

Stricken language will be deleted and underlined language will be added.
Act 300 of the Fiscal Session

1 State of Arkansas
2 89th General Assembly
3 Fiscal Session, 2014
4

As Engrossed: H3/6/14
A Bill

HOUSE BILL 1048

5 By: Joint Budget Committee
6

7 **For An Act To Be Entitled**

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
9 AND OPERATING EXPENSES FOR THE DEPARTMENT OF FINANCE
10 AND ADMINISTRATION - REVENUE SERVICES DIVISION FOR
11 THE FISCAL YEAR ENDING JUNE 30, 2015; AND FOR OTHER
12 PURPOSES.
13
14

15 **Subtitle**

16 AN ACT FOR THE DEPARTMENT OF FINANCE AND
17 ADMINISTRATION - REVENUE SERVICES
18 DIVISION APPROPRIATION FOR THE 2014-2015
19 FISCAL YEAR.
20
21

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

24 SECTION 1. REGULAR SALARIES - REVENUE SERVICES DIVISION. There is
25 hereby established for the Department of Finance and Administration - Revenue
26 Services Division for the 2014-2015 fiscal year, the following maximum number
27 of regular employees.
28

				Maximum Annual
		Maximum		Salary Rate
Item	Class	No. of		Fiscal Year
No.	Code	Title	Employees	2014-2015
33	(1)	N003N DFA REV ASST COMMISSIONER OPS & ADMIN	1	GRADE N912
34	(2)	N004N DFA REV ASST COMMISSR POLICY & LEGAL	1	GRADE N912
35	(3)	N037N DFA DRIVER LICENSE ADMINISTRATOR	1	GRADE N909
36	(4)	N035N DFA MOTOR VEHICLE ADMINISTRATOR	1	GRADE N909



1	(5)	G002N	DFA REVENUE CHIEF COUNSEL	1	GRADE N909
2	(6)	N030N	DFA STATE REVENUE OFFICE ADMIN	1	GRADE N909
3	(7)	N029N	DFA TAX ADMINISTRATOR	2	GRADE N909
4	(8)	N028N	DFA TAX AUDIT ADMINISTRATOR	1	GRADE N909
5	(9)	A003C	DFA REVENUE ASSISTANT ADMINISTRATOR	12	GRADE C130
6	(10)	A006C	DFA REVENUE TAX DIVISION MANAGER	8	GRADE C129
7	(11)	G025C	ATTORNEY SUPERVISOR	2	GRADE C127
8	(12)	G024C	DEPARTMENT ADMINISTRATIVE LAW JUDGE	3	GRADE C127
9	(13)	G047C	ATTORNEY SPECIALIST	12	GRADE C126
10	(14)	G045C	DFA DIVISION MANAGER III	2	GRADE C126
11	(15)	G044C	DFA REVENUE PROBLEM RESOLUTION OFFICER	2	GRADE C126
12	(16)	G084C	DFA DIVISION MANAGER II	8	GRADE C123
13	(17)	A033C	TAX AUDITOR SUPERVISOR	27	GRADE C123
14	(18)	A049C	DFA REVENUE OFFICE DISTRICT MANAGER	5	GRADE C121
15	(19)	G133C	DFA DIVISION MANAGER I	17	GRADE C120
16	(20)	T032C	DFA REVENUE SECURITY COORDINATOR	1	GRADE C120
17	(21)	D056C	SYSTEMS COORDINATION ANALYST	1	GRADE C120
18	(22)	A054C	TAX AUDITOR II	179	GRADE C120
19	(23)	A069C	DFA REV OFFICE ASST DISTRICT MANAGER	5	GRADE C119
20	(24)	A059C	TAX AUDITOR	1	GRADE C119
21	(25)	A077C	DFA LOCAL REVENUE OFFICE MANAGER	50	GRADE C118
22	(26)	A074C	FISCAL SUPPORT SUPERVISOR	4	GRADE C118
23	(27)	A082C	ACCOUNTANT II	1	GRADE C117
24	(28)	G179C	LEGAL SERVICES SPECIALIST	1	GRADE C117
25	(29)	S017C	MAINTENANCE COORDINATOR	1	GRADE C117
26	(30)	A089C	ACCOUNTANT I	1	GRADE C116
27	(31)	P027C	PUBLIC INFORMATION SPECIALIST	1	GRADE C116
28	(32)	C037C	ADMINISTRATIVE ANALYST	3	GRADE C115
29	(33)	A091C	FISCAL SUPPORT ANALYST	21	GRADE C115
30	(34)	C029C	HEARING OFFICER	26	GRADE C115
31	(35)	R032C	HUMAN RESOURCES PROGRAM REP	1	GRADE C115
32	(36)	V015C	PURCHASING SPECIALIST	2	GRADE C115
33	(37)	A094C	DFA LOCAL REVENUE OFFICE SUPERVISOR	90	GRADE C114
34	(38)	C042C	DFA REVENUE SUPERVISOR	29	GRADE C114
35	(39)	C048C	DFA SUPERVISOR	90	GRADE C113
36	(40)	C046C	LEGAL SUPPORT SPECIALIST	10	GRADE C113

