

**MINUTES OF THE MEETING**  
**OF THE**  
**ARKANSAS LEGISLATIVE COUNCIL**

**Friday, June 15, 2018**

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The Arkansas Legislative Council met at 9:00 a.m., Friday, June 15, 2018, in Committee Room A of the Big Mac Building, Little Rock, Arkansas. Co-Chair Jim Dotson 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 Dotson referred the members to the minutes of the last Legislative Council meeting on May 18, 2018 (Exhibit C) and asked if there were any questions. There were no questions.

**Co-Chair Bill Sample moved that the minutes of the May 18, 2018 meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.**

**Recognition of David L. Branscum**

Co-Chair Dotson recognized former Representative David L. Branscum, and asked Mr. Branscum to come forward. Co-Chair Dotson recognized Speaker Jeremy Gillam to present Mr. Branscum with the citation from the House of Representatives, and recognized Co-Chair Bill Sample to present Mr. Branscum with the citation from the Arkansas Senate. Mr. Branscum thanked Speaker Gillam, Co-Chair Sample, and the members of the Legislative Council. The Legislative Council members responded with applause.

**Introduction of Senator Breanne Davis**

Co-Chair Dotson recognized Senator Bart Hester, who introduced newly-elected Senator Breanne Davis from Russellville, Arkansas. The Legislative Council members responded with applause.

**Presentation of the Revenue Report**

Co-Chair Dotson recognized Richard Wilson, Assistant Director for the Research Services Division of the Bureau of Legislative Research, to present the May 2018 Monthly Revenue Report (Exhibit D) prepared by the Bureau of Legislative Research.

Mr. Wilson reported that the May 2018 Monthly Revenue Report reflects that after eleven (11) months of this fiscal year, gross general revenue collections are \$174.9 million above the same period last year for a growth rate of three percent (3%). Mr. Wilson reported that the net general revenue available for distribution is \$159.9 million above the same month period last year for a growth rate of three point three percent (3.3%). Mr. Wilson reported that the graph reflects revenue collections are \$44.2 million ahead of the official forecast after the revision on December 1, 2017, and that the spreadsheet reflects that the growth rate for gross receipts is three point three percent (3.3%), while the growth rate on income tax collections is three point one percent (3.1%). This concluded the May 2018 monthly revenue report, and there were no questions.

Report of the Executive Subcommittee

Co-Chair Dotson recognized Co-Chair Bill Sample to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Sample reported that the Executive Subcommittee met on June 5, 2018, and discussed a change to the Legislative Council Rules proposed by Senator Joyce Elliott. The proposed change was not adopted due to the lack of a motion. This concluded the report of the Executive Subcommittee. There followed a discussion of the report and whether or not public comment is allowed before the Executive Subcommittee of the Legislative Council.

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

**Reports of the Standing Subcommittees**Administrative Rules and Regulations Subcommittee

Co-Chair Dotson recognized Representative Kim Hammer to present the report of the Administrative Rules and Regulations Subcommittee (Exhibit F.1). Representative Hammer reported that the Administrative Rules and Regulations Subcommittee met on June 12, 2018, and reviewed and filed the quarterly report submitted by the Arkansas Department of Correction in accordance with Act 1258 of 2015. Representative Hammer reported that all rules were reviewed and approved, and any and all dissents are noted in the report.

**Representative Kim Hammer moved that the report of the Administrative Rules and Regulations Subcommittee be adopted. The motion was seconded by Representative Mark Lowery.**

Co-Chair Dotson recognized Senator Larry Teague who referred members to item "d" on page 3 of the report, which is a proposed rule submitted by the Department of Human Services, Developmental Disabilities Services Division. Senator Teague stated he disagreed with the department on this rule, and he feels it is dangerous and does not save any money. Senator Teague stated he is opposed to the rule, and asked that the members continue to watch and see how the rule affects some kids.

Senator Teague also referred members to item "d" on page 2 of the report, which is a proposed rule submitted by the Department of Education. Senator Teague stated this rule would cause a course on journalism to no longer be a mandatory-offered course, and he did not feel this was a good practice.

