

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

**January 19, 2024**

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The Arkansas Legislative Council met at 9:00 a.m., Friday, December 15, 2023, 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. Senator Blake Johnson was recognized to give the morning prayer.

**Minutes of the Previous Meeting**

Co-Chair Rice referred members to the minutes of the last Legislative Council meeting held on November 17, 2023 (Exhibit C), and asked if there were any questions. There were no questions.

**Representative DeAnn Vaught moved that the minutes of the November 17, 2023, meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.**

**Act 413 Reports**

Co-Chair Rice recognized Ms. Kristi Putnam, Secretary, and Ms. Janet Mann, Deputy Secretary for Programs and State Medicaid, Department of Human Services (DHS), to report agency updates, pursuant to Act 413 of the 2021 Regular Session. Upon conclusion of the report, Co-Chair Rice recognized members for questions.

**Co-Chair Rice stated, without objection, the DHS Secretary will proceed with presenting the monthly report on assisted living, submitted pursuant to Section 15 of Act 213 of 2022 (Exhibit I.08).**

Afterwards, Co-Chair Rice recognized Mr. Jim Hudson, Secretary, Department of Finance & Administration (DF&A), to report agency updates, pursuant to Act 413 of the 2021 Regular Session. Upon conclusion of the report, Co-Chair Rice recognized members for questions.

Senator John Payton requested to receive information on the number of citizen cases, including the dollar amount, that DF&A have appealed or plan to appeal with the Arkansas Tax Appeals Commission.

**Revenue Report**

Co-Chair Rice recognized Dr. Carlos Silva, Legislative Economist, BLR, to present the November 2023 General Revenue Report (Exhibit E). Dr. Silva reported, the collections of Gross General Revenues year-to-date are approximately \$3,324.4 million, a decrease of \$47.7 million, or 1.4% below the \$3,372.03 million collected last fiscal year-to-date. Dr. Silva further reported, the Net General Revenue Available for distribution of \$2,762.5 million, decreased \$164.6 million, or 5.6% from the \$2,927.13 million available for distribution in November 2022.

The Cumulative Deviation is above the forecast at \$144 million. This concluded the November 2023 General Revenue report. Co-Chair Rice recognized members for questions.

### **Report of the Executive Subcommittee**

Co-Chair Rice recognized Co-Chair Jeff Wardlaw to present the report of the Executive Subcommittee (Exhibit F). Co-Chair Wardlaw reported that the Executive Subcommittee met on Thursday, December 14, 2023, and heard from representatives of the Insurance Department, the Arkansas School Board Association, and Meadors, Adams, & Lee Insurance, Inc., concerning its study on Education Facilities Property Insurance. The Subcommittee will meet again on January 18, 2024, to continue its study on school property insurance. All ALC members and alternates are encouraged to attend the meetings. Additionally, the subcommittee voted to approve BLR to begin a RFP process for updated audio and visual equipment for service in legislative committee rooms (A & B) on the fifth floor of the Big MAC building. This concluded the report of the Executive Subcommittee, and there were no questions.

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

### **Standing Committee Presentations**

#### Administrative Rules Subcommittee

Co-Chair Rice recognized Representative Brian Evans to present the report of the Administrative Rules Subcommittee (Exhibit G.1). Representative Evans reported the Administrative Rules Subcommittee met on Thursday, December 14, 2023. The Subcommittee filed a report from the Executive Subcommittee concerning its review and approval of emergency rules. Pursuant to Act 595 of 2021, the subcommittee received agency updates on outstanding rulemaking from the 2021 General Session, filed monthly written updates from the 2023 General Session, and considered agency requests for exclusion of one act from the Act 595 reporting requirements. The subcommittee also considered the recommendation by Group 2 agencies concerning the extension or appeal of rules, pursuant to Act 781 of 2017 and Act 65 of 2021. 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.

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

#### Claims Review & Litigation Reports Oversight Subcommittee

Co-Chair Rice recognized Representative DeAnn Vaught to present the report of the Claims Review & Litigation Reports Oversight Subcommittee (Exhibit G.3). Representative Vaught reported that the Claims Review & Litigation Reports Oversight Subcommittee met on Wednesday, December 13, 2023. The subcommittee reviewed four (4) litigation cases and two (2) proposed settlements. The subcommittee affirmed the ruling of the Claims Commission of seven (7) reissuances of warrants, unpaid bills, and salary corrections; one (1) negotiated settlement agreement; and eight (8) denied and dismissed claims. Finally, the subcommittee declined to consider three (3) claims which were filed outside of the statutory time frame for appeal of the

Claims Commission decision under Ark. Code Ann. § 19-10-211(a). This concluded the report for the Claims Review & Litigation Reports Oversight Subcommittee, and there were no questions.

