

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

December 16, 2022

The Arkansas Legislative Council met at 9:00 a.m., Friday, November 18, 2022, in Committee Room A of the Big Mac Building, Little Rock, Arkansas. Co-Chair Terry Rice called the meeting to order and recognized a quorum of members present.

Minutes of the Previous Meeting

Co-Chair Rice referred members to the minutes of the last Legislative Council meeting held on October 21, 2022 (Exhibit C), and asked if there were any questions. There were no questions.

Representative David Whitaker moved that the minutes of the October 21, 2022 meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Co-Chair Rice referred members to the standing subcommittee reports.

Report of the Standing Subcommittees

Administrative Rules Subcommittee

Co-Chair Rice recognized Senator Kim Hammer to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Senator Hammer reported the Administrative Rules Subcommittee met on Thursday, November 17, 2022. The subcommittee filed a report from the Executive Subcommittee concerning its approval of emergency rules. The subcommittee reviewed and filed the quarterly reports on Administrative Directives, submitted pursuant to Act 1258 of 2015, from the Arkansas Department of Corrections and the Parole Board. Pursuant to Act 517 of 2019 and Act 595 of 2021, the subcommittee received updates concerning outstanding rulemaking. The subcommittee also filed the November 2022 monthly written updates, pursuant to Act 595 of 2021. Three (3) rules by the Arkansas Department of Finance & Administration – Arkansas Racing Commission were held for consideration by Legislative Council. All other rules were reviewed and approved as noted in the report. This concluded the report of the Administrative Rules Subcommittee, and there were no questions.

Senator Kim Hammer moved that the report of the Administrative Rules Subcommittee be adopted, with the exception of the Arkansas Racing Commission rules (Rule 1217.3 – Shock Wave Therapy; Rule 1218 – Non-Invasive Treatment; Rule 1219 – Prohibited Practices), which would be considered separately by Legislative Council following the adoption of the report. The motion was seconded and passed by voice vote.

Co-Chair Rice recognized members for discussion on the rules of the Arkansas Racing Commission. For the record, Senator Gary Stubblefield and Representative Frances Cavanaugh expressed their concerns, and stated they were against the rules. Co-Chair Rice informed members that if the Arkansas Racing Commission rules were not approved by Legislative Council, the rules

would still go into effect (federally) January 2023, unless the ongoing lawsuit is dismissed from Federal Court. After discussion, Co-Chair Rice recognized Senator Irvin for a motion.

Senator Missy Irvin moved to approve the three (3) rules of the Arkansas Racing Commission (Rule 1217.3 – Shock Wave Therapy; Rule 1218 – Non-Invasive Treatment; Rule 1219 – Prohibited Practices); and to request the Attorney General’s office involvement by providing updates to members of any related lawsuits, and to create further opportunity for public comments for the process of the federal rule. The motion was seconded and passed by voice vote.

Revenue Report

Co-Chair Rice recognized Dr. Carlos Silva, Legislative Economist, to present the October 2022 General Revenue Report (Exhibit D). Dr. Silva began the report stating, the collections of Gross General Revenues year-to-date are approximately \$2,790.8 million, an increase of \$201.7 million, or 7.8% above the \$2,589.2 million collected last fiscal year-to-date. Dr. Silva further reported, the Net General Revenue Available for Distribution this month of \$2,455 million, increased \$182 million, or 8% from the \$2,273 million available for distribution in October 2021. The cumulative deviation of collections from the forecast for September 2022 reflects \$224 million above the forecast. This is not a surplus, but only the amount above the forecast.

Co-Chair Rice recognized members for questions. Representative Jack Ladyman expressed concerns with the decline in agricultural commodities and requested the Department of Agriculture to provide information. Secretary Wes Ward, Department of Agriculture, came forward to respond and stated he would send the information to Legislative Council staff.

After questions, this concluded the October 2022 General Revenue report.

