

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

**Friday, October 21, 2016**

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The Arkansas Legislative Council met at 9:00 a.m., Friday, October 21, 2016 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 previous Legislative Council meeting on September 23, 2016 (Exhibit C.1) and asked if there was a motion to approve the minutes.

**Senator Terry Rice moved that the minutes of the September 23, 2016 meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.**

Co-Chair Sample referred the members to the minutes of the previous Legislative Council meeting on September 30, 2016 (Exhibit C.2) and asked if there was a motion to approve the minutes.

**Co-Chair David L. Branscum moved that the minutes of the September 30, 2016 meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote**

**Recognition of Miss America**

Mr. Shane Broadway, a member of the Miss Arkansas Scholarship Foundation Board, introduced Ms. Savvy Shields, the newly-crowned Miss America who was Miss Arkansas, and Ms. Savannah Skidmore, the newly-crowned Miss Arkansas. Mr. Broadway also introduced the former Miss America, Regina Hopper.

Following the introduction, Co-Chair Sample recognized Senator Uvalde Lindsey and Representative Charlie Collins, and they each presented Miss Shields with a citation commemorating her historic achievement of being one of three Miss Arkansas winners to become Miss America. Ms. Shields was recognized and expressed her thanks and spoke of her goal of publicizing the State of Arkansas. At the conclusion of her remarks, Co-Chair Sample called a brief recess.

Following the recess, Co-Chair Sample recognized Representative Charlotte Vining Douglas who announced that there is a Victim's Rights Rally today at 11:00 in the rotunda of the State Capitol Building and urged the committee members to attend.

**Presentation of Revenue Report**

Co-Chair Sample recognized Richard Wilson, Assistant Director for Research Services with the Bureau of Legislative Research, to present the September 2016 revenue report (Exhibit D) prepared by the Bureau of Legislative Research. Mr. Wilson reported that the revenue report for September 2016

reflects that after three (3) months of this fiscal year, gross revenue collections are down \$1.8 million and are down \$4.3 million for net general revenue available for distribution. Mr. Wilson reported that collections for both are flat compared with last year. Mr. Wilson reported that the graph reflects net general revenues available for distribution are \$32 million behind the official forecast. Mr. Wilson reported that the spreadsheet reflects a growth rate for gross receipts of negative one percent (-1%) and a zero (0) growth for income tax collections. This concluded the report and there were no questions.

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

Co-Chair Sample recognized Co-Chair David L. Branscum to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Branscum reported that the Executive Subcommittee met on October 20, 2016, and discussed the procedures for payment of per diem and mileage to the members-elect to the Ninety-first General Assembly. Co-Chair Branscum reported that a motion was passed to provide mileage and per diem to the members-elect in the same manner as to members of the General Assembly.

Co-Chair Branscum reported that the Executive Subcommittee also heard a presentation from the Bureau of Legislative Research staff regarding the new Code Conflicts Program that will be implemented for the upcoming legislative session.

Co-Chair Branscum reported that the Executive Subcommittee heard from Marty Garrity, Director of the Bureau of Legislative Research, regarding concerns for scheduling meetings of the Legislative Council subcommittees during November 2016. Due to the November 2016 meeting schedule, it was the decision of the subcommittee to cancel subcommittee meetings for November and to have all matters normally considered by the subcommittees brought directly to the full Legislative Council at the November 18, 2016 meeting if a determination has been made that there is an imminent need to review and such items cannot wait to be reviewed at the December 16, 2016 meeting.

**Co-Chair David L. Branscum moved that the report of the Executive Subcommittee be adopted. The motion was adopted and passed by voice vote.**

Co-Chair Sample gave notice to the agency personnel in attendance that items that must be reviewed before the December 16, 2016 Legislative Council meeting will be reviewed at the November 18, 2016 Legislative Council meeting.

### **Report of the Standing Subcommittees**

#### Administrative Rules and Regulations Subcommittee

Co-Chair Sample recognized Representative Andy Davis to present the report of the Administrative Rules and Regulations Subcommittee (Exhibit F.1). Representative Davis reported that the Administrative Rules and Regulations Subcommittee met on October 17, 2016, and deferred one rule from the Manufactured Home Commission until the next subcommittee meeting and referred one rule from the Arkansas Tobacco Control Board to the Senate and House Committees on Public Health, Welfare, and Labor. Representative Davis reported that all other agenda items were reviewed and approved. This concluded the report and there were no questions.

**Representative Andy Davis moved that the report of the Administrative Rules and Regulations Subcommittee be adopted. The motion was seconded and passed without objection.**

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Sample recognized Representative David Meeks to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.8). Representative Meeks reported that the PEER Subcommittee met on October 17, 2016, and reviewed several items. Representative Meeks reported that the subcommittee held the item listed as B.1, a miscellaneous federal grant request from the Administrative Office of the Courts, but the issues with the item have been resolved.

