

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

April 22, 2022

The Arkansas Legislative Council met at 9:00 a.m., Friday, January 28, 2022, 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. Representative Ken Bragg was recognized to give the morning prayer.

Minutes of the Previous Meeting

Co-Chair Wardlaw referred members to the minutes of the last Legislative Council meeting held on December 17, 2021 (Exhibit C), and asked if there were any questions. There were no questions.

Co-Chair Jeff Wardlaw moved that the minutes of the December 17, 2021 meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Revenue Report

Co-Chair Wardlaw recognized Mr. Kevin Anderson, Assistant Director, Bureau of Legislative Research - Fiscal Division, to present the December 2021 General Revenue Report (Exhibit D). Mr. Anderson reported, comparing data from the same period of last fiscal year, gross general revenues are up 5.3%. The net general revenues are up 5.4%. Mr. Anderson further reported, the net available for distribution is up 6.1%. The state is currently \$52.1 million above the forecast value of this period. The gross receipt taxes are up 11.9% and the total income taxes are up 1.4%. This concluded the December 2021 General Revenue report.

Report of the Executive Subcommittee

Co-Chair Wardlaw recognized Co-Chair Terry Rice to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Rice reported that the Executive Subcommittee met on Wednesday, January 12, 2022, and reviewed and approved emergency rules for the Department of Commerce and the Department of Finance & Administration. The approval of those emergency rules were reported to all members of ALC. The Subcommittee also met on Thursday, January 27, 2022, and approved a consulting services contract between The Segal Group, Inc. and the Bureau of Legislative Research for the purposes of assisting the Employee Benefits Division (EBD) with procurements for a new pharmacy benefits manager and a Medicare Advantage vendor for the public school and state health insurance programs. In addition, The Segal Group, Inc. will assist the Arkansas Legislative Council (ALC) with its upcoming study on diabetes management programs. This concluded the report of the Executive Subcommittee, and there were no questions.

Co-Chair Rice moved to adopt the report of the Executive Subcommittee. The motion was seconded and passed by voice vote.

New Business

Co-Chair Wardlaw recognized Colonel (ret.) Nate Todd, Secretary, and Colonel (ret.) Erica Ingram, Chief of Staff, both of the Arkansas Department of Veterans Affairs (ADVA) to present their request for approval to establish a COVID-19 Vaccination Policy, submitted pursuant to Act 977 of the 2021 Regular Session.

Co-Chair Wardlaw recognized Ms. Cindy Gillespie, Secretary, and Ms. Dawn Stehle, Deputy Director for Health and State Medicaid, both of the Department of Human Services (DHS) to present their request for approval to establish a COVID-19 Vaccination Policy, submitted pursuant to Act 977 of the 2021 Regular Session.

Co-Chair Wardlaw then recognized Dr. Cam Patterson, Chancellor, University of Arkansas for Medical Sciences (UAMS) to present his request for approval to establish a COVID-19 Vaccination Policy, submitted pursuant to Act 977 of the 2021 Regular Session.

After the presentations, Co-Chair Wardlaw recognized members for questions or comments.

After questions, Co-Chair Wardlaw stated, without objection, the requests from ADVA, DHS, and UAMS for approval to establish a COVID-19 Vaccination Policy, are approved.

Report of the Standing Subcommittees

Co-Chair Wardlaw referred members to the PEER report (Exhibit F.8) and stated he would like to review it before all others.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Wardlaw recognized Senator Jonathan Dismang to present the report from the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.8). Senator Dismang reported that the Performance Evaluation and Expenditure Review (PEER) Subcommittee met on Tuesday, January 25, 2022, and received reports, reviewed requests, and approved the following items: various temporary appropriation increases; American Rescue Plan Act appropriation increases; and a Restricted Reserve Fund transfer. Senator Dismang stated members had further questions regarding an item from the Arkansas Department of Health.

Co-Chair Wardlaw requested representatives of the Arkansas Department of Health to come forward to respond to questions. Ms. Renee Mallory, Chief of Staff, Mr. Michael Cima, State Epidemiologist, Mr. Don Adams, Deputy Director for Administrative Operations, and Ms. Jo Thompson, Chief Financial Officer, all of the Arkansas Department of Health, came forward to respond. Co-Chair Wardlaw recognized Senator Dan Sullivan for questions. This concluded the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee.

Senator Jonathan Dismang moved to adopt the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee. The motion was seconded and passed by voice vote.

Supplemental Agenda

Co-Chair Wardlaw recognized Senator Jonathan Dismang for a second motion.

Senator Jonathan Dismang moved to suspend the rules of ALC to review the item on the Supplemental Agenda. The motion was seconded and passed by voice vote.

Co-Chair Wardlaw requested representatives of UAMS to come forward to present their request. Mr. Jim Hudson, Deputy Director of Operations & General Counsel, Arkansas Department of Commerce, and Mr. Michael Keck, Institutional Relations Liaison, UAMS, came forward to present the request for an American Rescue Plan Appropriation for UAMS.

