

1 State of Arkansas
2 92nd General Assembly
3 First Extraordinary Session, 2020
4

Call Item 1

A Bill

SENATE BILL 2

5 By: Senators J. Hendren, J. Dismang, Hester, K. Ingram, Bledsoe, Irvin, D. Wallace, Teague, Rapert, J.
6 English, S. Flowers, B. Johnson, J. Cooper, L. Eads, J. Sturch, Maloch, E. Cheatham, M. Pitsch, G.
7 Leding, Hill, Bond
8 By: Representatives Shepherd, F. Allen, Beck, Bentley, Berry, Breaux, Burch, Cloud, C. Cooper, Eaves,
9 Ennett, Eubanks, K. Ferguson, Fielding, C. Fite, Glover, Holcomb, Jean, Jett, Ladyman, Maddox, Magie,
10 McCullough, McNair, S. Meeks, Nicks, Payton, Richmond, Rushing, Rye, Scott, Slape, B. Smith,
11 Sorvillo, Wardlaw, Watson, D. Whitaker, Miller, Richardson
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For An Act To Be Entitled

14 AN ACT TO CREATE THE COVID-19 RAINY DAY FUND; TO
15 TRANSFER FUNDS TO THE COVID-19 RAINY DAY FUND; TO
16 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
17
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Subtitle

19 AN ACT TO CREATE THE COVID-19 RAINY DAY
20 FUND; TO TRANSFER FUNDS TO THE COVID-19
21 RAINY DAY FUND; AND TO DECLARE AN
22 EMERGENCY.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code Title 19, Chapter 5, Subchapter 12 is amended
29 to add an additional section to read as follows:

30 19-5-1267. COVID-19 RAINY DAY FUND.

31 (a) There is created on the books of the Treasurer of State, the Auditor of
32 State, and the Chief Fiscal Officer of the State a miscellaneous fund to be
33 known as the "COVID-19 Rainy Day Fund".

34 (b) The COVID-19 Rainy Day Fund shall consist of:

35 (1) Funds transferred from the General Revenue Allotment Reserve Fund
36 to the COVID-19 Rainy Day Fund;



1 (2) Any revenues provided by law; and

2 (3) Any fund or fund account transfers provided for by law.

3 (c) The Chief Fiscal Officer of the State shall use the COVID-19 Rainy Day
4 Fund for transfers to provide funding for one (1) or more appropriations
5 authorized by the General Assembly and to offset general revenue reductions,
6 funding needs and unanticipated needs created by the COVID-19 crises.

7 (d)(1) Notwithstanding any other provisions of law, the release of any funds
8 from the COVID-19 Rainy Day Fund shall require prior approval, as defined in
9 this subsection, of the:

10 (A) Speaker of the House of Representatives or his or her
11 designee;

12 (B) Majority party leader of the House of Representatives or
13 his or her designee;

14 (C) Minority party leader of the House of Representatives or
15 his or her designee;

16 (D) President Pro Tempore of the Senate or his or her
17 designee;

18 (E) Majority party leader of the Senate or his or her
19 designee; and

20 (F) Minority party leader of the Senate or his or her
21 designee.

22 (2)(A) The Secretary of the Department of Finance and
23 Administration shall notify the Speaker of the House of Representatives, the
24 President Pro Tempore of the Senate and all other members of the General
25 Assembly of a request for the release of funds from the COVID-19 Rainy Day
26 Fund.

27 (B)(i) The Speaker of the House of Representatives and the
28 President Pro Tempore of the Senate shall communicate the request to the
29 respective majority party leader and respective minority party leader.

30 (ii) If a majority party leader or a minority party leader
31 is unavailable or recuses from the vote, the Speaker of the House of
32 Representatives and the President Pro Tempore of the Senate shall contact the
33 non-responding majority party leader designee or non-responding minority
34 party leader designee.

