

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

August 27, 2021

The Arkansas Legislative Council met at 9:00 a.m., Friday, July 23, 2021, in Committee Room A of the Big Mac Building, Little Rock, Arkansas. Co-Chair Jeff Wardlaw called the meeting to order and recognized a quorum of members present. The members present are listed on the sign-in sheets.

Minutes of the Previous Meeting

Co-Chair Wardlaw referred the members to the minutes of the last Legislative Council meeting on June 18, 2021 (Exhibit C), and asked if there were any questions. There were no questions.

Representative DeAnn Vaught moved that the minutes of the June 18, 2021 meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Point of Personal Privilege

Co-Chair Wardlaw recognized Senator Joyce Elliott for a point of personal privilege. Senator Elliott expressed appreciation to Ms. Susana O'Daniel with the Arkansas Education Association for her exceptional work with children, as she embarks on her new endeavor in Washington, D.C.

Revenue Report

Co-Chair Wardlaw recognized Ms. Ellie Stinnett, Legislative Economist, Bureau of Legislative Research, to present the June 2021 General Revenue Report (Exhibit D). Ms. Stinnett reported, with the ending of Fiscal Year 2021-2022, the net general revenue is up 16.6% from last fiscal year. The net general revenue for distribution is up 19%. On the graph, the net general revenues available is \$945.7 million above the forecast. If the forecast had not been revised, the general revenues available would have been \$1.1 billion. The gross receipt taxes are up 13.2% and the total income taxes are up 18.6%, both as of the same period from last year. This concluded the General Revenue report, and there were no questions.

Report of the Executive Subcommittee

Co-Chair Wardlaw recognized Co-Chair Rice to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Rice reported that the Executive Subcommittee met July 1, 2021 and reviewed and approved an emergency rule from Arkansas Economic Development Commission (AEDC) regarding the Arkansas Rural Connect program. The Executive Subcommittee also met July 21, and July 22, 2021, and heard presentations from The Segal Group, Inc., related to its ongoing employee health benefit study. At its Thursday meeting, the subcommittee recommended approval of a contract between the Bureau of Legislative Research (BLR) and *Moody's Analytics* for consulting services related to state income tax review. This concluded the report of the Executive Subcommittee, and there were no questions.

Co-Chair Terry Rice moved that the report of the Executive Subcommittee be adopted. The motion was seconded and passed by voice vote.

Report of the Standing Subcommittees

Administrative Rules Subcommittee

Co-Chair Wardlaw recognized Senator Kim Hammer to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Senator Hammer reported that the Administrative Rules Subcommittee met on Tuesday, July 20, 2021, and adopted BLR's report of *Acts 2021 Regular Session* requiring new rulemaking. The subcommittee adopted the report of the Executive Subcommittee regarding its approval of an emergency rule. The subcommittee also received an agency update on delinquent rule-making under Act 517 of 2019. All other rules were reviewed and approved. This concluded the report for the Administrative Rules Subcommittee, and there were no questions.

Senator Kim Hammer moved that the report of the Administrative Rules Subcommittee be adopted. The motion was seconded and passed by voice vote.

Game and Fish/State Police Subcommittee

Co-Chair Wardlaw recognized Senator Ricky Hill to present the report of the Game and Fish/State Police Subcommittee (Exhibit F.4). Senator Hill reported that the Game and Fish/State Police Subcommittee met on Wednesday, July 21, 2021, and discussed updates, new initiatives from the Arkansas State Police, an introduction of a new director, and the goals for the Arkansas Game and Fish Commission. That concluded the report of the Game and Fish/State Police Subcommittee, and there were no questions.

Senator Ricky Hill moved that the report of the Game and Fish/State Police Subcommittee be adopted. The motion was seconded and passed by voice vote.

Medical Marijuana Oversight Subcommittee

Co-Chair Wardlaw recognized Senator Bill Sample to present the report of the Medical Marijuana Oversight Subcommittee (Exhibit F.7). Senator Sample reported that the Medical Marijuana Oversight Subcommittee met Tuesday, July 20, 2021, and heard testimony regarding price structures, as well as cultivator and dispensary licenses. That concluded the report of the Medical Marijuana Oversight Subcommittee, and there were no questions.

Senator Bill Sample moved that the report of the Medical Marijuana Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Wardlaw recognized Representative Jon Eubanks to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.8). Representative Eubanks reported the Performance Evaluation and Expenditure Review (PEER) Subcommittee met on Monday, July 19, 2021.

The subcommittee reviewed and approved several requests and received reports. The subcommittee held Item C.7, an American Rescue Plan release request for Arkansas Tech University. This concluded the report for the Performance Evaluation and Expenditure Review (PEER) Subcommittee, and there were no questions.