With no questions after the presentation, Co-Chair Wardlaw requested a motion.

Senator Jonathan Dismang made a motion to approve the request for an American Rescue Plan Appropriation for UAMS. The motion was seconded and passed by voice vote.

Administrative Rules Subcommittee

Co-Chair Wardlaw recognized Representative Les Eaves to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Representative Eaves reported that the Administrative Rules Subcommittee met on Wednesday, January 26, 2022. The subcommittee adopted reports of the Executive Subcommittee concerning its approval of two (2) emergency rules. The subcommittee reviewed and filed a letter from the Department of Energy and Environment, Arkansas Pollution Control and Ecology Commission, pursuant to Act 704 of 2021. The subcommittee filed the January monthly written agency updates, pursuant to Act 595 of 2021. The subcommittee approved certain agency requests be excluded from the Act 595 reporting requirements. The subcommittee also reviewed an agency rule recommending an expedited process for occupational licensure, pursuant to Act 135 of 2021. Rules from the Arkansas Racing Commission were pulled at the request of the agency. All other rules were reviewed and approved. This concluded the report of the Administrative Rules Subcommittee, and there were no questions.

Representative Les Eaves moved that the report of the Administrative Rules Subcommittee be adopted. The motion was seconded and passed by voice vote.

Charitable, Penal & Correctional Institutions Subcommittee

Co-Chair Wardlaw recognized Representative David Fielding to present the report of the Charitable, Penal & Correctional Institutions Subcommittee (Exhibit F.2). Representative Fielding reported that the subcommittee met on Wednesday, January 26, 2022. The Subcommittee heard testimony from Mr. Solomon Graves, Secretary, Department of Corrections, Mr. Dexter Payne, Director, Division of Correction, and Mr. Jerry Bradshaw, Director, Division of Community Correction, and discussed the impact of COVID-19 on the Department of Corrections. That concluded the report of the Charitable, Penal & Correctional Institutions Subcommittee, and there were no questions.

Representative David Fielding moved that the report of the Charitable, Penal & Correctional Institutions Subcommittee be adopted. The motion was seconded and passed by voice vote.

Higher Education Subcommittee

Co-Chair Wardlaw recognized Representative David Whitaker to present the report of the Higher Education Subcommittee (Exhibit F.5). Representative Whitaker reported that the Higher Education Subcommittee met on Monday, January 24, 2022, and heard testimony from Dr. Alan Mantooth about the University of Arkansas National Semiconductor Fabrication Facility, and from Dr. Alex Biris about Nanotechnology Bone Regeneration Research at the UA Little Rock Center for Integrative Nanotechnology Sciences (CINS). This concluded the report of the Higher Education Subcommittee, and there were no questions.

Representative David Whitaker moved that the report of the Higher Education Subcommittee be adopted. The motion was seconded and passed by voice vote.

Claims Review & Litigation Reports Oversight Subcommittee

Co-Chair Wardlaw recognized Representative Bruce Cozart to present the report of the Claims Review & Litigation Reports Oversight Subcommittee (Exhibit F.3). Representative Cozart reported that the Claims Review & Litigation Reports Oversight Subcommittee met on Thursday, January 27, 2022, concerning litigation reports oversight and reviewed one (1) litigation case presented by the University of Arkansas System. Concerning claims review, the subcommittee affirmed the ruling of the Claims Commission for one (1) reissuance of warrant, three (3) awarded claims, and one (1) negotiated settlements. This concluded the report for the Claims Review & Litigation Reports Oversight Subcommittee, and there were no questions.

Representative Bruce Cozart moved that the report of the Claims Review & Litigation Reports Oversight 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 Thursday, January 27, 2022. The subcommittee met with Forian Inc., who provided an update regarding software issues that affected medical marijuana dispensaries and cultivation facilities. This concluded the report for 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.

Review Subcommittee

Co-Chair Wardlaw recognized Representative Ken Bragg to present the report from the Review Subcommittee (Exhibit F.10). Representative Bragg reported that the Review Subcommittee met on Tuesday, January 25, 2022, and reviewed methods of finance and alternative delivery construction projects, discretionary grants, and services contracts. No items were held. This concluded the report of the Review Subcommittee, and there were no questions.

Representative Ken Bragg moved that the report of the Review Subcommittee be adopted. The motion was seconded and passed by voice vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Wardlaw recognized Senator David Wallace to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.11). Senator Wallace reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Wednesday, January 26, 2022, and reviewed and approved the requests and reports listed as Items 1 - 10 on this report, with the exception of Item 6, which was held for review by ALC. Based on the conversation held during the PEER report and the information provided by the Department of Health, Item 6 is considered reviewed. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

Senator David Wallace moved that the report of the Uniform Personnel Classification and Compensation Plan Subcommittee be adopted, including Item 6 of the report. The motion was seconded and passed by voice vote.

