

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL (ALC)

JUNE 20, 2025

The Arkansas Legislative Council met at 9:00 a.m., Thursday, May 22, 2025, in Committee Room A of the Big MAC Building, Little Rock, Arkansas. At the first meeting of ALC after legislative session, ALC members conduct their seat selection process. After the selection process, Senate Co-Chair Ben Gilmore called the meeting to order and recognized a quorum of members present. Senator Tyler Dees was recognized for the morning prayer.

Minutes of the Previous Meeting

Co-Chair Gilmore referred members to the minutes of the last Legislative Council meeting held on December 20, 2024 (Exhibit C) and asked if there were any questions. There were no questions.

Senator Bart Hester moved that the minutes of the December 20, 2024, meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Revenue Report

Co-Chair Gilmore recognized Dr. Carlos Silva, Legislative Economist, Bureau of Legislative Research (BLR), to present the April 2025 General Revenue Report (Exhibit D). Dr. Silva reported that the collections of Gross General Revenues year-to-date are approximately \$6,852.53 million, a decrease of \$361.5 million, or 5% below the \$7,213.99 million collected last fiscal year-to-date.

He further reported that the Net General Revenue available for distribution of \$5,465.5 million, decreased \$224.7 million, or 3.9% from the \$5,690.15 million available for distribution in April 2024. Dr. Silva further stated, the Cumulative Deviation of the forecast from \$131.7 million to \$52.2 million. The deviation numbers would be considered irrelevant, as an update has been provided by DF&A (*Exhibit H.12.a*). The individual and corporate income tax collections will reflect a decline from the past month. This concluded the April 2025 General Revenue report.

Co-Chair Gilmore recognized members for questions. Mr. Jim Hudson, Secretary, Department of Finance & Administration (DF&A) was recognized to respond. **Secretary Hudson explained, due to severe weather, an Executive Order was issued to extend the deadline to file state tax returns to July 31, 2025, while the IRS extended the deadline to file federal tax returns until November 3, 2025.*

Report of the Executive Subcommittee

Co-Chair Gilmore recognized House Co-Chair Representative Les D. Eaves to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Eaves reported that since the beginning of the year, the Executive Subcommittee has met multiple times and reports the following actions: reviewed and approved emergency rules for the Department of Corrections (DOC), the Department of Human Services (DHS), and the Department of Commerce (DC), all of which have been reported to members

and alternates of ALC, in accordance with ALC Rules. The Subcommittee received reports and recommendations from consultants related to the Procurement Study, the Motion Picture Production Study, and the State Property Insurance Study; approved various contracts, including contracts related to dynamic fiscal impact scoring, formation of the state captive insurance program, the procurement study, actuarial services for the Joint Retirement Committee, and actuarial services related to the EBD programs; and approved waiver requests from school districts for cooperative purchasing construction services. By this report, the ALC Co-Chairs also report emergency action taken on January 28, 2025, and May 6, 2025. The emergency action reports are attached to the Executive Subcommittee report, as required by ALC Rule 16. Additionally, the Subcommittee recommended committee fund allocations for FY2026. Finally, the Subcommittee voted to recommend changes to the ALC rules to the full ALC Committee, and those proposed changes were sent to all ALC members and alternates. This concluded the report of the Executive Subcommittee.

Representative Les D. Eaves moved to adopt the Rules of Arkansas Legislative Council (ALC). The motion was seconded and passed by voice votes from each chamber, beginning with the House of Representatives.

Representative Les D. Eaves moved that the report of the Executive Subcommittee be adopted. The motion was seconded and passed by voice vote.

Standing Subcommittee Presentations

Administrative Rules Subcommittee

Co-Chair Gilmore recognized Senator Tyler Dees to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Senator Dees reported that the Administrative Rules Subcommittee met on Wednesday, May 21, 2025. The Subcommittee adopted its subcommittee rules and filed two (2) reports by the Executive Subcommittee concerning its review and approval of emergency rules. The Subcommittee received and filed quarterly reports from the Department of Corrections and Post-Prison Transfer Board. The Subcommittee also received agency updates on outstanding rulemaking from the 2023 Regular Session. Four (4) rules were pulled from the agenda prior to the meeting at the agency's request. Two (2) other rules were not considered because they were held in the Senate and House Committees on Public Health, Welfare, and Labor for further consideration. 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 Tyler Dees moved that the report of the Administrative Rules Subcommittee be adopted. The motion was seconded and passed by voice vote.