Co-Chair Dotson recognized Representative David Fielding, who asked that representatives of the Department of Human Services come forward to respond to questions. Co-Chair Dotson recognized Kelley Linck, Chief of Intergovernmental Affairs with the Department of Human Services, who responded to questions from Representative Fielding regarding the disabilities program that is being merged with the Medicaid Program. Representative Fielding stated he was against this rule and he asked the members to vote against it.

Co-Chair Dotson recognized Senator Terry Rice who asked that a separate vote be taken on the State Medical Board Regulation 2.4, Prescribing Controlled Substances, which is listed as item "a" under the State Medical Board on page 3 of the report.

Co-Chair Dotson asked Senator Rice if he was making a substitute motion, and asked if he had questions for the State Medical Board. **Senator Rice responded that he is making a substitute motion that the State Medical Board Regulation 2.4 on Prescribing Controlled Substances be pulled from the report, and held for consideration at the meeting scheduled for next month. Co-Chair Dotson stated this was a proper motion and asked for a second. Senator Jimmy Hickey, Jr. seconded the motion.**

There followed a discussion on the substitute motion by Senator Rice. Seeing no further discussion, Co-Chair Dotson asked Senator Rice to re-state his substitute motion. **Senator Terry Rice stated that his substitute motion is that the State Medical Board Regulation 2.4 on Prescribing Controlled Substances be pulled from the report of the Administrative Rules and Regulations Subcommittee and voted on separately. Co-Chair Dotson called for a vote on the substitute motion by Senator Rice, and the motion passed.**

Co-Chair Dotson stated that the State Medical Board Regulation 2.4 will be held for consideration at the end of discussion of the report, as there are other items in the report to be discussed.

**Co-Chair Dotson recognized Representative Mark Lowery who made a substitute motion that the Department of Education rule listed as item "d" on page 2 of the report, which is the Standards for Accreditation of Arkansas Public Schools and School Districts, be pulled from Administrative Rules and Regulations Subcommittee Report for separate consideration. The motion was seconded by Co-Chair Sample.**

There followed discussion of the substitute motion by Representative Lowery. **Co-Chair Dotson recognized Representative Mark Lowery who moved for immediate consideration of the substitute motion. Co-Chair Dotson stated that was a proper motion and non-debatable, and called for a vote on the motion for immediate consideration of the substitute motion. The motion failed to pass by voice vote.**

There followed further discussion of the substitute motion by Representative Lowery. Co-Chair Dotson recognized Senator Hester who moved for immediate consideration. Co-Chair Dotson stated that motion had already been considered, and Senator Hester called for the question.

**Co-Chair Dotson called for a vote on the substitute motion by Representative Mark Lowery that the Department of Education rule listed as item "d" on page 2 of the report, which is the Standards for Accreditation of Arkansas Public Schools and School Districts, be pulled from the Administrative Rules and Regulations Subcommittee Report for separate consideration. When a majority of votes could not be determined by a voice vote, Co-Chair Dotson asked that the roll be called on the substitute motion. The substitute motion failed to pass by roll call vote with fourteen (14) Yes votes and twenty-five (25) No votes.**

**Co-Chair Dotson called for the vote on the motion by Representative Kim Hammer to adopt the Report of the Administrative Rules and Regulations Subcommittee. The motion was seconded and passed by voice vote.**

**Co-Chair Dotson recognized Senator Rice who moved that the State Medical Board Regulation 2.4 on Prescribing Controlled Substances be referred back to the Administrative Rules and Regulations Subcommittee for consideration in the July 2018 meeting. Co-Chair Dotson stated this is a proper motion, and the motion was seconded.**

There followed discussion on the motion by Senator Rice to refer the State Medical Board Regulation 2.4 on Prescribing Controlled Substances back to the Administrative Rules and Regulations Subcommittee for consideration in July 2018 meeting.

