

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019

# A Bill

SENATE BILL 595

4  
5 By: Senator Teague

## For An Act To Be Entitled

8 AN ACT TO DEFINE THE MONIES TO BE AVAILABLE IN THE  
9 RAINY DAY FUND; AND TO ALLOW THAT ADDITIONAL FUNDS  
10 MAY BE MADE AVAILABLE FOR STATE AGENCIES AND  
11 INSTITUTIONS APPROPRIATIONS; AND FOR OTHER PURPOSES

## Subtitle

15 AN ACT TO DEFINE THE MONIES TO BE  
16 AVAILABLE IN THE RAINY DAY FUND; AND TO  
17 ALLOW THAT ADDITIONAL FUNDS MAY BE MADE  
18 AVAILABLE FOR STATE AGENCIES AND  
19 INSTITUTIONS APPROPRIATIONS; AND FOR  
20 OTHER PURPOSES

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

25 SECTION 1. DO NOT CODIFY. Legislative findings – Nonseverability.

26 (a) The General Assembly finds that:

27 (1) Determining the maximum amount of appropriation and funding  
28 for a state agency or institution each fiscal year is the prerogative of the  
29 General Assembly;

30 (2) Determining the maximum amount of appropriation and funding  
31 for a state agency or institution is usually accomplished by delineating the  
32 maximum amounts in the appropriation acts for the state agency or institution  
33 and in the general revenue allocations authorized for each relevant fund and  
34 fund account by amendment to the Revenue Stabilization Law, § 19-5-101 et  
35 seq.;

36 (3) The Rainy Day Fund has established procedures for the



1 transfer of funds to various funds and fund accounts for the efficient and  
 2 effective operation of state government; and

3 (4) It is necessary and appropriate that the General Assembly  
 4 maintain oversight by requiring prior approval of the Legislative Council or,  
 5 if the General Assembly is in session, the Joint Budget Committee, as  
 6 provided in § 19-5-1262(c)(2).

7 (b) The requirement of approval by the Legislative Council or, if the  
 8 General Assembly is in session, the Joint Budget Committee, is not a  
 9 severable part of § 19-5-1262. If the requirement of approval by the  
 10 Legislative Council or, if the General Assembly is in session, the Joint  
 11 Budget Committee, is ruled unconstitutional by a court of competent  
 12 jurisdiction, § 19-5-1262 (c)(2) is void in its entirety.

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 14 SECTION 2. DO NOT CODIFY. Rainy Day Funding. Immediately upon the  
 15 effective date of this Act, as soon thereafter as is practical or as  
 16 authorized in this Section the State Treasurer shall transfer and credit to  
 17 the "Rainy Day Fund", upon certification of the amounts thereof by the Chief  
 18 Fiscal Officer of the State, the following:

19 (a)(1) Any funds remaining in the Rainy Day Fund at the end of a Fiscal  
 20 Year shall carried forward to the next Fiscal Year unless specifically stated  
 21 otherwise by law;

22 (2) Any balance remaining in the Rainy Day Fund from funds made  
 23 available for a Rainy Day Fund Set-Aside by the 91st General Assembly shall  
 24 be carried forward in the Rainy Day Fund;

25 (b) All unobligated and unallocated monies remaining in the "General  
 26 Improvement Fund" or the "Development and Enhancement Fund" on June 30, 2019  
 27 which are not required to finance projects to be financed therefrom pursuant  
 28 to appropriations enacted by the General Assembly, or which have not been  
 29 reappropriated or reallocated for financing from the "Development and  
 30 Enhancement Fund" by the 92nd General Assembly;

31 (c)(1) Any unobligated or unallocated funds remaining on July 2, 2019 in  
 32 the "General Revenue Allotment Reserve Fund" from monies accruing thereto  
 33 during the 2017-2019 fiscal biennium which are not required to finance  
 34 enactments of the 92st General Assembly that do not expire on June 30, 2019,  
 35 including all General Revenue Funds recovered from remaining fund balances;

36 (2) All General Revenue Funds recovered from remaining fund balances

1 in the "General Revenue Allotment Reserve Fund" from monies accruing thereto  
2 during the 2019-2020 fiscal year which are not required to finance enactments  
3 of the 92st General Assembly that do not expire on June 30, 2020;

4 (d) Those special revenues credited to the General Improvement Fund or  
5 the Development and Enhancement Fund from estate taxes as set out in Arkansas  
6 Code § 19-6-301(171);

7 (e) Other revenues as may be transferred or authorized by law; and

8 (f) Any funds provided by the Arkansas Attorney General from the  
9 Attorney General Consumer Education and Enforcement Account, received by the  
10 State of Arkansas through Settlement agreements or as designated by court  
11 order.

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13 SECTION 3. DO NOT CODIFY. Rainy Day Fund Distribution and Set-Asides.

14 Those funds transferred and credited to the "Rainy Day Fund" authorized in  
15 Section 2 of this Act, shall be transferred and disbursed by the State  
16 Treasurer as authorized by this Act.

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18 SECTION 4. DO NOT CODIFY. Conditions and Audit. (a) Transfer of funds  
19 from the "Rainy Day Fund" shall be made only after the Chief Fiscal Officer  
20 of the State has determined that all criteria or pre-conditions established  
21 in the appropriation act to receive the transfer have been met and that a  
22 Method of Finance has been filed with the Office of Accounting in the  
23 Department of Finance and Administration, if required.

24 (b) Any matching funds as may be provided in law shall be certified to  
25 the Chief Fiscal Officer of the State prior to the commencement of the  
26 project.

27 (c) Any recipient of the funds appropriated herein are also subject to  
28 an audit by the Arkansas Legislative Audit of the Legislative Joint Auditing  
29 Committee in order to determine that the use of the funds was in compliance  
30 with the intent and appropriated purposes of the General Assembly.

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32 SECTION 5. DO NOT CODIFY. Funding Authority. (a) Any enactment of the  
33 92nd General Assembly in either regular, fiscal or extraordinary session  
34 appropriating, transferring or allocating funds to the "Rainy Day Fund" shall  
35 be deemed to be payable from the "Rainy Day Fund".

36 (b) Appropriations which are not enumerated in this Act may be

1 financed from monies accruing to the "Rainy Day Fund" to fund appropriations  
2 authorized by the General Assembly and as set out in law.

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4 SECTION 6. DO NOT CODIFY. Duplicate Bills Enacted. If the House and  
5 the Senate bills of the 2019 Regular Session of the 92nd General Assembly to  
6 define monies to be available and distributed in the Rainy Day Fund, as  
7 authorized in Sections 1 through 5 of this Act, are both enacted and adopted  
8 by the 92nd General Assembly in identical form, then the last Act passed or  
9 latest expression shall supersede the other.

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11 SECTION 7. EMERGENCY CLAUSE. It is found and determined by the  
12 General Assembly of the State of Arkansas that changes in the state's fiscal  
13 laws must take effect at the beginning of the fiscal year, and that if the  
14 current legislative session is such that the ninety-day period is later than  
15 July 1, 2019, the changes required by this act will not be timely.  
16 Therefore, an emergency is declared to exist, and this act being necessary  
17 for the preservation of the public peace, health, and safety shall become  
18 effective on July 1, 2019.