

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

January 16, 2026

The Arkansas Legislative Council met at 9:00 a.m., Friday, December 19, 2025, in Committee Room A of the Big MAC Building, Little Rock, Arkansas. House Co-Chair Les Eaves called the meeting to order and recognized a quorum of members present. Representative Les Warren was recognized for the morning prayer.

Minutes of the Previous Meeting

Co-Chair Eaves referred members to the minutes of the last Legislative Council meeting held on November 21, 2025 (Exhibit C) and asked if there were any questions. There were no questions.

Representative Mary Bentley moved that the minutes of the November 21, 2025, meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Revenue Report

Co-Chair Eaves recognized Dr. Carlos Silva, Legislative Economist, Bureau of Legislative Research (BLR), to present the November 2025 General Revenue Report (Exhibit D). Dr. Silva reported that the collections of Gross General Revenues year-to-date are approximately \$3.31 billion, an increase of \$58.9 million, or 1.8% above the \$3.25 billion collected last fiscal year-to-date. The Net General Revenue available for distribution of \$2.82 billion, increased \$81.2 million, or 3.0% from the \$2.74 billion available for distribution in November 2024.

Dr. Silva stated that the Cumulative Deviation increased by \$18.2 million for the month, which is \$108.7 million above the forecast. He then gave additional updates. This concluded the November 2025 General Revenue report. Co-Chair Eaves recognized members for questions. In addition to Dr. Silva, Mr. Jim Hudson, Secretary, Department of Finance & Administration (DF&A) was also recognized to respond to questions.

Standing Subcommittee Presentations

Administrative Rules Subcommittee

Co-Chair Eaves recognized Representative Matthew Shepherd to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Representative Shepherd reported that the Administrative Rules Subcommittee met on Thursday, December 18, 2025. The Subcommittee filed a report from the Executive Subcommittee concerning a review and approval of an emergency rule. The Subcommittee received agency updates on outstanding rulemaking from the 2023 Regular Session and filed agencies monthly written updates on rulemaking from the 2025 Regular Session. The Subcommittee accepted the recommendations of the Division of Elementary and Secondary Education concerning the extension repeal 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 Matthew Shepherd 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 Eaves recognized Senator Jane English, to present the report of the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee (Exhibit F.7). Senator Jane English reported that the Hospital, Medicaid, and Developmental Disabilities Study Subcommittee met on Monday, December 15, 2025, to hear testimony on the following items: overview of the current status of TANF; and an update on Reimbursement Rates Under the Living Choices Assisted Living Waiver by DHS.

The Subcommittee met again on Thursday, December 18, 2025, to discuss the Meant for More Summit and the implications of benefit cliffs. 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.

Lottery Oversight Subcommittee

Co-Chair Eaves recognized Representative Justin Gonzales to present the report of the Lottery Oversight Subcommittee (Exhibit F.8). Representative Gonzales reported that the Lottery Oversight Subcommittee met on Monday, December 15, 2025, and heard testimony regarding the Office of Arkansas Lottery Director's Monthly Disclosures Report; the Office of Arkansas Lottery Director's Annual Report; the Arkansas Division of Higher Education Report on Scholarship Recipients; and received recommendations for the Arkansas Academic Challenge Scholarship Program. The Subcommittee also adopted the ALC Lottery Oversight Subcommittee Annual Report to the Arkansas Legislative Council. The final report is attached. This concluded the report of the Lottery Oversight Subcommittee, and there were no questions.

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

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Eaves 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 Tuesday, December 16, 2025. The Subcommittee received reports, reviewed requests, and approved the following: Various Temporary Appropriations; and Infrastructure Investment and Jobs Act Appropriations; and Restricted Reserve Fund Transfer. One (1) item in the report was held for ALC review - Item C.1, a \$2.5 million fund transfer request by the Department of Energy and Environment – Division of Environmental Quality for the Used Tire Program. Item F.14 - Department of Agriculture – Maumelle Water Excellence for \$7,000,000, failed to receive action from the Subcommittee. Both items were pulled from consideration by the agencies' request. 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.

