <u>7,500</u> |
| TOTAL AMOUNT APPROPRIATED | <u>\$168,500</u> |

SECTION 6. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. QUARTERLY REPORTS. The State Securities Department shall on a quarterly basis provide to the Arkansas Legislative Council or Joint Budget Committee a report of all funds received or any external fund transactions recognized or required through court orders or settlement agreements. The report shall include:

- a) The case name of the court order or settlement agreement.

1 b) The amount of funds received or transaction recognized or required by
2 the State Securities Department for each court order or settlement agreement.

3 c) A plan for disbursement of the received funds. If funds received from
4 a court order or settlement agreement are expended for any purpose, including
5 investor education and enforcement activities, the report must itemize
6 specific activities subject to the exclusions provided in Ark. Code Ann. 25-
7 1-403(1)(B). The report shall also itemize the specific investor education
8 and enforcement activities funded for the State Securities Department.

9 d) An explanation of whether the funds received or transactions
10 recognized or required from a court order or settlement are directed to a
11 specific entity, and if so, the State Securities Department shall provide a
12 summary of input regarding the drafting of the court order or settlement
13 agreement.

14 e) A report of the rationale for disbursing funds to a specific entity if
15 the State Securities Department receives funds from a court order or
16 settlement agreement that does not require disbursement of funds to a
17 specific entity.

18 f) A report of current balances of all unappropriated fund holdings
19 received by court order or settlement agreement by the State Securities
20 Department.

21 g) The quarterly reports shall be provided no later than the 15th day of
22 the month immediately following the end of each quarter.

23 The provisions of this section shall be in effect only from July 1, ~~2019~~
24 2020 through June 30, ~~2020~~ 2021.

25
26 SECTION 7. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
27 authorized by this act shall be limited to the appropriation for such agency
28 and funds made available by law for the support of such appropriations; and
29 the restrictions of the State Procurement Law, the General Accounting and
30 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
31 Procedures and Restrictions Act, or their successors, and other fiscal
32 control laws of this State, where applicable, and regulations promulgated by
33 the Department of Finance and Administration, as authorized by law, shall be
34 strictly complied with in disbursement of said funds.

35
36 SECTION 8. LEGISLATIVE INTENT. It is the intent of the General

1 Assembly that any funds disbursed under the authority of the appropriations
 2 contained in this act shall be in compliance with the stated reasons for
 3 which this act was adopted, as evidenced by the Agency Requests, Executive
 4 Recommendations and Legislative Recommendations contained in the budget
 5 manuals prepared by the Department of Finance and Administration, letters, or
 6 summarized oral testimony in the official minutes of the Arkansas Legislative
 7 Council or Joint Budget Committee which relate to its passage and adoption.

8
 9 SECTION 9. EMERGENCY CLAUSE. It is found and determined by the General
 10 Assembly, that the Constitution of the State of Arkansas prohibits the
 11 appropriation of funds for more than a one (1) year period; that the
 12 effectiveness of this Act on July 1, 2020 is essential to the operation of
 13 the agency for which the appropriations in this Act are provided, and that in
 14 the event of an extension of the legislative session, the delay in the
 15 effective date of this Act beyond July 1, 2020 could work irreparable harm
 16 upon the proper administration and provision of essential governmental
 17 programs. Therefore, an emergency is hereby declared to exist and this Act
 18 being necessary for the immediate preservation of the public peace, health
 19 and safety shall be in full force and effect from and after July 1, 2020.

20
 21
 22 **APPROVED: 4/17/20**
 23
 24
 25
 26
 27
 28
 29
 30
 31
 32
 33
 34
 35
 36