**Representative David Meeks moved that the Performance Evaluation and Expenditure Review (PEER) Subcommittee report be adopted including the miscellaneous federal grant request from the Administrative Office of the Courts that is listed as item B.1 in the report. The motion was seconded and passed without objection.**

Charitable, Penal and Correctional Institutions Subcommittee

Co-Chair Sample recognized Representative Kim Hammer to present the report of the Charitable, Penal and Correctional Institutions Subcommittee (Exhibit F.2). Representative Hammer reported that the Charitable, Penal and Correctional Institutions Subcommittee met on October 20, 2016, and heard testimony concerning the Global Prison Seminaries Foundation, the special Legislative Audit report on the review of the farm operations at the Department of Correction, and the response to the special audit report from the Department of Correction. This concluded the report, and Representative Hammer responded to questions.

**Representative Kim Hammer moved that the Charitable, Penal and Correctional Institutions Subcommittee report be adopted. The motion was seconded and passed without objection.**

Policy-Making Subcommittee

Co-Chair Sample recognized Senator Alan Clark to present the report of the Policy-Making Subcommittee (Exhibit F.9). Senator Clark reported that the Policy-Making Subcommittee met on October 20, 2016, and discussed a request from Senator Jason Rapert, Chair of the Senate Committee on Insurance and Commerce, to transfer funds allocated for in-state travel to the allocation for out-of-state travel for the 2017-2018 biennium. Senator Clark reported that the subcommittee passed a motion to approve the request. This concluded the report and there were no questions.

**Senator Alan Clark moved that the Policy-Making Subcommittee report be adopted. The motion was seconded and passed without objection.**

Review Subcommittee

Co-Chair Sample recognized Representative Jeff Wardlaw to present the report of the Review Subcommittee (Exhibit F.10). Representative Wardlaw reported that the subcommittee met on October 17, 2016, and reviewed several items. Representative Wardlaw reported that the contract for the Department of Parks and Tourism with Taylor Studios, Inc. was held by the subcommittee for additional information. Representative Wardlaw reported that the information has been provided, and the hold on the contract has been released. This concluded the report and there were no questions.

**Representative Jeff Wardlaw moved that the report of the Review Subcommittee be adopted including the contract between the Department of Parks and Tourism with Taylor Studios. The motion was seconded and passed without objection.**

### **Supplemental Agenda**

Co-Chair Sample recognized Representative Jeff Wardlaw who referred members to the contract between the Office of Health Information Technology and Cumberland Consulting listed as Exhibit A.1 on the Supplemental Agenda.

**Representative Jeff Wardlaw moved that the rules be suspended to allow the consideration of the Supplemental Agenda item, which is the request for review of the contract between the Office of Health Information Technology and Cumberland Consulting. The motion was seconded and passed by a voice vote.**

**Representative Jeff Wardlaw moved that the review of the contract between the Office of Health Information Technology and Cumberland Consulting be deferred and considered by the full Legislative Council at the November 18, 2016 meeting. The motion was seconded and passed by voice vote.**

### Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Sample recognized Senator Uvalde Lindsey to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.11). Senator Lindsey reported that the Uniform Personnel Classification and Compensation Plan Subcommittee met on October 19, 2016, and reviewed the standard reports concerning special-entry rates, labor-market rates; grid movements and usage; and a provisional positions report from the Department of Higher Education. Senator Lindsey reported that the subcommittee also approved the following: growth pool and swap pool positions for nine (9) agencies; a temporary transition pool position for the Arkansas State Claims Commission; one labor market rate for one board; and one labor market rate for one agency. This concluded the report and there were no questions.

**Senator Uvalde Lindsey moved that the report of the Uniform Personnel Classification and Compensation Plan Subcommittee be adopted. The motion was seconded and passed without objection.**

### **Review of Communications**

Co-Chair Sample referred members to the communications listed as Exhibit H.1 through Exhibit H.17 on the agenda and noted that one item requires action by the Legislative Council.

### Arkansas Teacher Retirement System

Co-Chair Sample referred members to the request from the Arkansas Teacher Retirement System (ATRS) request for the Legislative Council's review of the partial equity ownership investment, submitted pursuant to A.C.A § 19-11-1302, with Allianz-GI Structured Alpha Global Equity 350, LLC. Co-Chair Sample recognized Mr. Rod Graves with the Arkansas Teacher Retirement System who explained that the Arkansas Teacher Retirement System board has approved the investment with

Allianz-GI Structured Alpha Global Equity 350 fund, which is intended to add more diversification to the ATRS portfolio. There were no questions.

**Co-Chair David L. Branscum moved that the Legislative Council file as reviewed the Arkansas Teacher Retirement System (ATRS) investment with Allianz-GI Structured Alpha Global Equity 350, LLC fund. The motion was seconded and passed by voice vote.**

### **Adjournment**

At 9:40 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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Representative Bill Sample  
Co-Chair, Senate

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Marty Garrity  
Executive Secretary