1	(41)	S046C	MAINTENANCE TECHNICIAN	8	GRADE C113
2	(42)	C056C	ADMINISTRATIVE SPECIALIST III	12	GRADE C112
3	(43)	A098C	FISCAL SUPPORT SPECIALIST	2	GRADE C112
4	(44)	X172C	TAX INVESTIGATOR	34	GRADE C112
5	(45)	C059C	DFA SERVICE REPRESENTATIVE	670	GRADE C111
6	(46)	C073C	ADMINISTRATIVE SPECIALIST II	29	GRADE C109
7	(47)	C076C	DFA TECHNICIAN	88	GRADE C108
8	(48)	S084C	INSTITUTIONAL SERVICES SUPERVISOR	1	GRADE C104
9	(49)	S087C	INSTITUTIONAL SERVICES ASSISTANT	<u>11</u>	GRADE C103
10			MAX. NO. OF EMPLOYEES	1,480	

11

12 SECTION 2. EXTRA HELP - REVENUE SERVICES DIVISION. There is hereby
 13 authorized, for the Department of Finance and Administration - Revenue
 14 Services Division for the 2014-2015 fiscal year, the following maximum number
 15 of part-time or temporary employees, to be known as "Extra Help", payable
 16 from funds appropriated herein for such purposes: two hundred twenty-one
 17 (221) temporary or part-time employees, when needed, at rates of pay not to
 18 exceed those provided in the Uniform Classification and Compensation Act, or
 19 its successor, or this act for the appropriate classification.

20

21 SECTION 3. APPROPRIATION - REVENUE SERVICES DIVISION. There is hereby
 22 appropriated, to the Department of Finance and Administration - Revenue
 23 Services Division, to be payable from the State Central Services Fund, for
 24 personal services and operating expenses of the Department of Finance and
 25 Administration - Revenue Services Division - Operations for the fiscal year
 26 ending June 30, 2015, the following:

27

28	ITEM	FISCAL YEAR
29	<u>NO.</u>	<u>2014-2015</u>
30	(01) REGULAR SALARIES	\$52,002,824
31	(02) EXTRA HELP	564,466
32	(03) PERSONAL SERVICES MATCHING	18,928,748
33	(04) OVERTIME	125,000
34	(05) MAINT. & GEN. OPERATION	
35	(A) OPER. EXPENSE	26,497,659
36	(B) CONF. & TRAVEL	115,450

1	(C) PROF. FEES	157,000
2	(D) CAP. OUTLAY	661,500
3	(E) DATA PROC.	0
4	(06) REFUNDS/REIMBURSEMENTS	<u>25,000</u>
5	TOTAL AMOUNT APPROPRIATED	<u>\$99,077,647</u>

