

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

May 31, 2024

The Arkansas Legislative Council met at 9:00 a.m., Friday, March 15, 2024, in Committee Room A of the Big MAC Building, Little Rock, Arkansas. Co-Chair Jeffrey Wardlaw called the meeting to order and recognized a quorum of members present. Representative Lane Jean was recognized to give the morning prayer.

Minutes of the Previous Meeting

Co-Chair Wardlaw referred members to the minutes of the last Legislative Council meeting held on February 16, 2024 (Exhibit C), and asked if there were any questions. There were no questions.

Representative Charlene Fite moved that the minutes of the February 16, 2024, meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Revenue Report

Co-Chair Wardlaw recognized Dr. Carlos Silva, Legislative Economist, Bureau of Legislative Research (BLR), to present the February 2024 General Revenue Report (Exhibit D). Dr. Silva reported, the collections of Gross General Revenues year-to-date are approximately \$5,411.69 million, a decrease of \$113.0 million, or 2% below the \$5,524.64 million collected last fiscal year-to-date. Dr. Silva further reported, the Net General Revenue Available for distribution of \$4,419.4 million, decreased \$323.1 million, or 6.8% from the \$4,7742.53 million available for distribution in February 2023. The Cumulative Deviation of the forecast is at \$10.6 million. This concluded the February 2024 General Revenue report. Co-Chair Wardlaw recognized members for questions.

Report of the Executive Subcommittee

Co-Chair Wardlaw recognized Co-Chair Terry Rice to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Rice reported that the Executive Subcommittee met on Thursday, March 14, 2024, and reviewed and approved an emergency rule from the Arkansas Department of Finance & Administration (DF&A), Office of Driver Services. The review and approval of the rule is effective upon adjournment of the March 15, 2024 Legislative Council meeting. The subcommittee approved a motion to terminate two (2) existing contracts between Bureau of Legislative Research (BLR) and The Segal Group, Inc. and to approve a new contract with The Segal Group, Inc. for health benefits actuary and consulting services. The subcommittee also approved a request from the House of Representatives to receive funds for legislative committee room upgrades, and heard a presentation concerning the study on Education Facilities Property Insurance. This concluded the report of the Executive Subcommittee. Co-Chair Wardlaw recognized members for questions concerning the emergency rule and recognized Mr. Jim Hudson, Secretary, DF&A, to respond.

Co-Chair Terry Rice moved that the report of the Executive Subcommittee be adopted.

Senator Clark Tucker was then recognized for a substitute motion.

Senator Tucker moved that the report of the Executive Subcommittee be adopted with the exception of the review and approval of the emergency rule presented by DF&A, Office of Driver Services, and to present it for separate consideration. The motion was seconded but failed by voice vote.

Referring back to the original motion, Co-Chair Terry Rice 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 Wardlaw 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, March 14, 2024. The Subcommittee approved the Arkansas Public Defender Commission's request for the expedited repeal of rules not meeting the definition of a rule under the Arkansas Administrative Procedure Act pursuant to Act 65 of 2021. Pursuant to Act 595 of 2021, the Subcommittee received an agency in-person update on outstanding rulemaking from the 2021 Regular Session, filed written updates relating to the 2023 Regular Session, and granted one agency's request for exclusion from the Act 595 reporting requirements. The Subcommittee also accepted the recommendations by Group 2 agencies concerning the extension of rules pursuant to Act 781 of 2017 and Act 65 of 2021. One rule was not considered after being held by the Joint Committee on Public Retirement and Social Security Programs, and 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. The motion was seconded and passed by voice vote.

Employee Benefits Division (EBD) Oversight Subcommittee

Co-Chair Wardlaw recognized Representative Aaron Pilkington to present the report of the Employee Benefits Division Oversight Subcommittee (Exhibit F.4). Representative Pilkington reported that the Employee Benefits Division Oversight Subcommittee met on Wednesday, March 13, 2024. The subcommittee heard the final Diabetes Management Program Study report and recommendations from The Segal Group, Inc. This concluded the report of the Employee Benefits Division Oversight Subcommittee, and there were no questions.

Representative Aaron Pilkington 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 Wardlaw recognized Representative Josh Miller to present the report of the Game & Fish/State Police Subcommittee (Exhibit F.5). Representative Miller reported the Game & Fish/State Police Subcommittee met on Monday, March 11, 2024. The Subcommittee heard follow-up information regarding Concealed Carry Concerning Firearms from the Attorney General's office and heard a presentation from Jennifer Craun, Senior Legislative Attorney, Legal Research and Drafting, Bureau of Legislative Research (BLR), regarding the Summary of Possession and Open Carry Laws Concerning Firearms. A motion was adopted in the subcommittee to recommend A.C.A. § 15-73-103 for further study.

The chairs/co-chairs 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 Monday, March 25, 2024 at 2:00 p.m. in Room A, MAC and we will begin hearing recommendations regarding Possession and Open Carry concerning firearms.

This concluded the report of the Game & Fish/State Police Subcommittee. Co-Chair Wardlaw recognized members for 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.

Occupational Licensing Review Subcommittee

Co-Chair Wardlaw recognized Senator Jane English to present the report of the Occupational Licensing Review Subcommittee (Exhibit F.11). Senator English reported that the Occupational Licensing Review Subcommittee met on Thursday, March 14, 2024, and reviewed reports on occupational authorizations from the following entities: Arkansas State Board of Dispensing Opticians; Arkansas State Board of Barber Examiners; and the Arkansas Department of Health. 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 Wardlaw recognized Representative Frances Cavanaugh to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.12). Representative Cavanaugh reported the PEER Subcommittee met on Tuesday, March 12, 2024. The subcommittee received reports, reviewed requests, and approved the following: Various Temporary Appropriations; American Rescue Plan Act Appropriations; Infrastructure Investment and Jobs Act Appropriations; Reallocation of Resources; and Restricted Reserve Fund Transfers. This concluded the report of the PEER Subcommittee, and there were no questions.