Review Subcommittee

Co-Chair Eaves recognized Representative Frances Cavanaugh to present the report of the Review Subcommittee (Exhibit F.12). Representative Cavanaugh reported that the Review Subcommittee met on Tuesday, December 16, 2025, and reviewed the methods of finance, discretionary grants, one (1) RFQ request, services contracts, and received regular monthly reports. One (1) contract was held for Legislative Council pending further information and discussion from the agency - #7 under out-of-state contracts - Department of Human Services, Division of Children & Family Services for Evident Change.

On Tuesday, the Subcommittee received one (1) supplemental agenda item, Department of Commerce, AEDC Discretionary Grants, which were subsequently referred to the Legislative Council for review today. It is our understanding that there were changes to the grant allocations and the revised schedule has been placed on the desks. This concluded the report of the Review Subcommittee.

Representative Frances Cavanaugh moved to adopt the report of the Review Subcommittee, including review of the DHS contract (Item #7) and the revised discretionary grant from the Department of Commerce - AEDC that was submitted to Legislative Council.

Co-Chair Eaves recognized Representative Ryan Rose, who made a substitute motion.

Representative Rose moved to adopt the Review Subcommittee report but take a separate vote on the Department of Human Services, Division of Children & Family Services for the Evident Change contract. After clarification, the motion was seconded and passed by voice vote.

Senator Bart Hester was recognized and moved to review the Department of Human Services, Division of Children & Family Services for the Evident Change contract. The motion was seconded and after discussion, was passed by voice vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Eaves 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 Wednesday, December 17, 2025, and reviewed three (3) growth pool requests, a miscellaneous federal grant, and four (4) reports that required no action. The Subcommittee also approved Item 4, a reassignment of fifty-one (51) positions from the Division of Corrections to the Department of Correction, Shared Services, for the new recidivism reduction system. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee.

Co-Chair Eaves recognized members for 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 Eaves referred members to the communications listed on the agenda as Items H.01 - H.11 (*H.06 was pulled from the agenda at the request of the agency*) and noted that action by Legislative Council was needed for Items H.01, H.02, and H.03(a). A report will be given for Item H.4(a) - Arkansas Insurance Department.

H.01 - Arkansas Children's Hospital and UAMS - Arkansas Infant and Child Death Review Panel: 2025 Annual Report on the Arkansas Infant and Child Death Review Program, for review year 2023, submitted pursuant to A.C.A. § 20-27-1707.

Representative DeAnn Vaught moved to refer the 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 Committee on Aging, Children and Youth, and Legislative Affairs. The motion was seconded and passed by voice vote.

H.02 - Arkansas Teacher Retirement System (ATRS), Request for the Legislative Council's review of partial equity ownership agreements submitted pursuant to A.C.A. §19-11-1302.

- a. ARTS MSCI ACWI Ex-China Ex-Hong Kong IMI U/A;
- b. Niobrara Founders Fund, LP; and
- c. Truelink Capital II, LP

Representative DeAnn Vaught moved to file the request from ATRS as reviewed. The motion was seconded and passed by voice vote.

H.03 - Department of Agriculture, Arkansas Natural Resources Commission, Report on the 2026-2027 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).

Co-Chair Eaves recognized members for questions. Mr. Chris Colclasure, Director, Arkansas Natural Resources Commission, and Mr. Jim Hudson, Secretary, DF&A were recognized to respond to member questions.

After questions, Representative DeAnn Vaught moved to file the request from ATRS as reviewed. The motion was seconded and passed by voice vote.

H.04 - Department of Commerce, Arkansas Insurance Department, Monthly Status Report on Implementation of Rule 128 and PBM Enforcement.

Co-Chair Eaves recognized members for questions. Mr. Jimmy Harris, Commissioner, AID, and Mr. Daniel Holland, PBM General Counsel, AID, were recognized to respond to member questions.

Adjournment

At 10:10 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Representative Les D. Eaves
Co-Chair, House

Marty Garrity
Executive Secretary