

**HOUSE INTERIM COMMITTEE ON STATE AGENCIES AND GOVERNMENTAL AFFAIRS
JOINT COMMITTEE ON ENERGY**

**Meeting Jointly
Wednesday, October 5, 2016**

The House Interim Committee on State Agencies and Governmental Affairs and the Joint Energy Interim Committee met jointly on Wednesday, October 5, 2016, at 1:30 p.m. in Bismarck, Arkansas.

Members in Attendance:

Committee members in attendance: Senator Eddie Joe Williams, Vice Chair. Representatives Nate Bell, Chair; Rick Beck, Vice Chair; Richard Womack, Vice Chair; John Baine, Charlotte Douglas, David Fielding, Michelle Gray, Ken Henderson, Mary “Prissy” Hickerson, and Mark McElroy.

Other legislators in attendance: Representatives Jana Della Rosa, Stephen Meeks, Laurie Rushing, Sue Scott and DeAnn Vaught.

Representative Bell called the meeting to order.

Overview of the Arkansas Department of Parks and Tourism (ADPT)

[Exhibit D]

Mr. Kane Webb, Executive Director, ADPT, presented an overview of the ADPT and stated the mission statement is to enhance the quality of life in Arkansas by promoting, protecting, interpreting and managing the state’s natural resources. The ADPT has 1,587 budgeted positions with 1,313 employees. The majority of the positions are in the State Parks Division as it operates 52 parks and museums covering 54,353 acres of land, water and unique historic and cultural resources.

Mr. Joe David Rice, Tourism Director, ADPT, explained the state tourism tax generated \$374,157,000 in 2015 and over \$3 billion in the last 10 years. About 30 percent of Arkansas tourism comes from in-state visitors and 70 percent comes from out-of-state. The school year starting earlier and ending later has impacted the revenue and the ADPT is working on calculating that for future reference.

Mr. Grady Spann, State Parks Director, ADPT, stated Arkansas has over 8.8 million visitors at our parks each year. Each park requires infrastructure design and maintenance; water treatment and wastewater management; hotel, restaurant, marina, swimming pool and golf course management; law enforcement and emergency services as well as historic preservation, fiscal and human resources management. Arkansas State Parks funding system has three sources: 41 percent from operating revenue, 35 percent from Amendment 75 and 24 percent from general revenue.

Mr. David Flake, Personnel Manager, ADPT, explained with the new overtime regulations under the Fair Labor Standards Act, ADPT has 165 employees eligible for overtime or compensatory time. Most of these employees work 50-60 hour work weeks, which averages to \$2.2 million additional funding needed to pay for overtime compensation.

Overview of Arkansas Agriculture Department (AAD) and the Poultry and Livestock Commission

Mr. Wes Ward, Arkansas Agriculture Secretary, AAD, [Exhibit E], presented an overview of the AAD and stated Arkansas is in the top 25 states in the nation in the production of 24 agricultural commodities and is the state’s largest industry with a \$20 billion economic impact. There are over 43,500 farm families in Arkansas, therefore when agriculture fluctuates it affects our families livelihood. The AAD was created in 2005 to merge the Arkansas State Plant Board, Arkansas Forestry Commission, Arkansas Livestock and Poultry Commission and the Arkansas Aquaculture Division. In 2015, AAD hired a chief financial officer in order to consolidate the fiscal and human resource division, as in accordance with the law, and are currently in the process of

surrendering 19–20 vacant positions which calculates into about \$100,000 in savings. One of the biggest challenges, as a department, is Information Technology (IT). The phone services, email access, software, and websites are all separate. We have five total IT personnel for 531 employees and are working toward streamlining the department.

Presentation of DeGray Power Plant

Mr. Brian Bean, Electronics Mechanic, U.S. Army Corps of Engineers, explained the DeGray dam was built primarily for flood control and hydropower. DeGray Dam is a pump-back facility meaning a second dam forms a 400-acre impoundment below the main lake, providing a supply of water to be pumped back into DeGray Lake during times of drought and used again for hydropower generation and a steady flow of water on the Caddo River.

There being no further business the meeting adjourned at 3:47 p.m.

Legislators and guests toured the DeGray Power Plant.

DRAFT