**Representative DeAnn Vaught moved that the report of the Claims Review & Litigation Reports Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.**

#### Employee Benefits Division (EBD) Oversight Subcommittee

Co-Chair Rice recognized Senator Jimmy Hickey, Jr. to present the report of the Employee Benefits Division Oversight Subcommittee (Exhibit G.4). Senator Hickey reported that the Employee Benefits Division Oversight Subcommittee met on Wednesday, December 13, 2023. The subcommittee reviewed and approved the actions of the State Board of Finance, including the concept for a Request for Proposal (RFP) for Consultant Securing a third-party administrator; and a concept for a Request for Qualification (RFQ) for high claims review/audit service. EBD Drug Formulary reports for November and December 2023 and the Navitus Signature Select, effective January 1, 2024. The EBD Director, Grant Wallace, provided an update regarding the UnitedHealth Care Network. This concluded the report of the Employee Benefits Division Oversight Subcommittee, and there were no questions.

**Senator Jimmy Hickey, Jr. moved that the report of the Employee Benefits Division Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.**

#### Game & Fish/State Police Subcommittee

Co-Chair Rice recognized Representative Josh Miller to present the report of the Game & Fish/State Police Subcommittee (Exhibit G.5). Representative Miller reported the Game & Fish/State Police Subcommittee met on Monday, December 11, 2023, and heard: a presentation from Jennifer Craun, Senior Legislative Attorney, Legal Research and Drafting, Bureau of Legislative Research (BLR), regarding the Summary of Hunting Laws Concerning Firearms; and testimony from the Attorney General's Office and the Arkansas Game and Fish Commission. A motion was made in the subcommittee to repeal A.C.A. § 15-43-105, which passed by voice vote.

Senator Ricky Hill made the following comments regarding the upcoming meetings:

- **Public Comment:**

There will be an opportunity for the public to provide comments to the Subcommittee on each of the topics we take up in this study. There will be a link on the General Assembly website for public comment sign up and there will be a sign up sheet at the committee meeting. Only those members of the public who have signed up in one of those two ways will be allowed to come forward and present their comments to the Subcommittee.

- **Member Participation:**

I want to invite and encourage all members of the General Assembly to attend these meetings and participate as we work towards recommendations to present to the Legislative Council next year. Although only members of the Subcommittee will be permitted to make motions and vote on the recommendations during this phase, we welcome input from all members of the General Assembly.

- **Next Meeting:**

Our next meeting will be January 10, 2024 at 1:00 p.m. in this room and we will begin hearing informational presentations regarding concealed carry laws and regulations related to firearms.

This concluded the report of the Game & Fish/State Police Subcommittee, and there were no questions.

**Representative Josh Miller moved that the report of the Game & Fish/State Police Subcommittee be adopted. The motion was seconded and passed by voice vote.**

#### Lottery Oversight Subcommittee

Co-Chair Rice recognized Representative Mindy McAlindon to present the report of the Lottery Oversight Subcommittee (Exhibit G.9). Representative McAlindon reported that the Lottery Oversight Subcommittee met on Monday, December 11, 2023. The subcommittee heard testimony on the Office of Arkansas Lottery Activities and Operations report and received recommendations from the Arkansas Lottery Scholarship Program from the Division of Higher Education. A motion was adopted to remove Camelot Global Services as the term contract from the subcommittees' annual report. The subcommittee adopted the annual report as amended. This concluded the report of the Lottery Oversight Subcommittee. Members were recognized for questions.

**Representative Mindy McAlindon moved that the report of the Lottery Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.**

#### Occupational Licensing Review Subcommittee

Co-Chair Rice recognized Senator Jane English to present the report of the Occupational Licensing Review Subcommittee (Exhibit G.11). Senator English reported that the Occupational Licensing Review Subcommittee met on Thursday, November 30, 2023, and approved a motion to include the draft legislation repealing the Private Employment Agency licensure in the Group 3 final report.

The Subcommittee met again on Monday, December 11, 2023, and recommended that the Legislative Council refer the greyhound racing issue to the appropriate subject matter committee. The Subcommittee approved a motion to expunge the vote from the November 30, 2023 meeting that included the draft legislation repealing the Private Employment Agency licensure in the final report regarding Group 3; and also, approved a motion to accept the revised draft legislation for the Private Employment Agency licensure for inclusion in the final report regarding Group 3. Lastly, the Subcommittee approved a motion to authorize the Co-Chairs to give final approval of the Subcommittee's final report with the additions/revisions adopted during the meeting for submission to ALC. This concluded the report of the Occupational Licensing Review Subcommittee, and there were no questions.

**Senator Jane English moved that the report of the Occupational Licensing Review Subcommittee be adopted. The motion was seconded and passed by voice vote.**

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Rice recognized Senator Jonathan Dismang to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit G.12). Senator Dismang reported the PEER Subcommittee met on Tuesday, December 12, 2023. The subcommittee received reports, reviewed requests, and approved the following: Various Temporary Appropriations; American Rescue Plan Act Appropriations; Infrastructure Investment and Jobs Act Appropriations; and Restricted Reserve Fund Transfers. One (1) item in the report for the Department of Education - PBS is held in the subcommittee. This concluded the report of the 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.**

Review Subcommittee

Co-Chair Rice recognized Representative Les D. Eaves to present the report of the Review Subcommittee (Exhibit G.14). Representative Eaves reported that the Review Subcommittee met on Tuesday, December 12, 2023, and reviewed methods of finance, construction projects, grants, and contracts. The subcommittee approved a disclosure of a loan agreement. No items were held. This concluded the report of the Review Subcommittee, and there were no questions.

