

Stricken language would be deleted from and underlined language would be added to present law.
Act 303 of the Regular Session

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: S2/9/11 H3/3/11

A Bill

SENATE BILL 221

5 By: Senators J. Dismang, D. Johnson, G. Baker, Bledsoe, Files, Fletcher, S. Flowers, S. Harrelson,
6 Hendren, Holland, J. Hutchinson, Irvin, J. Jeffress, J. Key, M. Lamoureux, Madison, P. Malone, B.
7 Pritchard, Rapert, B. Sample, Teague, R. Thompson, Whitaker, E. Williams, D. Wyatt
8 By: Representatives McLean, Baird, Barnett, Biviano, J. Burris, Carter, Clemmer, Collins, J. Edwards,
9 English, Eubanks, Garner, Gillam, Hickerson, Hobbs, Hopper, D. Hutchinson, Kerr, Lea, Lindsey, S.
10 Malone, Mauch, McCrary, S. Meeks, Nickels, Post, Ratliff, Sanders, Shepherd, Slinkard, G. Smith, Steel,
11 Vines, Woods, Wren

For An Act To Be Entitled

14 AN ACT TO REQUIRE THE DEPARTMENT OF FINANCE AND
15 ADMINISTRATION TO PUBLISH A DATABASE OF STATE
16 GOVERNMENT EXPENDITURES.

Subtitle

20 THE ARKANSAS FINANCIAL TRANSPARENCY ACT.

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

25 SECTION 1. Arkansas Code Title 25, Chapter 1 is amended to add an
26 additional subchapter to read as follows:

SUBCHAPTER 4 – ARKANSAS FINANCIAL TRANSPARENCY ACT

25-1-401. Title.

30 This subchapter shall be known and may be cited as the "Arkansas
31 Financial Transparency Act".

25-1-402. Legislative intent.

34 The General Assembly finds that:

35 (1) Information technology has evolved to allow unprecedented
36 levels of accessibility to financial information;



1 (2) Information technology allowing access to expenditure
2 information via the Internet now exists and is available to state government;
3 and

4 (3) Access to expenditures on an ongoing and regular basis will:

5 (A) Assist citizens and members of the General Assembly in
6 overseeing the operation of state government in Arkansas; and

7 (B) Allow for a higher degree of accountability and
8 efficiency in the workings of all branches of state government.

9
10 25-1-403. Definitions.

11 As used in this section:

12 (1)(A) "Expenditure data" means information provided by a state
13 agency regarding the spending of public funds that adequately identifies the
14 purpose, amount, payor, and vendor, if such disclosure is permissible under
15 the Arkansas Freedom of Information Act of 1967, § 25-19-101 et seq., and
16 federal laws or regulations.

17 (B) "Expenditure data" does not include expenses of
18 pending litigation;

19 (2)(A) "State agency" means any agency, department, authority,
20 board, commission, bureau, council, or other agency of the state excluding
21 institutions of higher education.

22 (B) "State agency" includes without limitation:

23 (i) The offices of the Governor, Lieutenant
24 Governor, Attorney General, Secretary of State, Treasurer of State, Auditor
25 of State and Commissioner of State Lands;

26 (ii) Legislative commissions, bureaus, and offices;

27 (iii) Judicial offices;

28 (iv) Constitutional offices, commissions and
29 departments that receive a state appropriation for the expenditure of state
30 funds, special revenues, or federal funds; and

31 (v) The Arkansas Lottery Commission;

32 (3) "Vendor" means an entity that:

33 (A) Provides goods and services within its normal business
34 operations;

35 (B) May provide similar goods and services to many
36 different purchasers; and

- 1 (C) Operates in a competitive environment; and
- 2 (4) "Website" means a site on the Internet:
- 3 (A) Identifiable by a specific Uniform Resource Locator;
- 4 (B) Accessible to the public at no cost; and
- 5 (C) Requiring no information of the user.

6

7 25-1-404. Duties of Department of Finance and Administration.

8 (a) The Department of Finance and Administration shall:

- 9 (1) Establish standards and criteria for each state agency to
- 10 report financial expenditures;
- 11 (2) Develop and maintain a database of financial information as
- 12 set forth in this subchapter; and
- 13 (3) Develop a website presenting expenditure data for each state
- 14 agency that shall:
- 15 (A) Report expenditure data in a common format;
- 16 (B) Include expenditures of state government, whether held
- 17 in the State Treasury or commercial bank accounts;
- 18 (C) Allow searches of financial data in common format; and
- 19 (D)(i) Be updated on a regular basis to present
- 20 expenditure data for the current fiscal year and prior year's annual
- 21 expenditures, starting with the 2013 fiscal year.
- 22 (ii) The website shall retain expenditure data for
- 23 each state fiscal year, starting with the 2013 fiscal year, until ten (10)
- 24 such years are available, after which the website shall retain at least ten
- 25 (10) years of expenditure data.

26 (b) Revenue shall be reported at the state agency level by:

- 27 (1) The source of funding, including without limitation
- 28 donations and gifts;
- 29 (2) General ledger codes as defined by rule of the department;
- 30 and
- 31 (3) Year to date.

32 (c) A state agency shall report information on expenditures by:

- 33 (1) Budget classification;
- 34 (2) General ledger code as defined by rule of the department;
- 35 (3) Year to date; and
- 36 (4) Vendor.

1 (d) A state agency shall report information on compensation of state
2 employees by:

- 3 (1) Agency;
4 (2) Employee name;
5 (3) Title;
6 (4) Position number; and
7 (5) Annual salary.

8 (e) A state agency shall report information on bonded indebtedness by
9 the:

- 10 (1) Original obligation amount or principal;
11 (2) Original interest rate;
12 (3) Statutory authority for the debt;
13 (4) Issuance date and description, including without limitation
14 whether the current issuance is an original issue or a reissue of
15 indebtedness;
16 (5) Term of the obligation;
17 (6) Source of funding for repayment; and
18 (7) Remaining principal.

19 (f) Information regarding payments to city and county governments
20 shall be provided in a manner prescribed by rule of the department.

21 (g) A state agency shall report information on contracts by the:

- 22 (1) Date of contract;
23 (2) Vendor;
24 (3) Estimated total contract value; and
25 (4) Type of contract, whether professional services,
26 commodities, capital outlay, or other type of contract.

27 (h) The department may promulgate rules to implement this section,
28 including without limitation rules concerning the reporting of additional
29 information under this section.

30
31 25-1-405. Cooperation by state agencies with Department of Finance and
32 Administration – Report.

33 (a) Each state agency shall:

- 34 (1) Cooperate with the Department of Finance and Administration
35 in meeting the requirements of this subchapter; and
36 (2) Take actions necessary to provide information under this

1 subchapter.

2 (b)(1) The department shall report annually to the Legislative Council
3 the name of each state agency failing to provide information under this
4 subchapter.

5 (2) A copy of the report under subdivision (b)(1) of this
6 section shall be posted on the website required by this subchapter
7 immediately after presentation to the Legislative Council.

8 (c) The Arkansas Lottery Commission shall pay the costs of providing
9 expenditure information for the commission in the common format determined by
10 the department.

11

12 SECTION 2. TEMPORARY LANGUAGE. NOT TO BE CODIFIED.

13 (a) The website established by this act shall be operational and able
14 to meet the requirements of this act by July 1, 2012.

15 (b) The Department of Finance and Administration shall report to the
16 Legislative Council no later than April 1, 2012, on efforts to comply with
17 this act.

18

19 /s/J. Dismang

20

21

22 APPROVED: 03/17/2011

23

24

25

26

27

28

29

30

31

32

33

34

35

36