

MINUTES OF THE MEETING
OF THE
ARKANSAS LEGISLATIVE COUNCIL

Friday, November 21, 2014

The Arkansas Legislative Council met at 9:00 a.m., Friday, November 21, 2014 in Committee Room A of the Big Mac Building, Little Rock, Arkansas. Co-Chair Bill Sample called the meeting to order and recognized a quorum of members present. The members present are listed on the sign-in sheets.

Minutes of the Last Meeting

Co-Chair Sample referred the members to the minutes of the last Legislative Council meeting on October 17, 2014 (Exhibit C) and asked if there was a motion to approve the minutes.

Representative Terry Rice moved the adoption of the minutes of the Legislative Council meeting on October 17, 2014. The motion was seconded and passed by voice vote.

Presentation of Monthly Revenue Report

Co-Chair Sample recognized Richard Wilson, Assistant Director for Research Services with the Bureau of Legislative Research, to present the October 2014 revenue report (Exhibit D). Mr. Wilson stated that after four months of fiscal year 2015, gross revenue collections are \$ 42.1 million ahead of the same period last year for a growth rate of two point one percent (2.1%) while net collections are \$30 million ahead of last year for a growth rate of one point nine percent (1.9%).

Mr. Wilson stated the graph page shows that revenues are currently \$11 million ahead of the official forecast. Mr. Wilson reported that the spreadsheet shows a good growth rate for sales and use tax gross receipts and the income tax growth rate is three percent (3%) ahead of last year. This concluded Mr. Wilson's report and there were no questions.

Executive Subcommittee Report

Co-Chair Sample referred the members to the report of the Executive Subcommittee (Exhibit E) and recognized Vice Co-Chair Terry Rice to present the report. Vice Co-Chair Rice reported that the Executive Subcommittee met on November 20, 2014 and heard an update on security measures at the State Capitol Building and grounds from Mr. Doug Matayo, Chief Deputy Secretary of State. Vice Co-Chair Rice reported that Marty Garrity, Director of the Bureau of Legislative Research, briefed the subcommittee on the case of *Duit Construction Co., Inc. v. Claims Review Subcommittee, et al.* and gave an update on the Lottery consultant services contract and the network technology consultant services contract. Ms. Garrity also discussed

Issue 3 that was adopted as an amendment to the Arkansas Constitution during the November 2014 general election, and stated that the Bureau of Legislative Research would comply with Article 19, § 30 of the Arkansas Constitution as part of The Arkansas Elected Officials Ethics, Transparency, and Financial Reform Amendment of 2014. This concluded the report and Vice Co-Chair Rice offered to answer questions. There were no questions.

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

Reports of the Standing Subcommittees

Administrative Rules and Regulations Subcommittee

Co-Chair Sample referred members to the report of the Administrative Rules and Regulations Subcommittee (Exhibit F.1) and recognized Senator Bruce Maloch to present the report. Senator Maloch reported that the Administrative Rules and Regulations Subcommittee met on November 10, 2014 and reviewed rules proposed by the Department of Correction, the Arkansas Development Finance Authority, the Arkansas State Highway and Transportation Department, the Department of Human Services, the Arkansas Parole Board, the Arkansas State Police, and the Public Service Commission, as well as the rule by the Arkansas Appraiser Licensing and Certification Board, that had been deferred from the October 2014 subcommittee meeting. Senator Maloch reported that the subcommittee also reviewed the reports and rules previously referred to the Interim Committees on Education and the Interim Committees on Judiciary. Senator Maloch reported that during this meeting, the subcommittee referred a Department of Education rule to the Interim Committees on Education and referred an Arkansas Board of Pharmacy rule to the Interim Committees on Public Health, Welfare, and Labor. This concluded the report and Senator Maloch offered to answer questions. There were no questions.

Senator Bruce Maloch moved that the report of the Subcommittee on Administrative Rules and Regulations be adopted. The motion was seconded and was passed by voice vote.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Sample recognized Senator Bruce Maloch to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.8). Senator Maloch reported that the PEER Subcommittee met on November 10, 2014 and approved a request from the Department of Agriculture for set-aside funding in the amount of \$15,000 and reviewed all other items on the agenda. This concluded the report and Senator Maloch offered to answer questions. There were no questions.

Senator Maloch 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 Sample referred members to the report of the Review Subcommittee (Exhibit F.10) and recognized Senator David Sanders to present the report. Senator Sanders reported that the Review Subcommittee met on November 17, 2014 and reviewed methods of finance, discretionary grants, and professional and consultant services contracts. Senator Sanders reported that the contract from the University of Central Arkansas for the Donaghey Hall Project was held by the subcommittee, but the hold has now been released after answers to the subcommittee's questions were provided. Senator Sanders reported that the subcommittee reviewed the contract from the Department of Human Services for the Medicaid Management Information System (MMIS) Core system and that all members of the Legislative Council had been sent all of the documentation that the subcommittee reviewed for this contract. Senator Sanders noted that the Bureau staff had reviewed this contract and he thanked the staff for their work on the contract.

Senator David Sanders moved that the report of the Review Subcommittee be adopted as amended and that the report be amended to include the review of the University of Central Arkansas contract for the Donaghey Hall Project and to remove the Department of Human Services contract with Northeast Arkansas Community Mental Health Center (see item 1 on page 6 of the report).

Co-Chair Sample recognized Representative Andrea Lea who thanked the staff for providing her answers to her questions. Co-Chair Sample recognized Senator Maloch who asked if the contract removed from the report was the MMIS contract for the Department of Human Services. Senator Sanders responded that the MMIS contract was not the contract that was removed from the report. There were no further questions.

Co-Chair Sample called for the vote on the motion by Senator Sanders that the report of the Review Subcommittee be adopted as amended and that the report be amended to include the review of the University of Central Arkansas contract for the Donaghey Hall Project and to remove the Department of Human Services contract with Northeast Arkansas Community Mental Health Center (see item 1 on page 6 of the report). The motion was seconded and passed by voice vote.

New Business

Co-Chair Sample recognized Representative Andrea Lea to present the report to the Legislative Council of the emergency review of the request for a special entry salary for an exceptionally well-qualified applicant for audiologist for the Arkansas School for the Deaf, listed on the agenda as Exhibit I.1 under New Business.

Representative Lea reported that because the Personnel Subcommittee did not meet during the month of November and that action was needed before the next regular meeting date, this request for a special entry salary for an exceptionally well-qualified applicant for audiologist for the Arkansas School for the Deaf was reviewed under emergency procedures pursuant to Rule 17 of the Legislative Council rules.

Representative Andrea Lea moved the report of the emergency review, pursuant to Rule 17 of the Rules of the Arkansas Legislative Council, of the request for a special entry salary for an exceptionally well-qualified applicant for audiologist for the Arkansas School for the Deaf be adopted. The motion was seconded and passed by voice vote.

Review of Communications

Co-Chair Sample referred members to the communications listed as Exhibits H.1 through H.25 and stated that none of communications require action by the Legislative Council. Co-Chair Sample asked if there were any questions regarding these communications. There were no questions.

Adjournment

At 9:20 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Senator Bill Sample
Co-Chair, Senate

Marty Garrity
Executive Secretary