*\*Senator Jim Petty was recognized and stated, he will disclose and recuse himself from voting on the Review Subcommittee report as he has a personal connection through his business on an item that was presented to the Subcommittee.*

**Representative Les D. Eaves moved that the report of the Review Subcommittee be adopted, including the continuation of the hold for the Department of Human Services. The motion was seconded and passed by voice vote.**

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Rice recognized Senator Breanne Davis to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit G.15). Senator Davis reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Wednesday, December 13, 2023. The subcommittee reviewed the listed items on the report and approved one request to pay an employee over the maximum level of the pay grade based on a recent promotion. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

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

Co-Chair Rice then recognized members for questions on Employee Retirement benefits and related subject matter.

## Review of Communications

Co-Chair Rice referred members to the communications listed on the agenda as Items I.01- I.11 and noted that action by Legislative Council was needed for Items I.02, I.03, I.04, and I.05(c). Co-Chair Rice then requested a motion for Item I.02.

**I.02 Arkansas Public Employees Retirement System:** Arkansas Public Employees Retirement System (APERS), Request to review an investment summary for Harrison Street Real Estate Partners Fund IX, L.P., submitted pursuant to A.C.A. §19-11-1302.

**Representative DeAnn Vaught moved to file the request from the Arkansas Public Employees Retirement System (APERS), as reviewed. The motion was seconded and passed by voice vote.**

**I.03 Arkansas Teacher Retirement System:**

- a. Request for the Legislative Council's review of partial equity ownership agreements, submitted pursuant to A.C.A. §19-11-1302.
  - i. KKR Real Estate Partners Americas IV, SCSp;
  - ii. Beekman Investment Partners V, L.P.;
  - iii. Clearlake Capital Partners VIII, L.P.;
  - iv. Franklin Park Co-Investment Fund VI, L.P.; and
  - v. Franklin Park Venture Capital Fund XV, L.P.

**Representative DeAnn Vaught moved to file the request from the Arkansas Teacher Retirement System (ARTS), as reviewed. The motion was seconded and passed by voice vote.**

**I.04 Department of Agriculture:** Report on the 2024-2025 Biennium Plan of Work for the State of Arkansas Water, Waste Disposal and Pollution Abatement Facilities General Obligation Bond Program, submitted pursuant to A.C.A § 15-20-1303(c)(2)(B). Contact: Mr. Wes Ward, Secretary.

**Representative DeAnn Vaught moved to give favorable advice on the request from the Department of Agriculture. The motion was seconded and passed by voice vote.**

**I.05(c) Department of Commerce, Arkansas Development Finance Authority:** Request for the Legislative Council's review of the following Program Fact Sheets, submitted pursuant to A.C.A. § 15-5-212(b).

- i. Health Care Revenue Refunding Bonds - Series 2022 - Baptist Healthcare-Jonesboro (\$49,975,000);
- ii. Environmental Improvement Revenue Bonds - Series 2023 - US Steel Corp Project (\$240,000,000);
- iii. Environmental Improvement Revenue Bonds - Series 2022 - US Steel Project (\$290,000,000)
- iv. Authority Industrial Development Revenue Bonds (Hybar Steel Project) - Series 2023A (Tax Exempt \$110,000,000) and Series 2023B (Taxable - convertible to tax-exempt: \$220,000,000)
- v. Multifamily Housing Governmental Note (Sunset Terrace Apartments) - Series 2022 (\$13,140,000); and
- vi. Revolving Loan Fund Revenue Bonds - Series 2023 (\$109,235,000).

**Representative DeAnn Vaught moved to file the request from the Department of Commerce, Arkansas Development Finance Authority, as reviewed. The motion was seconded and passed by voice vote.**

**New Business**

Co-Chair Rice recognized Representative Stephen Meeks, Secretary Shea Lewis, Arkansas Department of Parks, Heritage and Tourism, Captain Brad Lann, Arkansas Department of Public Safety, Director AJ Gary, Arkansas Department of Emergency Management, Steve Frisbee, Assistant Chief Engineer for Maintenance, ARDOT, and Joe Martin, Director of the Office of Preparedness & Emergency Response System, Arkansas Department of Health, to give a presentation on the 2024 Solar Eclipse.

**Interim Study Proposals**

Co-Chair Rice referred members to Interim Study Proposal 2023-099, by Senator Bryan King and stated this ISP will be held until the next meeting of ALC and presented with the presence of Senator King.

**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:

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Senator Terry Rice  
Co-Chair, Senate

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Marty Garrity  
Executive Secretary