6

7 SECTION 4. APPROPRIATION - COMMERCIAL DRIVERS LICENSE PROGRAM. There

8 is hereby appropriated, to the Department of Finance and Administration -

9 Revenue Services Division, to be payable from the Commercial Driver License

10 Fund, for personal services and operating expenses of the Department of

11 Finance and Administration - Revenue Services Division - Commercial Drivers

12 License Program for the fiscal year ending June 30, 2015, the following:

14	ITEM	FISCAL YEAR
15	<u>NO.</u>	<u>2014-2015</u>
16	(01) REGULAR SALARIES	\$287,165
17	(02) PERSONAL SERVICES MATCHING	113,380
18	(03) MAINT. & GEN. OPERATION	
19	(A) OPER. EXPENSE	1,352,352
20	(B) CONF. & TRAVEL	0
21	(C) PROF. FEES	0
22	(D) CAP. OUTLAY	0
23	(E) DATA PROC.	<u>0</u>
24	TOTAL AMOUNT APPROPRIATED	<u>\$1,752,897</u>

25

26 SECTION 5. APPROPRIATION - INDIVIDUAL INCOME TAX AND AD VALOREM

27 PROPERTY TAX REBATES. There is hereby appropriated, to the Department of

28 Finance and Administration - Revenue Services Division, to be payable from

29 the Individual Income Tax Withholding Fund, for the purpose of making

30 individual income tax refunds of taxes withheld under the provisions of

31 Arkansas Code beginning at 26-51-901 and property tax rebates under Amendment

32 79 of the Arkansas Constitution for the fiscal year ending June 30, 2015, the

33 following:

35	ITEM	FISCAL YEAR
36	<u>NO.</u>	<u>2014-2015</u>

1 (01) INDIVIDUAL INCOME TAX & AD VALOREM
 2 PROPERTY TAX REBATES -
 3 REFUND/REIMBURSEMENTS \$680,000,000
 4

5 SECTION 6. APPROPRIATION - CORPORATE INCOME TAX. There is hereby
 6 appropriated, to the Department of Finance and Administration - Revenue
 7 Services Division, to be payable from the Corporate Income Tax Withholding
 8 Fund, for the purpose of making corporate income tax refunds of taxes
 9 withheld under the provisions of Arkansas Code 26-51-901 for the fiscal year
 10 ending June 30, 2015, the following:

11	ITEM	FISCAL YEAR
12		
13	<u>NO.</u>	<u>2014-2015</u>
14	(01) CORPORATE INCOME TAX -	
15	REFUND/REIMBURSEMENTS	<u>\$200,000,000</u>
16		

17 SECTION 7. APPROPRIATION - GASOLINE TAX REFUNDS. There is hereby
 18 appropriated, to the Department of Finance and Administration - Revenue
 19 Services Division, to be payable from the Gasoline Tax Refund Fund, for
 20 paying the valid gasoline tax refund claims of agricultural users and bus
 21 drivers in the manner and to the extent provided by law for the fiscal year
 22 ending June 30, 2015, the following:

23	ITEM	FISCAL YEAR
24		
25	<u>NO.</u>	<u>2014-2015</u>
26	(01) GASOLINE TAX REFUND CLAIMS	<u>\$1,500,000</u>
27		

28 SECTION 8. APPROPRIATION - INTERSTATE MOTOR FUEL TAX REFUNDS. There is
 29 hereby appropriated, to the Department of Finance and Administration -
 30 Revenue Services Division, to be payable from the Interstate Motor Fuel Tax
 31 Refund Fund, for paying refunds to interstate users of motor fuels and
 32 special motor fuels as authorized by law for the fiscal year ending June 30,
 33 2015, the following:

34	ITEM	FISCAL YEAR
35		
36	<u>NO.</u>	<u>2014-2015</u>

1 (01) INTERSTATE MOTOR FUEL TAX -
 2 REFUND/REIMBURSEMENTS \$20,000,000

3
 4 SECTION 9. APPROPRIATION - MISCELLANEOUS TAX REFUNDS. There is hereby
 5 appropriated, to the Department of Finance and Administration - Revenue
 6 Services Division, to be payable from the Miscellaneous Revolving Fund, for
 7 making refunds of taxes erroneously paid and for refunds of the gross
 8 receipts taxes paid upon tickets to athletic events pursuant to Arkansas Code
 9 26-52-511 and for other purposes as authorized by law for the fiscal year
 10 ending June 30, 2015, the following:

11
 12 ITEM FISCAL YEAR
 13 NO. 2014-2015
 14 (01) MISCELLANEOUS TAX -
 15 REFUND/REIMBURSEMENTS \$260,000,000

16
 17 SECTION 10. APPROPRIATION - SPECIAL PLATES. There is hereby
 18 appropriated, to the Department of Finance and Administration - Revenue
 19 Services Division, to be payable from the cash fund deposited in the State
 20 Treasury as determined by the Chief Fiscal Officer of the State, for
 21 administrative and operating expenses of disbursing the Motor Vehicle Special
 22 License Plates fees to the proper entities for the fiscal year ending June
 23 30, 2015, the following:

24
 25 ITEM FISCAL YEAR
 26 NO. 2014-2015
 27 (01) MV SPECIAL PLATES - ADMINISTRATIVE
 28 & OPERATING EXPENSES \$4,000,000

29
 30 SECTION 11. APPROPRIATION - REVENUE MISCELLANEOUS CASH. There is
 31 hereby appropriated, to the Department of Finance and Administration -
 32 Revenue Services Division, to be payable from the cash fund deposited in the
 33 State Treasury as determined by the Chief Fiscal Officer of the State, for
 34 distribution of fees and service charges collected on behalf of other
 35 entities and for other purposes as authorized by law for the Department of
 36 Finance and Administration - Revenue Services Division for the fiscal year

1 ending June 30, 2015, the following:

2

3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2014-2015</u>
5 (01) DISTRIBUTION OF FEES/SERVICE CHARGES	<u>\$5,000,000</u>

6

7 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

9 APPROPRIATION TRANSFERS. The Director of the Department of Finance and
10 Administration is authorized to transfer appropriation between refund line
11 item appropriations in this Act. The Director of the Department of Finance
12 and Administration shall immediately report any such transfers to the
13 Arkansas Legislative Council. Such report shall contain the amounts
14 transferred and the reasons for the same.

15 The provisions of this section shall be in effect only from July 1, ~~2013~~
16 2014 through June 30, ~~2014~~ 2015.

17

18 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EXTRA
20 HELP EXEMPTION. Extra Help positions authorized herein are specifically
21 exempt from limitation of hours, either by act or regulation. Provided,
22 however, when a temporary or part-time employee is employed by the Department
23 of Finance and Administration - Revenue Services for a period of time
24 exceeding seven (7) months, a report of such shall be filed with the Arkansas
25 Legislative Council.

26 The provisions of this section shall be in effect only from July 1, ~~2013~~
27 2014 through June 30, ~~2014~~ 2015.

28

29 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. AUTHORITY
31 TO EMPLOY CERTIFIED LAW ENFORCEMENT OFFICERS. The Director of the Department
32 of Finance and Administration is authorized to employ not more than one (1)
33 certified law enforcement officer as certified under § 12-9-101 et seq. The
34 certified law enforcement officer employed under this section shall be
35 responsible for maintaining order and providing for the security, protection,
36 and safety of Department buildings, grounds, property, employees and

1 customers. The certified law enforcement officer shall have the powers,
2 duties, privileges, and immunities of a certified law enforcement officer.

3
4 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
5 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

6 CONTINGENT POSITIONS. There is hereby established for the Department of
7 Finance and Administration - Revenue Division - Contingent Positions for the
8 ~~2013-2014~~ 2014-2015 fiscal year, the following maximum number of regular
9 employees whose salaries shall be governed by the provisions of the Uniform
10 Classification and Compensation Act (Arkansas Code 21-5-201 et seq.), or its
11 successor, and all laws amendatory thereto. All persons occupying positions
12 authorized herein are hereby governed by the provisions of the Regular
13 Salaries Procedures and Restrictions Act (Arkansas Code 21-5-101), or its
14 successor.

