

**REPORT  
OF THE  
SUBCOMMITTEE ON PERFORMANCE EVALUATION AND EXPENDITURE  
REVIEW (PEER)  
OF THE ARKANSAS LEGISLATIVE COUNCIL**

**June 21, 2019**

Dear Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on Tuesday, June 18, 2019, and after having reviewed the following items, reports that the Subcommittee's review and/or approval is complete unless otherwise noted.

**A. Cash Fund Appropriation Increase Request– FY19**

1. Department of Veterans Affairs – Arkansas State Veterans' Homes - \$800,000
2. Department of Arkansas Heritage - \$6,200,000

**B. Cash Fund Appropriation Increase Requests – FY20**

**1. Cash Fund Appropriation Increase Requests**

- a. Agriculture Department - \$30,000
- b. Department of Workforce Services - \$200,000
- c. Tobacco Control Board - \$190,000
- d. Psychology Board - \$50,000
- e. Northwest Technical Institute - \$1,500,000

**2. Continuation of Cash Appropriation Requests**

- a. Northwest Technical Institute – Welding Technology Program - \$2,900,000
- b. DFA Racing – Casino Gaming - \$50,000
- c. Department of Career Education – High Quality Career Technical Education - \$18,500
- d. Department of Career Education – Advanced Career Curriculum Program - \$10,000
- e. Department of Higher Education – Student Information System - \$160,000
- f. Department of Arkansas Heritage – State Archives Operation Expenses - \$2,500
- g. Department of Arkansas Heritage – Buffalo River Watershed - \$6,200,000

**C. Items for Approval**

**1. Reallocation of Resources – FY19**

Department of Human Services - \$1,500,000 from Division of Medical Services-Hospital/Medicaid to Division of Medical Services-Prescription Drugs

**2. Appropriation and/or Fund Transfer Request(s) – FY20**

- a. Minority Health Commission - \$25,000 Appropriation transfer from Operating Expenses to Promotional Items

- b. Department of Human Services – Division of Youth Services - \$813,927.63 from Residential Services to Operations Extra Help in the amount of \$637,692.12 and to Personal Services Matching in the amount of \$176,235.51

**3. Request to Maintain Current Percentage Deduction of 2.1% for the State Central Services Fund – FY20**

- 4. Rainy Day Fund Transfer to Department of Arkansas Heritage – Buffalo River National River Watershed in Newton County – Up to \$6,200,000 to obtain a conservation easement. Transfer approved for up to \$6,200,000, with a full accounting to the ALC-PEER subcommittee of the amount transferred from the Rainy Day Fund, the amount privately donated from the Nature Conservancy, as well as an accounting of any closure costs through the Arkansas Department of Environmental Quality, with the funds to be expended solely for the purpose of the conservation easement.**

**D. Budget Classification Transfer Request – FY19**

Arkansas School for the Deaf - \$51,000 to Operating Expenses from Conference and Travel Expenses in the amount of \$28,000 and from Professional Fees in the amount of \$23,000

**E. Budget Classification Transfer Request(s) – FY20**

1. Board of Examiners in Alcoholism and Drug Abuse Counselors - \$1,000 from Operating Expenses to Professional Fees
2. Auctioneer’s Licensing Board - \$3,860 to Conference and Travel Expense from Operating Expenses in the amount of \$3,000 and from Professional Fees in the amount of \$860
3. Minority Health Commission - \$45,000 from Operating Expenses to Conference and Travel Expense
5. Arkansas Geological Survey - \$3,600 from Operating Expenses to Conference and Travel Expense

**F. Miscellaneous Federal Grant Appropriation Requests**

**1. FY19 MFG Requests**

- a. Parole Board – Justice Reinvestment Initiative State-Level Technical Assistance - \$52,259
- b. Insurance Department – State Flexibility to Stabilize the Market Grant - \$38,394
- c. Administrative Office of the Courts – Juvenile Justice Reform State Justice Institute Grant - \$195,874
- d. Arkansas Economic Development Commission – TANF Block - \$141,500

**2. FY20 MFG Requests**

- a. Crime Laboratory – Deoxyribonucleic Acid (DNA) Capacity Enhancement/Backlog Reduction - \$425,000
- b. State Military Department – Professional Education Dining Facility Addition - \$623,440