Representative Jon Eubanks moved that the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee, with the exception of Item C.7, be adopted. The motion was seconded and passed by voice vote.

Co-Chair Wardlaw recognized Senator Jimmy Hickey, Jr to state a motion.

Senator Hickey moved that Item C.7, the American Rescue Plan release request for Arkansas Tech University in the amount of \$12.65 million be approved, and the issue of procedures followed by Arkansas Tech related to the \$1.1 million ARP release, approved by Arkansas Legislative Council (ALC) in June for emergency financial aid grants, be referred to Legislative Audit to determine the procedures used by Arkansas Tech University related to the release of those funds. The motion was seconded and passed by voice vote.

Policy-Making Subcommittee

Co-Chair Wardlaw recognized Representative DeAnn Vaught to present the report of the Policy-Making Subcommittee (Exhibit F.9). Representative Vaught reported the Policy-Making Subcommittee met Thursday, July 22, 2021, and heard from Senator Jimmy Hickey, Jr. regarding a consultant service contract between BLR and *Moody's Analytics*. A copy of the scope of work for the contract is attached to the report (Attachment 1). The subcommittee adopted a motion to recommend approval of the contract with *Moody's Analytics* for the scope of work presented in the amount of \$288,000 contingent upon agreement by *Moody's Analytics* to the pending revisions requested by BLR, and if the contract isn't finalized by Friday, July 23, 2021, the ALC Co-Chairs will be given the authority by ALC to approve the final form of the contract with those terms.* This concluded the report for the Policy-Making Subcommittee, and there were no questions.

Representative DeAnn Vaught moved that the report of the Policy-Making Subcommittee, be adopted. The motion was seconded and passed by voice vote.

**As of Friday, July 23, 2021, all revisions requested by BLR had been made to the contract.*

Review Subcommittee

Co-Chair Wardlaw recognized Senator Scott Flippo to present the report of the Review Subcommittee (Exhibit F.10). Senator Flippo reported the Review Subcommittee met on Monday, July 19, 2021, and reviewed various methods of finance, discretionary grants, and services contracts. There were three (3) items held for Arkansas Tech University. The hold on those items have since been released. That concluded the report for the Review Subcommittee, and there were no questions.

Senator Scott Flippo moved that the report of the Review Subcommittee, including the held items for Arkansas Tech University, be adopted. The motion was seconded and passed by voice vote.

Co-Chair Wardlaw informed members that directly after the Uniform Personnel Classification and Compensation Plan Subcommittee report, the supplemental agenda item will be presented.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Wardlaw recognized Representative David Hillman to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.11). Representative Hillman reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Tuesday, July 20, 2021, and reviewed and approved items listed as 1 - 15 on the report. This includes new requests, continuations, previously reviewed requests, and reports. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

Representative David Hillman moved that the report of the Uniform Personnel Classification and Compensation Plan Subcommittee be adopted. The motion was seconded and passed by voice vote.

Supplemental Agenda

Representative DeAnn Vaught made a motion to suspend the rules to take up the Supplemental Agenda. The motion was seconded and passed by voice vote.

Co-Chair Wardlaw recognized Mr. Solomon Graves, Secretary, Department of Corrections to present the emergency request by Department of Transformation and Shared Services, Office of Personnel Management (OPM) for consideration of a recent action in the July 20, 2021 ALC - Personnel Subcommittee meeting to retain the following positions for the Department of Correction:

<u>Position Number</u>	<u>Position Title</u>	<u>Grade</u>
22094947	Inmate Transportation Coordinator	GS06
22087211	Assistant Head Farm Manager	GS06

After the presentation, and questions from Co-Chair Wardlaw, Co-Chair Wardlaw requested a motion.

Representative Jack Ladyman made a motion to approve retaining the positions for the Department of Correction. The motion was seconded and passed by voice vote.

Occupational Licensing Review

Co-Chair Wardlaw recognized Senator Lance Eads to present the report of the Occupational Licensing Review Subcommittee (Exhibit F.15). Senator Eads reported that the Occupational Licensing Review Subcommittee met on Tuesday, June 22, 2021, and approved subcommittee rules, approved the division of occupational licensing entities that will be up for systematic review, and a timeline to review occupational entities and authorizations. This concluded the report of the Occupational Licensing Review Subcommittee, and there were no questions.

Senator Lance Eads moved that the report of the Occupational Licensing Review Subcommittee be adopted. The motion was seconded and passed by voice vote.

Review of Communications

Co-Chair Wardlaw referred members to the communications listed on the agenda as Items H.1 and H.7(b), and noted that action by the Legislative Council is needed for those items.