35 (3)(A) As used in this section “prior approval” means that:

36 (i) At least two (2) members listed in subdivision (d)(1)

1 of this section from the House of Representatives and two (2) members listed
 2 in subdivision (d)(1) of this section from the Senate approve the release of
 3 funds from the COVID-19 Rainy Day Fund; and

4 (ii) The written or electronic approval by the two (2)
 5 members listed in subdivision (d)(1) from the House of Representatives and by
 6 the two (2) members listed in subdivision (d)(1) from the Senate occurs
 7 within two (2) hours after the members received written or electronic
 8 notification of the request by the Speaker of the House of Representatives or
 9 the President Pro Tempore of the Senate.

10 (B) In the event the majority party leader or the minority party
 11 leader is not available within two (2) hours after the notification has been
 12 given or has recused, the Speaker of the House or the President Pro Tempore
 13 of the Senate shall contact the non-responding majority party leader designee
 14 or non-responding minority party leader designee and the designee shall
 15 either be immediately available or is deemed to vote for approval of the
 16 release of funds from the COVID-19 Rainy Day Fund.

17 (4)(A) The action taken under this subsection (d) shall be reported to
 18 the members of the General Assembly.

19 (B) The report shall include:

20 (i) Remaining Balances in the COVID-19 Rainy Day Fund;

21 (ii) Total amount released to date; and

22 (iii) The amount of each prior release and the purpose of the
 23 release.

24 (e) Determining the general revenue funding for a state agency each fiscal
 25 year is the prerogative of the General Assembly. This is usually
 26 accomplished by delineating such maximums for a state agency with general
 27 revenue allocations authorized for each fund and fund account by amendment to
 28 the Revenue Stabilization law. Further, the General Assembly has determined
 29 that the various state agencies may operate more efficiently if some
 30 flexibility is provided authorizing broad powers under this Section.
 31 Therefore, it is both necessary and appropriate that the General Assembly
 32 maintain oversight by requiring prior approval as set out in subsection (d)
 33 herein, by this section. The requirement of approval as set out in
 34 subsection (d) herein is not a severable part of this section. If the
 35 requirement of approval as set out in subsection (d) herein is ruled
 36 unconstitutional by a court of competent jurisdiction, this entire section is

1 void.

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3 SECTION 2. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED
 4 SEPARATELY AS SPECIAL, LOCAL OR TEMPORARY LAW. FUND TRANSFER TO THE COVID-19
 5 RAINY DAY FUND. (a) Immediately upon the effective date of this act, the
 6 Chief Fiscal Officer of the State shall transfer on his or her books and
 7 those of the State Treasurer and the Auditor of the State the sum of one
 8 hundred seventy three million six hundred ten thousand six hundred and
 9 thirty-two dollars (\$173,610,632) from the General Revenue Allotment Reserve
 10 Fund to the COVID-19 Rainy Day Fund to provide funding for one (1) or more
 11 appropriations authorized by the General Assembly to offset general revenue
 12 reductions due to the reduction of the Official General Revenue Forecast and
 13 to address needs created by the COVID-19 crises, to be released as set out in
 14 the COVID-19 Rainy Day Fund.

15 (b) On June 30, 2020 the Chief Fiscal Officer of the State shall transfer on
 16 his or her books and those of the State Treasurer and the Auditor of the
 17 State any funds remaining in the COVID-19 Rainy Day Fund to the General
 18 Revenue Allotment Reserve Fund.

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20 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
 21 General Assembly of the State of Arkansas that the creation of the Covid-19
 22 Rainy Day Fund and a transfer of funds to the COVID-19 Rainy Day Fund is
 23 necessary to continue essential services. Therefore, an emergency is declared
 24 to exist, and this act being immediately necessary for the preservation of
 25 the public peace, health, and safety shall become effective on:

26 (1) The date of its approval by the Governor;

27 (2) If the bill is neither approved nor vetoed by the Governor,
 28 the expiration of the period of time during which the Governor may veto the
 29 bill; or

30 (3) If the bill is vetoed by the Governor and the veto is
 31 overridden, the date the last house overrides the veto.

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