Reports of the Standing Subcommittees *(continued)*

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Rice recognized Representative Jon S. Eubanks to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.8). Representative Eubanks reported that the Performance Evaluation and Expenditure Review (PEER) Subcommittee met on Tuesday, November 15, 2022. The subcommittee received reports, reviewed items, and approved requests for the following: various temporary appropriations; American Rescue Plan Act appropriations; Infrastructure Investment and Jobs Act appropriations; Rainy Day Fund transfer; Restricted Reserve Fund transfer; Reallocation of Resources; and fund transfers. Several items were held as noted in the report. This concluded the report of the PEER Subcommittee.

Co-Chair Rice recognized members for questions. Mr. Andy Babbitt, Department of Finance & Administration was recognized to respond.

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

Review Subcommittee

Co-Chair Rice recognized Representative Les D. Eaves to present the report of the Review Subcommittee (Exhibit F.10). Representative Eaves reported that the Review Subcommittee met on Tuesday, November 15, 2022, and reviewed methods of finance, discretionary grants, and services contracts. A lease for motor vehicles for the Arkansas Tobacco Control was reviewed and approved. No items were held. This concluded the report of the Review Subcommittee.

Representative Les D. Eaves 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 Rice 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, November 16, 2022, and reviewed requests listed as Items 1-17 on the report. This concluded the request 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. The motion was seconded and passed by voice vote.

Employee Benefits Division Oversight Subcommittee

Co-Chair Rice recognized Senator Kim Hammer to present the report of the Employee Benefits Division Oversight Subcommittee (Exhibit F.14). Senator Hammer reported that the Employee Benefits Division Oversight Subcommittee met on Wednesday, November 16, 2022, and in addition to an overview of the EBD budgeting processes, by Jake Bleed, Director of the Employee Benefits Division, the Subcommittee reviewed and approved the following actions that were approved by the State Board of Finance on November 9, 2022: Employee Benefits Division (EBD) Quarterly Report for the First Quarter of FY2023; and changes to the EBD Drug Formulary. This concluded the report of the Employee Benefits Division Oversight Subcommittee, and there were no questions.

Senator Kim Hammer moved the report of the Employee Benefits Division Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.

Occupational Licensing Review

Co-Chair Rice recognized Representative Frances Cavanaugh to present the report of the Occupational Licensing Review Subcommittee (Exhibit F.15). Representative Cavanaugh reported that the Occupational Licensing Review Subcommittee met on Thursday, November 17, 2022, to discuss and approve the final report for the occupational entities in Group 2. This concluded the report of the Occupational Licensing Review Subcommittee, and there were no questions.

Representative Frances Cavanaugh 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 Rice referred members to the communications listed on the agenda as Items H.01 - H.10 and noted that action by Legislative Council was needed for Item H.1.

H.01 - Arkansas Public Employees Retirement System (APERS):

Request for Legislative Council's review and approval of the Model Qualified Domestic Relations Order (QDRO) forms (for APERS, ALRS, & ASPRS), submitted pursuant to A.C.A § 9-18-103(b)(2)(B).

With no questions, Co-Chair Rice requested a motion.

Senator Missy Irvin moved to approve the request from the Arkansas Public Employees Retirement System. The motion was seconded and passed by voice vote.

H.06 - Co-Chair Rice recognized Mr. Mark White, Deputy Director and Chief of Staff, Legal, and Legislative Affairs, of Department of Human Services (DHS), to present the report regarding assisted living facility reimbursements rates under the Living Choices Assisted Living Waiver. This concluded the DHS report. Co-Chair Rice recognized Representative Les. D. Eaves for questions.

Co-Chair Rice informed members the next Legislative Council meeting is scheduled for December 16, 2022, and to plan accordingly as it is expected to be lengthy in time.

Co-Chair Rice again recognized Senator Missy Irvin for comments. Senator Irvin expressed her gratitude and appreciation for the hard work placed into the Criminal Justice Task Force on Offender Court Costs and Collections, by Representative Robin Lundstrum, Senator Clarke Tucker, and Senator Bob Ballinger.

Adjournment

At 9:45 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Senator Terry Rice
Co-Chair, Senate

Marty Garrity
Executive Secretary