Co-Chair Wardlaw referred members to the communication listed as Item H.1 –

1. **Arkansas Teacher Retirement System**, request, submitted pursuant to A.C.A § 19-11-1302, for the Legislative Council's review of the investment summaries;
 - a. Revelstoke Capital Partners Fund III, L.P.; and
 - b. Alpine Investors VIII, L.P.

Co-Chair Wardlaw made a motion to file Item H.1 for the Arkansas Teacher Retirement System as reviewed. The motion was seconded and passed by voice vote.

Co-Chair Wardlaw referred members to the communication listed as Item H.7(b) –

7. Department of Parks, Heritage, and Tourism:

- b. **Division of State Parks**, Request to review the report of budget information regarding state operations and general revenue funding, submitted pursuant to Section 20 of Act 486 of 2021.

Co-Chair Wardlaw made a motion to file Item H.7(b) for the Department of Parks, Heritage, and Tourism - Division of State Parks as reviewed. The motion was seconded and passed by voice vote.

New Interim Study Proposals and Interim Resolutions

Representative Jack Ladyman made a motion to batch all Interim Study Proposals and refer them to their respective committees. With no questions on the Interim Study Proposals, the motion was seconded and passed by voice vote.

New Business

Co-Chair Wardlaw acknowledged department secretaries to present department reports, pursuant to Act 413 of 2021.

Department of Health

Co-Chair Wardlaw recognized Dr. Jose Romero, Secretary, and Mr. Don Adams, Deputy Director, Arkansas Department of Health (ADH), to present the report. After the report, Co-Chair Wardlaw recognized members for questions.

Representative Jack Ladyman requested to receive information as to why only two retail stores (*Walmart, Kroger*) allow the use of self-checkout for WIC purchases.

Senator Kim Hammer requested to receive information on implementation of the Act 412 APRN Independent Practice Committee draft rules and the board appointments.

Dr. Romero and Mr. Adams stated they would provide that information. After questions, Co-Chair Wardlaw recognized Senator Chesterfield for a motion.

Senator Linda Chesterfield moved to adopt the departmental report of the Arkansas Department of Health. The motion was seconded and passed by voice vote.

Department of Inspector General

Co-Chair Wardlaw recognized Ms. Elizabeth Smith, Secretary, Ms. Tammera Harrelson, Chief of Staff, Mr. Ricky Quattlebaum, Director of Internal Audit, and Ms. Ateca Foreman, Director of Fair Housing Commission, all of the Department of Inspector General, to present the report. After the report, Co-Chair Wardlaw recognized members for questions.

Co-Chair Wardlaw stated without objection, the departmental report of the Arkansas Department of Inspector General, is adopted.

Department of Agriculture

Co-Chair Wardlaw recognized Mr. Wes Ward, Secretary, Department of Agriculture, to present the report. After the report, Co-Chair Wardlaw recognized members for questions.

Representative John Payton requested to receive geographical information related to the army worm infestation around the state. Secretary Ward stated he would provide that information.

Co-Chair Wardlaw recognized Senator Linda Chesterfield for a motion.

Senator Linda Chesterfield moved to adopt the departmental report of the Arkansas Department of Agriculture. The motion was seconded.

Co-Chair Wardlaw recognized Senator Kim Hammer to speak on the motion.

After comments, the motion failed by voice vote.

Co-Chair Wardlaw then recognized Senator Kim Hammer and Senator Ricky Hill for further questions. Both members requested to receive information related to feral hog funding and eradication efforts in the state. Secretary Ward stated he would provide that information.

With no further questions, Co-Chair Wardlaw stated without objection, the departmental report of the Arkansas Department of Agriculture, is adopted.

Department of Parks, Heritage & Tourism

Co-Chair Wardlaw recognized Ms. Stacy Hurst, Secretary, Ms. Cynthia Dunlap, CFO, and Ms. Leslie Fiskens, Chief of Legislative Affairs, Department of Parks, Heritage & Tourism, to present the report. After the report, Co-Chair Wardlaw recognized members for questions.

Senator Kim Hammer requested information related to the budget information regarding the state park operations report (Exhibit H.7). He asked why there was an increase in the Arkansas State Park's General Revenue Comparison for Parks Central Office from \$1,801,374 in FY20 Expenses

to FY22 Budget \$3,041,016. Secretary Hurst stated she would provide that information.

Representative Joy Springer requested to receive a list of grantees and the award amounts of the Business Interruption Grant. Secretary Hurst stated she would provide that information.

After questions, Co-Chair Wardlaw stated without objection, the departmental report of the Arkansas Department of Parks, Heritage & Tourism, is adopted.

Adjournment

At 10:15 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Representative Jeff Wardlaw
Co-Chair, House

Marty Garrity
Executive Secretary