Lottery Oversight Subcommittee

Co-Chair Wardlaw recognized Senator Ronald Caldwell to present the report of the Lottery Oversight Subcommittee (Exhibit F.12). Senator Caldwell reported that the Lottery Oversight Subcommittee met on Wednesday, January 26, 2022, heard testimony and reviewed the following: Department of Finance & Administration (DF&A), Office of Arkansas Lottery Director's Report, term contracts and proposed FY2022 annual budget; updates on the Arkansas Academic Challenge and Workforce Challenge Scholarship programs; Arkansas Division of Higher Education invoice for reimbursement of administrative expenditures report; the Arkansas Division of Higher Education financial report on administration of the Arkansas Academic Challenge Scholarship program; report regarding higher education grant fund and new proceeds trust fund; and the approval of the ALC Lottery Oversight Subcommittee Annual Report to the Arkansas Legislative Council. The final report is also attached (Exhibit F.12). This concluded the report of the Lottery Oversight Subcommittee, and there were no questions.

Senator Caldwell moved that the reports of the Lottery Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.

Occupational Licensing Review

Co-Chair Wardlaw recognized Senator Alan Clark to present the report of the Occupational Licensing Review Subcommittee (Exhibit F.15). Senator Clark reported that the Occupational Licensing Review Subcommittee met on Thursday, January 27, 2022, and received reports on occupational authorizations from the Arkansas Contractor's Licensing Board of the Department of Labor and Licensing, and also the Arkansas Psychology Board of the Arkansas Department of Health. The subcommittee adopted an occupational entity questionnaire for the entities to provide further information about each occupational authorization moving forward. This concluded the report of the Occupational Licensing Review Subcommittee, and there were no questions.

Senator Alan Clark 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 communication listed on the agenda as Item H.01, and noted action by the Legislative Council is needed for that item.

H.01. Arkansas Infant and Child Death Review Panel - Arkansas Children's Hospital:
Annual Report on the Arkansas Infant and Child Death Review Program, for review year 2021, submitted pursuant to A.C.A. § 20-27-1707.

Co-Chair Terry Rice made a motion to refer Item H.1 from the Arkansas Infant and Child Death Review Panel - Arkansas Children's Hospital to the Senate Interim Committee on Children and Youth and the House Committee on Aging, Children and Youth, Legislative and Military Affairs. The motion was seconded and passed by voice vote.

Co-Chair Wardlaw referred members to the Report on the Rental Assistance Program Fund Distribution (Exhibit H.07(a)), presented by Department of Human Services (DHS). Co-Chair Wardlaw requested for DHS representatives to come forward. Ms. Mary Franklin, Director, County Operations, Mr. Brett Hayes, Deputy Chief Counsel for Regulatory and Security, both of Department of Human Services (DHS), came forward to present the report and respond to questions.

Co-Chair Wardlaw recognized Representatives Richard McGrew, Mark Lowery, David Ray, Deborah Ferguson, Denise Jones Ennett, Howard M. Beaty, Jr., and Vivian Flowers, and Senators Alan Clark, Ricky Hill, Kim Hammer, and Blake Johnson for questions and concerns. Co-Chair Wardlaw then recognized Representative David Ray for a motion.

Representative David Ray made a motion to recommend the Department of Human Services (DHS) begin issuing two-party checks to landlords and tenants under the Rental Assistance Funds Program and to require Arkansas Legislative Audit to perform audits of those funds.

Co-Chair Wardlaw recognized Senator Alan Clark and Representative Deborah Ferguson for comments on the motion.

After comments, the motion was seconded and passed by voice vote.

New Business *(continued)*

Co-Chair Wardlaw referred members to the business listed on the agenda as Item I.02, and noted action by the Legislative Council is needed for that item.

I.02. Department of Commerce, Arkansas Economic Development Commission: Request for American Rescue Plan Act Appropriation and Funding in the amount of \$3,188,730.30.

After review of the item, Co-Chair Wardlaw requested a motion.

Co-Chair Rice made a motion to approve the American Rescue Plan Act Appropriation and Funding request from the Department of Commerce, Arkansas Economic Development Commission, in the amount of \$3,188,730.30. The motion was seconded and passed by voice vote.

New Interim Study Proposals and Interim Resolutions

Co-Chair Wardlaw referred members to the ISP listed on the agenda as Item J.01, and noted action by the Legislative Council is needed for that item.

J.01. **Interim Study Proposal 2021-112, by Representative Vivian Flowers**, an Act to regulate the length of Railroad Train operated on a main line or branch line; to declare an emergency; and for other purposes.

There were no questions from members.

Co-Chair Wardlaw made a motion to refer ISP 2021-112 to the House Public Transportation Committee. The motion was seconded and passed by voice vote.

Adjournment

At 11:00 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