

State of Arkansas
76th General Assembly
Regular Session, 1987
By: Senator Allen

SENATE BILL 580

"AN ACT TO MAKE AN APPROPRIATION FOR THE PROPERTY, BONDING, AND STATE VEHICLE SELF-INSURANCE PROGRAMS; TO PROVIDE FOR PERSONAL SERVICES AND OPERATING EXPENSES OF THE PROGRAMS; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. REGULAR SALARIES. There is hereby established for the State Insurance Department - Property, Bonding, and State Vehicle Self-insurance Programs for the 1987-89 biennium, the following maximum number of regular employees whose salaries shall be governed by the provisions of the Uniform Classification and Compensation Act, or its successor, and all laws amendatory thereto. Provided, however, that any position to which a specific maximum annual salary is set out herein in dollars, shall be exempt from the provisions of said Uniform Classification and Compensation Act. All persons occupying positions authorized herein are hereby governed by the provisions of the Regular Salaries Procedures and Restrictions Act, or its successor.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate
(1)	A182	Insurance Risk Spec.	2	Grade 22
(2)	K153	Secretary II	1	Grade 11

Maximum No. of Employees 3

SECTION 2. APPROPRIATIONS - SELFINSURANCE PROGRAMS. There is hereby appropriated, to the State Insurance Department, to be payable from the

State General Services Fund Account, for personal services and operating expenses of the State Insurance Department - Property, Bonding, and State Vehicle Self-insurance Programs for the biennial period ending June 30, 1989, the following:

ITEM		FISCAL YEARS	
NO.		1987-88	1988-89
(1)	REGULAR SALARIES	\$ 54,418	\$ 54,418
(2)	PERSONAL SERVICES MATCHING	13,417	13,417
(3)	MAINTENANCE & GENERAL OPERATION		
	(A) OPERATING EXPENSES	\$20,300	\$20,300
	(B) CONF. FEES & TRAVEL	0	0
	(C) PROFESSIONAL FEES	0	0
	(D) CAPITAL OUTLAY	6,050	0
	(E) DATA PROCESSING	0	0
	TOTAL MAINT. & GEN. OPER.	26,350	20,300
	TOTAL AMOUNT APPROPRIATED	\$ 94,185	\$ 88,135

SECTION 3. APPROPRIATIONS - PROPERTY SELF-INSURANCE. There is hereby appropriated, to the State Insurance Department, to be payable from the State Property Insurance Trust Fund, for payment of operating expenses of the Property Self-insurance Program for the biennial period ending June 30, 1989, the following:

ITEM		FISCAL YEARS	
NO.		1987-88	1988-89
(1)	Claims	\$ 2,500,000	\$ 2,500,000
(2)	Reinsurance Premiums	2,500,000	2,500,000
(3)	Service Contracts	250,000	250,000
(4)	Refunds	1,000,000	1,000,000
(5)	Investments	5,000,000	5,000,000
	Total Amount Appropriated	\$ 11,250,000	\$ 11,250,000

SECTION 4. APPROPRIATIONS - BONDING SELF-INSURANCE. There is hereby appropriated, to the State Insurance Department, to be payable from the Fidelity Bond Trust Fund, for operating expenses of the Bonding Self-insurance Program for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(1) Claims	\$ 500,000	\$ 500,000
(2) Reinsurance	400,000	400,000
(3) Travel Expenses - Board	10,000	10,000
(3) Service and Consultant Contracts	100,000	100,000
(4) Refunds	200,000	200,000
(5) Investments	<u>1,000,000</u>	<u>1,000,000</u>
Total Amount Appropriated	\$ 2,210,000	\$ 2,210,000

SECTION 5. APPROPRIATIONS - STATE VEHICLE SELF-INSURANCE. There is hereby appropriated, to the State Insurance Department, to be payable from the State Vehicle Trust Fund, for payment of operating expenses of the State Vehicle Self-insurance Program for the biennial period ending June 30, 1989, the following:

ITEM NO.	FISCAL YEARS	
	1987-88	1988-89
(1) Claims	\$ 1,000,000	\$ 1,000,000
(2) Reinsurance	1,000,000	1,000,000
(3) Travel Expenses - Board	10,000	10,000
(3) Service and Consultant Contracts	250,000	250,000
(4) Refunds	250,000	250,000
(5) Investments	<u>2,500,000</u>	<u>2,500,000</u>
Total Amount Appropriated	\$ 5,010,000	\$ 5,010,000

SECTION 6. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this Act shall be limited to the appropriation for such agency

and funds made available by law for the support of such appropriations; and the restrictions of the State Purchasing law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

SECTION 7. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations contained in this Act shall be in compliance with the stated reasons for which this Act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 8. CONTRACT RESTRICTIONS. The agency, board, commission, department or institution to whom funds are appropriated by this Act shall not enter into any contract for any professional or consultant services which shall extend for more than twenty (20) actual working days or the total compensation exceeds five thousand dollars (\$5,000) during any one fiscal year without first seeking the advice of the Arkansas Legislative Council. Provided further, that all contracts for professional or consultant services shall be submitted monthly to the Chief Fiscal Officer of the State for reporting to the Legislative Council.

SECTION 9. EMERGENCY CLAUSE. It is hereby found and determined by the Seventy-Sixth General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 1987 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 1987 could work irreparable harm upon the proper administration and provision of essential

governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 1987.