**Seeing no further discussion, Co-Chair Dotson called for the vote on the motion by Senator Terry Rice that the State Medical Board Regulation 2.4 on Prescribing Controlled Substances be referred back to the Administrative Rules and Regulations Subcommittee for consideration at the July 2018 meeting. The motion passed by voice vote.**

#### Charitable, Penal & Correctional Institutions Subcommittee

Co-Chair Dotson recognized Senator Joyce Elliott to present the report of the Charitable, Penal & Correctional Institutions Subcommittee (Exhibit F.2). Senator Elliott reported that the Charitable, Penal and Correctional Institutions Subcommittee met on June 14, 2018, and heard the following:

- A report of recent investigations at the Arkansas Department of Correction from Colonel Bill Bryant, Director, Arkansas State Police and Major Mark Hollingsworth, Criminal Investigation Division Commander, Arkansas State Police;
- Testimony regarding concerns and issues related to the Arkansas Department of Correction from Wendy Kelley, Director, Arkansas Department of Correction, and Dexter Payne, Deputy Director, Arkansas Department of Correction;
- Testimony from sixteen (16) family members and supporters of incarcerated persons;
- Testimony of potential positive changes relating to Corrections from Stacy Lynch, Owner/Operator, Stacy Lynch Investigations; and
- Testimony of concerns within the Arkansas Department of Correction from Benny Magness, Chairman, Arkansas Board of Corrections, Reverend Tyrone Broomfield, Liaison to ADC, Board of Corrections, and Wendy Kelley, Director, Arkansas Department of Correction.

This concluded the report and there were no questions.

**Senator Joyce Elliott moved that the report of the Charitable, Penal and Correctional Institutions Subcommittee be adopted. The motion was seconded and passed by voice.**

#### Claims Review Subcommittee

Co-Chair Dotson recognized Representative Justin Gonzales to present the report of the Claims Review Subcommittee (Exhibit F.3). Representative Gonzales reported that the Claims Review Subcommittee met on June 11, 2018, and affirmed the ruling of the Claims Commission on eight (8) awarded claims and seven (7) denied and dismissed claims that were appealed by the claimant.

Representative Gonzales reported that the subcommittee considered the denied and dismissed claim of *Ellis M. Sloan v. Arkansas Public Employees Retirement System (APERS)*, and remanded the claim back to the Claims Commission for further evidence and finding, but to withhold a final determination pending an

opinion of the Attorney General's Office regarding jurisdiction of the Claims Commission. This concluded the report and there were no questions.

**Representative Justin Gonzales moved that the report of the Claims Review Subcommittee be adopted. The motion was seconded and passed by voice vote.**

#### Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Dotson recognized Representative David Meeks to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.8). Representative Meeks reported that the PEER Subcommittee met on June 13, 2018, and approved the following four (4) items: (1) a fund transfer request for the Department of Transportation; (2) a reallocation of resources for the Department of Human Services; (3) a request to maintain the current two point one percent (2.1%) deduction on special and general revenues for state central services; and (4) a request for release of Rainy-Day funds to the Department of Veterans Affairs. Representative Meeks reported that the subcommittee reviewed several other items, including cash appropriation increase requests, budget classification transfer requests, miscellaneous federal grant appropriation requests, and various other reports assigned to the subcommittee. Representative Meeks reported that Attachment 3 to the report is a report on the emergency review of an item.

Representative Meeks reported that one item from the Arkansas Crime Information Center was held for more information; however, the information has been received and the hold was released. This concluded the report and there were no questions.