Hospital, Medicaid, and Developmental Disabilities Study Subcommittee

Co-Chair Gilmore recognized Senator Jane English to present the report of the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee (Exhibit F.7). Senator English reported that the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee met on Monday, May 19, 2025, for an organizational meeting regarding upcoming studies being conducted pursuant to Act 145 of 2025 and Act 1004 of 2025. The Subcommittee also heard an update regarding reimbursement rates under the Living Choices Assisted Living Waiver from DHS. This concluded the report of the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee, and there were no questions.

Senator Jane English moved that the report of the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee be adopted. The motion was seconded and passed by voice vote.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Gilmore recognized Senator Jonathan Dismang to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.11). Senator Dismang reported that the PEER Subcommittee met on Monday, May 19, 2025. 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 a Restricted Reserve Fund Transfer. This concluded the report of the PEER Subcommittee, and there were no questions.

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.

Senator Jonathan Dismang moved to suspend the ALC rules and take up an item on the Supplemental Agenda. The motion was seconded and passed by voice vote.

Supplemental Agenda Item:**A. Pay Plan Appropriation Request**

1. Arkansas Department of Health – State Board of Chiropractic Examiners

Senator Dismang gave a synopsis of the request. **With no questions, Senator Jonathan Dismang moved to review and approve the request from the Department of Health - State Board of Chiropractic Examiners. The motion was seconded and passed by voice vote.**

Review Subcommittee

Co-Chair Gilmore recognized Senator Blake Johnson to present the report of the Review Subcommittee (Exhibit F.12). Senator Johnson reported that the Review Subcommittee met on Monday, May 19, 2025, and adopted the subcommittee rules, reviewed methods of finance, discretionary grants, requests for qualifications, and services contracts. All items were reviewed with one exception. The Subcommittee did not review the in-state contract for Aptus Financial received from the Department of Transformation and Shared Services (DTSS) (pg. 96). This concluded the report of the Review Subcommittee.

Senator Blake Johnson moved that the report of the Review Subcommittee be adopted.

Co-Chair Gilmore recognized members for questions. Senator Bart Hester made a request that the in-state contract for Aptus Financial received from the Department of Transformation and Shared Services (DTSS) be sent to the ALC - Personnel Subcommittee for a full vetting at its June 2025 meeting.

With this request, Senator Johnson amended his motion. Senator Blake Johnson restated his motion and moved that the report of the Review Subcommittee be adopted, with the exception of the Aptus Financial contract received from the Department of Transformation and Shared Services (DTSS), and to send the contract to the ALC - Personnel Subcommittee for a full vetting at its June 2025 meeting. The motion was seconded and passed by voice vote.

State Insurance Programs Oversight Subcommittee

Co-Chair Gilmore recognized Senator Jimmy Hickey, Jr. to present the report of the State Insurance Programs Oversight Subcommittee (Exhibit F.13). Senator Hickey reported the State Insurance Programs Oversight Subcommittee met on Tuesday, May 20, 2025. The Subcommittee adopted its subcommittee rules and reviewed and approved the Employee Benefits Division's Drug Formulary reports for April and May 2025 and the Medical Drug recommendations for May 2025. This concluded the report of the State Insurance Programs Oversight Subcommittee, and there were no questions.

Senator Jimmy Hickey, Jr. moved that the report of the State Insurance Programs Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Gilmore recognized Representative Les Warren to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.14). Representative Warren reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Tuesday, May 20, 2025. The Subcommittee reviewed and approved the Subcommittee Rules, and a request from Department of Public Safety, Division of Arkansas State Crime Lab for a revision to administer special compensation awards and recruitment incentives. The Subcommittee also heard a presentation from the Office of Personnel Management (OPM) regarding procedures and requests to the subcommittee. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

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

Review of Communications

Co-Chair Gilmore referred members to the communications listed on the agenda as Items H.01 - H.18 and noted that action by Legislative Council was needed for Item H.01, H.05, and H.06(a)(b).