Representative Frances Cavanaugh 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 Wardlaw recognized Representative Les D. Eaves to present the report of the Review Subcommittee (Exhibit F.14). Representative Eaves reported that the Review Subcommittee met on Tuesday, March 12, 2024, and reviewed methods of finance, alternative construction projects, discretionary grants, and services contracts. A Method of Finance for the University of Arkansas - Monticello (UAM) was held for a correction on the source of funds for the project. The funding has since been corrected to Unrestricted AG Settlement Funds and the hold has been released. In addition, a contract for the Department of Military was reviewed and recommended for ratification. A contract for the Department of Corrections was also presented for ratification. After questioning, the Department of Corrections board chairman requested the contract be pulled to allow for an internal investigation and resubmission. As a condition of the request for withdrawal, the Department of Corrections will provide the Subcommittee with their findings and answers to questions asked by members, communicate with BLR throughout the investigation process, and provide all documents that the department is examining as part of its investigation. The Subcommittee also requested the vendor, which is the attorney that was hired, be present when the findings of the investigations are presented to ALC. This concluded the report of the Review Subcommittee, and there were no questions.

Representative Les D. Eaves moved to adopt the report of the Review Subcommittee, including the method of finance for University of Arkansas - Monticello (UAM) that was held.

Co-Chair Wardlaw recognized Senator Jonathan Dismang for a substitute motion.

Senator Dismang moved that ALC refer to Legislative Joint Auditing Committee and Joint Performance Review (JPR) for further review, the contract from the Department of Corrections listed as Item 9 on Page 15 of the report; and to also adopt the remainder of the report of the Review Subcommittee, including the method of finance for UAM that was held. The substitute motion was seconded and passed by voice vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Wardlaw recognized Representative Mark Berry to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.15). Representative Berry reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Wednesday, March 13, 2024. The subcommittee reviewed and/or approved Items 1-12 on the report. The review included the suspension of the rules to take up two (2) supplemental items as listed in the report. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

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

Point of Personal Privilege

Co-Chair Wardlaw recognized Senator Terry Rice for a point of personal privilege. Senator Rice informed members that an email was sent out to them on the Arkansas Broadband map. Senator Jane English gave a short synopsis of what the email entails and the importance of viewing and utilizing the map.

Review of Communications

Co-Chair Wardlaw 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 Items H.04(a) and H.10(b) and a report will be given on Item H.06(a). A motion was then requested for each action item.

H.04(a) - Department of Energy and Environment, Division of Environmental Quality, Request to review new business plans of the four (4) new Used Tire Programs, submitted pursuant to Act 713 of 2023 and A.C.A. § 8-9-408(f).

Senator Missy Irvin moved to file the request from the Department of Energy and Environment, Division of Environmental Quality, as reviewed. The motion was seconded and passed by voice vote.

H.06(a) - DHS - Co-Chair Wardlaw recognized Ms. Kristi Putnam, Secretary, Department of Human Services (DHS), for the verbal report on assisted living facility reimbursements, pursuant to Section 15 of Act 213 of 2022. Ms. Janet Mann, Director, State Medicaid, DHS, was also recognized to respond to questions.

Point of Personal Privilege

Co-Chair Wardlaw recognized Senator Matt McKee for a point of personal privilege. Senator McKee requested prayers and support for those in Hot Springs Village and parts of Garland County who were affected by the storm and tornado. Co-Chair Wardlaw requested a moment of silence.

Supplemental Agenda

Co-Chair Wardlaw recognized Representative Frances Cavanaugh for a motion.

Representative Cavanaugh moved to suspend the rules and take up the item on the Supplemental Agenda. The motion was seconded and passed by voice vote.

Representative Cavanaugh then requested for the Department of Finance and Administration (DF&A) to come forward to give an overview of the request and to respond to questions. Co-Chair Wardlaw recognized Mr. Jim Hudson, Secretary, DF&A, to respond.

Supplemental Item A.1 - American Rescue Plan Act Appropriation Request State Award:
Department of Agriculture - City of Wynn - Infrastructure Recovery - \$7,000,000.

After questions, Co-Chair Wardlaw recognized Senator Bart Hester for a motion.

Senator Hester moved that final approval authority be given to the chairs of PEER and ALC for the request of the Department of Agriculture - City of Wynn - Infrastructure Recovery - \$7,000,000. The motion was seconded and passed by voice vote.

Additionally, House Speaker Matthew Shepherd requested that DF&A work to establish a repayment process to the state, if there are any kind of duplications of funding from other sources, in an attempt to maximize resources for the state. Secretary Hudson agreed.

(Review of Communications, continued)

H.10(b) - Department of Transformation and Shared Services (DTSS), Division of Information Systems (DIS), Request to review the proposed new rates of services for FY2025, submitted pursuant to A.C.A. §25-4-119(b)(3)(B).

Representative Cavanaugh requested a representative from the Division of Information Systems come forth to respond to questions. Co-Chair Wardlaw recognized Mr. Jay Harton, Interim Director, DIS, Ms. Leslie Fiskens, Secretary, DTSS, Mr. James Caldwell, Chief Financial Officer, DTSS, and Mr. Robert Brech, Director, State Budget, DF&A, to respond.

After questions, Co-Chair Rice moved to file the request from the Department of Transformation and Shared Services, Division of Information Systems, as reviewed. The motion was seconded but failed by voice vote.

Adjournment

At 9:58 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Representative Jeff Wardlaw
Co-Chair, House

Marty Garrity
Executive Secretary