**Representative David Meeks moved adoption of the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee, including the budget classification request by the Arkansas Crime Information Center, listed as item F.3 on page 2 of the report. The motion was seconded and passed by voice vote.**

#### Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Dotson recognized Representative Les Eaves to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.11). Representative Eaves reported that the Uniform Personnel Classification and Compensation Plan Subcommittee met on June 12, 2018, and reviewed the following reports and requests: the report of special-entry rates and labor-market rates approved by the Department of Higher Education; the Provisional Position report from the Department of Higher Education detailing provisional positions for institutions of higher education; the report from the Office of Personnel Management (OPM) on salary administration grid usage for the Bank Department from May 2018; the review of a request for a special-entry rate for an exceptionally well-qualified candidate for the Arkansas Educational Television Network (AETN); a request for review of various salary differentials at the Arkansas Game and Fish Commission; a request from the Department of Finance and Administration to surrender twelve (12) vacant positions for six (6) new IT positions; requests for review of classifications on three (3) miscellaneous federal grants for the Arkansas Community Correction Department and the Arkansas Military Department; requests for continuation or renewal of previously-approved miscellaneous federal grants positions; the various differentials, salary-administration grids, labor-market rates, and pool positions reviewed during the interim for agencies and higher education institutions.

Representative Eaves reported that the subcommittee considered one pool-position continuation for the Arkansas Development Finance Authority that had been inadvertently left off the request. This concluded the report, and there were no questions.

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

#### Review Subcommittee

Co-Chair Dotson recognized Senator Scott Flippo to present the report of the Review Subcommittee (Exhibit F.10), and reported that the Review Subcommittee met on Monday, June 11, 2018, for the Review Subcommittee Procurement Study, and met again on Wednesday, June 13, 2018. Senator Flippo reported that during the June 13, 2018 meeting, the subcommittee reviewed methods of finance, grants, and contracts, and approved a vehicle lease for the University of Arkansas at Fort Smith. Senator Flippo reported that two (2) Health Department grants were held for review at the July subcommittee meeting, and a contract for the Insurance Department with the University of Arkansas for Medical Sciences (UAMS), item 30 on page 29 of the report, was held for additional information. Senator Flippo reported that the contract information was provided after the meeting, and the hold has been released on the contract. This concluded the report, and there were no questions.

**Senator Scott Flippo moved that the contract for the Insurance Department with the University of Arkansas for Medical Sciences (UAMS) be reviewed, and that the report of the Review Subcommittee be adopted. The motion was seconded and passed by voice vote.**

#### Highway Commission Review and Advisory Subcommittee

Co-Chair Dotson recognized Senator John Cooper to present the report of the Highway Commission Review and Advisory Subcommittee (Exhibit F.13). Senator Cooper reported that the Highway Commission Review and Advisory Subcommittee met on June 14, 2018, and heard from Arkansas Department of Transportation regarding the following: (1) meetings of the Arkansas State Highway Commission; and (2) the public road construction projects of \$10 million or more. Senator Cooper reported that the subcommittee also discussed the status of state matching funds that are necessary to draw available federal aid for federal fiscal year 2018. This concluded the report, and there were no questions.

**Senator John Cooper moved that the report of the Highway Commission Review and Advisory Subcommittee be adopted. The motion was seconded and passed by voice vote.**

### **Review of Communications**

Co-Chair Dotson referred members to the communications listed as Exhibit H.1 through Exhibit H.10 on the agenda, and noted that action by the Legislative Council is needed for Exhibit H.4. Co-Chair Dotson asked if there were any questions regarding the other communications, and there were none.

#### Arkansas Teacher Retirement System (ATRS)

Co-Chair Dotson referred the members to the Arkansas Teacher Retirement System (ATRS) request (Exhibit H.4) for the Legislative Council's review of the partial equity ownership investments with FPA Core Plus Fund IV, L.P.; WNG Aircraft Opportunities II, L.P.; and SK Capital Fund V, L.P, that were

submitted pursuant to A.C.A § 19-11-1302. Seeing no questions, Co-Chair Dotson asked if there was a motion.

**Co-Chair Bill Sample moved that the Arkansas Teacher Retirement System (ATRS) partial equity ownership investments with FPA Core Plus Fund IV, L.P.; WNG Aircraft Opportunities II, L.P.; and SK Capital Fund V, L.P. be filed as reviewed by the Legislative Council. The motion was seconded and passed by voice vote.**

### Adjournment

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

Respectfully submitted,

ATTEST:

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Representative Jim Dotson  
Co-Chair, House

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Marty Garrity  
Executive Secretary