H.01 - Arkansas Children's Hospital and UAMS - Arkansas Infant and Child Death Review Panel: 2024 Annual Report on the Arkansas Infant and Child Death Review Program, for review year 2022, submitted pursuant to A.C.A. § 20-27-1707.

Senator Justin Boyd moved to refer the annual report from the Arkansas Children's Hospital and UAMS - Arkansas Infant and Child Death Review Panel, to the Senate Interim Committee on Children and Youth and the House Interim Committee on Aging, Children and Youth, and Legislative Affairs. The motion was seconded and passed by voice vote.

H.05 - Arkansas Public Employees Retirement System (APERS): Request to review investment summaries, submitted pursuant to Act 1211 of 2009.

January 2025

- a. Dover Street XI (*The original investment was filed as reviewed by ALC Sept 2023*)
- b. Neuberger Berman Real Estate Secondary Opportunities Fund, II

April 2025

- c. CBRE Global Infrastructure Fund
- d. IFM Global Infrastructure Fund
- e. JPMorgan Infrastructure Investment Fund
- f. Blue Owl Digital Infrastructure Fund III
- g. Stepstone Real Estate Partners V, LP.
- h. Harrison Street Real Estate Partners Fund X, L.P.
- i. Starwood Distressed Opportunity Fund XIII, L.P.
- j. NB APERS Fund of One, LP
- k. Heitman Value Partners Fund VI, or the "Fund", or "HVP VI"

Senator Justin Boyd moved to file the request from the Arkansas Public Employees Retirement System (APERS), as reviewed. The motion was seconded and passed by voice vote.

H.06 - Arkansas Teacher Retirement System (ATRS):

- a. Request for the Legislative Council's review of partial equity ownership agreements submitted pursuant to A.C.A. §19-11-1302.
 - i. Ares Industrial Real Estate Fund, LP;
 - ii. Carlyle Property Investors, LP;
 - iii. Axinfra NA II, LP;
 - iv. KKR Diversified Core Infrastructure Fund, LP
- b. Request for the Legislative Council's retrospective review of the imminent need partial equity ownership investments, submitted pursuant to A.C.A § 19-11-1303;

February 2025

- i. Franklin Park Corporate Finance Access Fund III, L.P.;
- ii. Strategic Partners Infrastructure IV, L.P.; and

April 2025

- iii. MML Partnership Capital VIII, SCSp;
- iv. Franklin Park Venture Capital Fund XV, LP;
- v. Franklin Park Venture Capital Opportunity Fund II, LP

Representative Howard Beaty, Jr. moved to file the requests from the Arkansas Teacher Retirement System (ATRS), as reviewed. The motion was seconded and passed by voice vote.

New Interim Study Proposals and Interim Resolutions

J.01 - Interim Study Proposal 2025-004, by Representative Jeremy Wooldridge, is to conduct a study related to windmills.

Senator Justin Boyd moved to refer ISP 2025-004 to the House Agriculture, Forestry, & Economic Development Committee. The motion was seconded and passed by voice vote.

J.02 - Interim Study Proposal 2025-005, by Representative RJ Hawk, is to amend the definitions of "lottery" and "video lottery".

Representative RJ Hawk requested to postpone the referral of ISP-2025-005 until the next ALC meeting in June 2025.

J.03 - Interim Study Proposal 2025-007, by Representative Lee Johnson, is to refer a study to the House Committee on Education on the future of adult education in Arkansas.

Senator Justin Boyd moved to refer ISP 2025-007 to the House Committee on Education. The motion was seconded and passed by voice vote.

Other Business

Co-Chair Gilmore informed members that a flash drive containing useful information related to Acts passed during the Legislative Session were prepared for all members, and for members to also look for an email to be sent regarding summaries of the Fiscal and General Session.

Adjournment

At 9:39 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Senator Ben Gilmore
Co-Chair, Senate

Marty Garrity
Executive Secretary