- c. DHS-Division of County Operations – Temporary Assistance for Needy Families (TANF) - \$1,711,294
- d. Crime Information Center – Sex Offender Registration and Notification Act (SORNA) Project - \$124,168
- e. Northwest Technical Institute – Direct and Equitable - \$29,034
- f. Department of Career Education – State Admin Matching Grants – SNAP - \$976,120 – 3 Positions
- g. Arkansas Economic Development Commission – Arkansas Manufacturing Extension Partnership - \$2,347,110

**3. FY20 Continuation of Miscellaneous Federal Grants**

- a. Department of Finance and Administration – Governor’s Council on Developmental Disabilities - \$500,000
- b. Department of Finance and Administration – Comprehensive Opioid Abuse Site-Based Program - \$1,300,000
- c. Department of Finance and Administration – Project Save Neighborhoods (PSN) Western - \$165,433
- d. Department of Finance and Administration – Project Save Neighborhoods (PSN) Eastern - \$235,498
- e. Crime Information Center – National Crime History Improvement Program (NCHIP) - \$500,000
- f. Office of the Prosecutor Coordinator – Bureau of Justice Assistance-John R. Justice Program - \$36,436
- g. DHS-Division of Child Care and Early Childhood Education – Emergency Food Assistance Program Trade Mitigation - \$224,000
- h. DHS-Division of Child Care and Early Childhood Education – Commodity Supplemental Food Program - \$46,566
- i. DHS-Division of Child Care and Early Childhood Education – Emergency Food Program - \$108,675
- j. DHS-Division of County Operations – Community Services Block Grant - \$4,011,186
- k. Department of Health – Prevention and Management of Diabetes and Heart Disease and Stroke - \$1,692,853 – 1 Position
- l. Disability Determination for Social Security Administration – Disabilities Operations - \$150,000
- m. Parole Board – Justice Reinvestment Initiative State Level Technical - \$52,259
- n. Agriculture Department – Consolidation Payment Grant - \$237,853
- o. Agriculture Department – Cooperative Lands Fire Management – State Fire Assistance Program - \$185,000
- p. Agriculture Department – Forest Action Plan - \$70,000
- q. Agriculture Department – Feral Hog Handbook - \$35,000
- r. Insurance Department – Medicare Improvements for Patients and Providers Act - \$216,722
- s. Insurance Department – State Flexibility to Stabilize the Market Grant - \$178,227
- t. Administrative Office of the Courts – Juvenile Justice Reform State Justice Institute Grant - \$195,874

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- u. Administrative Office of the Courts – Specialty Court Automation - \$1,649,896
- v. Arkansas State Police – Criminal Investigation Division - \$124,827
- w. DHS-Division of Aging, Adult and Behavioral Health Services – State Opioid Response - \$5,171,376
- x. Agriculture Department – Natural Resources Conservation Services Farm Bill - \$855,880,- 3 Positions
- y. Agriculture Department – Forest Watersheds - \$593,254 - 2 Positions
- z. Community Correction – State Targeted Response, State Opioid Response, Peers Achieving Collaborative Treatment - \$532,326 – 4 Positions
- aa. Community Correction – Enhancement of Benton County Adult - \$92,732 – 2 Positions
- bb. Community Correction – Comprehensive Substance Abuse Treatment - \$28,368 – 1 Position
- cc. Community Correction – Residential Substance Abuse Treatment - \$126,000 – 1 Position
- dd. Community Correction – Technology Assisted Treatment - \$999,817 – 4 positions
- ee. Arkansas Economic Development Commission – TANF Block Grant - \$141,500
- ff. Arkansas Development Finance Authority – National Housing Trust Fund - \$3,000,000

**G. Performance Fund/Pay Plan Holding Account Transfer Request(s) – FY20**

- 1. Department of Higher Education - \$60,000
- 2. Geological Survey - \$11,004

**H. Tobacco Settlement Account Funding Request for Carry Forward of Funds**

- 1. Minority Health Commission – Targeted State Needs Program Account
- 2. Department of Human Services – Medicaid Expansion Program

**The Subcommittee was also presented the Office of the Treasurer – Professional Fees Expenditure Report for May 2019**

Respectfully submitted by Subcommittee Co-Chairs, Senator Bruce Maloch and Representative DeAnn Vaught