15 CONTINGENT POSITIONS – DATA ENTRY

16		MAXIMUM	SALARY RATE
17	ITEM CLASS	NO. OF	FISCAL YEARS
18	<u>NO. CODE TITLE</u>	<u>EMPLOYEES</u>	<u>2013-14 2014-2015</u>
19	(1) C042C DFA REVENUE SUPERVISOR	2	GRADE C114
20	(2) C059C DFA SERVICE REPRESENTATIVE	8	GRADE C111
21	(3) C076C DFA TECHNICIAN	<u>40</u>	GRADE C108
22	MAX CONTINGENT EMPLOYEES	50	

23 If it has been determined by the Director of the Department of Finance and
24 Administration that the Department cannot continue a contract with a private
25 provider and the Director deems it necessary to utilize Department staff to
26 provide the required services, the Department is allowed, after seeking prior
27 review by the Arkansas Legislative Council or Joint Budget Committee, to
28 utilize the contingent positions for data entry contained in this Section and
29 make the appropriate transfers from the various Maintenance and Operations,
30 Professional Fees and Services or Data Processing line items contained in
31 Section 3 of this Act to Regular Salaries and Personal Services Matching.

32
33 SECTION 16. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 26-52-
34 402(c)(2)(B), concerning the exemption from the gross receipts tax for
35 certain machinery and equipment, is amended to read as follows:

36 (B) Machinery and equipment used directly in the

1 *manufacturing process includes without limitation the following:*

2 *(i) Molds, frames, cavities, and forms that*
3 *determine the physical characteristics of the finished product or its*
4 *packaging material at any stage of the manufacturing process;*

5 *(ii) Dies, tools, and devices attached to or a part*
6 *of a unit of machinery that determine the physical characteristics of the*
7 *finished product or its packaging material at any stage of the manufacturing*
8 *process;*

9 *(iii) Testing equipment to measure the quality of*
10 *the finished product at any stage of the manufacturing process;*

11 *(iv) Computers and related peripheral equipment that*
12 *directly control or measure the manufacturing process; ~~and~~*

13 *(v) Machinery and equipment that produce steam,*
14 *electricity, or chemical catalysts and solutions that are essential to the*
15 *manufacturing process but which are consumed during the course of the*
16 *manufacturing process and do not become necessary and integral parts of the*
17 *finished product; and*

18 *(vi) Sand and other proppants used to complete a new*
19 *oil or gas well or to recomplete, redrill, or expand an existing oil or gas*
20 *well.*

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

31
32 SECTION 18. LEGISLATIVE INTENT. It is the intent of the General
33 Assembly that any funds disbursed under the authority of the appropriations
34 contained in this act shall be in compliance with the stated reasons for
35 which this act was adopted, as evidenced by the Agency Requests, Executive
36 Recommendations and Legislative Recommendations contained in the budget

1 manuals prepared by the Department of Finance and Administration, letters, or
2 summarized oral testimony in the official minutes of the Arkansas Legislative
3 Council or Joint Budget Committee which relate to its passage and adoption.
4

5 SECTION 19. EMERGENCY CLAUSE. It is found and determined by the
6 General Assembly, that the Constitution of the State of Arkansas prohibits
7 the appropriation of funds for more than a one (1) year period; that the
8 effectiveness of this Act on July 1, 2014 is essential to the operation of
9 the agency for which the appropriations in this Act are provided, and that in
10 the event of an extension of the legislative session, the delay in the
11 effective date of this Act beyond July 1, 2014 could work irreparable harm
12 upon the proper administration and provision of essential governmental
13 programs. Therefore, an emergency is hereby declared to exist and this Act
14 being necessary for the immediate preservation of the public peace, health
15 and safety shall be in full force and effect from and after July 1, 2014.
16

17 */s/ Joint Budget Committee*
18
19

20 ***APPROVED on 3/17/2014 with the exception of Section 16.***

21 ***Section 16 Disapproved by Governor on 3/17/2014 by line item veto.***

22 ***Line item veto overridden by Senate and House on 3/19/2014.***
23
24
25
26
27
28
29
30
31
32
33
34
35
36