# **Department of Finance and Administration**

## **Legislative Impact Statement**

Bill: HB1369

Bill Subtitle: TO PROVIDE FOR THE CREATION OF A REGULATORY DIVISION OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION, THE APPOINTMENT OF A REGULATORY ADMINISTRATOR, AND THE ASSIGNMENT OF ENFORCEMENT AGENTS.

### Basic Change:

Sponsors: Rep. Dotson and Sen. J. English

HB1369 creates a Regulatory Division within the Arkansas Department of Finance and Administration (DFA) for purposes of maintaining oversight of certain divisions and sections of DFA. The bill establishes the creation of a Regulatory Administrator of the Regulatory Division, the method for appointment of the Regulatory Administrator, and the duties of the Regulatory Administrator.

The bill designates the Regulatory Division's enforcement agents as law enforcement officers with statewide law enforcement authority. The enforcement agents are given authority to conduct investigations of violations of laws and inspections of any licensed premises.
Revenue Impact :
None.
Taxpayer Impact :
None.
Resources Required :
None.
Time Required :
Adequate time is provided for implementation.
Procedural Changes :
None.
Other Comments :
None.
Logal Analysis :

#### <u>Legai Analysis :</u>

HB1369 creates the Regulatory Division of DFA and requires that the Governor appoint a Regulatory Administrator of the Regulatory Division. The bill establishes the duties of the Regulatory Administrator, which include "maintain[ing] oversight of" the Alcoholic Beverage Control Division, the Alcoholic Beverage Control Enforcement Division, Arkansas Tobacco Control, and the Arkansas Racing Commission (collectively "the subject divisions").

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The bill requires the Regulatory Administrator to assign enforcement agents to conduct investigations. The bill does not limit the authority of the enforcement agents to investigate violations of only laws that are administered by the subject divisions, but more broadly permits the enforcement agents to "conduct investigations of violations of the laws in this state."

The bill provides that enforcement agents assigned by the Regulatory Administrator are considered law enforcement officers and have statewide law enforcement authority. The bill establishes the right of the enforcement agents to enter, inspect records, and seize contraband in or on any licensed premises is a condition of the license or permit. The bill does not limit its references to licenses or permits to only those issued by the subject divisions pursuant to the laws that are administered by the subject divisions of DFA.

The bill repeals language giving law enforcement authority to the Alcoholic Beverage Control Enforcement Division and Arkansas Tobacco Control, because the law enforcement authority for those divisions is now included within the Regulatory Division.

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