

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

# A Bill

SENATE BILL 221

5 By: Senator J. Dismang  
6 By: Representative McLean  
7

## For An Act To Be Entitled

9 AN ACT TO REQUIRE THE DEPARTMENT OF FINANCE AND  
10 ADMINISTRATION TO PUBLISH A DATABASE OF STATE  
11 GOVERNMENT EXPENDITURES.  
12  
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## Subtitle

14 THE ARKANSAS FINANCIAL TRANSPARENCY ACT.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code Title 25, Chapter 1 is amended to add an  
21 additional subchapter to read as follows:

22 SUBCHAPTER 4 – ARKANSAS FINANCIAL TRANSPARENCY ACT  
23

24 25-1-401. Title.

25 This subchapter shall be known and may be cited as the "Arkansas  
26 Financial Transparency Act".  
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28 25-1-402. Legislative intent.

29 The General Assembly finds that:

30 (1) Information technology has evolved to allow unprecedented  
31 levels of accessibility to financial information;

32 (2) Information technology allowing access to expenditure  
33 information via the Internet now exists and is available to state government;  
34 and

35 (3) Access to expenditures on an ongoing and regular basis will:

36 (A) Assist citizens and members of the General Assembly in



1 overseeing the operation of state government in Arkansas; and

2 (B) Allow for a higher degree of accountability and  
3 efficiency in the workings of all branches of state government.

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5 25-1-403. Definitions.

6 As used in this section:

7 (1) "Expenditure data" means information provided by a state  
8 agency regarding the spending of public funds that adequately identifies the  
9 purpose, amount, payor, and vendor, if such disclosure is permissible under  
10 the Arkansas Freedom of Information Act of 1967, § 25-19-101 et seq., and  
11 federal laws or regulations;

12 (2)(A) "State agency" means any agency, department, authority,  
13 board, commission, bureau, council, or other agency of the state excluding  
14 institutions of higher education.

15 (B) "State agency" includes without limitation:

16 (i) The offices of the Governor, Lieutenant  
17 Governor, Attorney General, Secretary of State, Treasurer of State, Auditor  
18 of State and Commissioner of State Lands;

19 (ii) Legislative commissions, bureaus, and offices;

20 (iii) Judicial offices;

21 (iv) Constitutional offices, commissions and  
22 departments that receive a state appropriation for the expenditure of state  
23 funds, special revenues, or federal funds; and

24 (v) The Arkansas Lottery Commission;

25 (3) "Vendor" means an entity that:

26 (A) Provides goods and services within its normal business  
27 operations;

28 (B) May provide similar goods and services to many  
29 different purchasers; and

30 (C) Operates in a competitive environment; and

31 (4) "Website" means a site on the Internet:

32 (A) Identifiable by a specific Uniform Resource Locator;

33 (B) Accessible to the public at no cost; and

34 (C) Requiring no information of the user.

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36 25-1-404. Duties of Department of Finance and Administration.

1 (a) The Department of Finance and Administration shall:

2 (1) Establish standards and criteria for each state agency to  
3 report financial expenditures;

4 (2) Develop and maintain a database of financial information as  
5 set forth in this subchapter; and

6 (3) Develop a website presenting expenditure data for each state  
7 agency that shall:

8 (A) Report expenditure data in a common format;

9 (B) Include expenditures of state government, whether held  
10 in the State Treasury or commercial bank accounts;

11 (C) Allow searches of financial data in common format; and

12 (D)(i) Be updated on a regular basis to present  
13 expenditure data for the current fiscal year and prior year's annual  
14 expenditures, starting with the 2013 fiscal year.

15 (ii) The website shall retain expenditure data for  
16 each state fiscal year, starting with the 2013 fiscal year, until ten (10)  
17 such years are available, after which the website shall retain at least ten  
18 (10) years of expenditure data.

19 (b) Revenue shall be reported at the state agency level by:

20 (1) The source of funding, including without limitation  
21 donations and gifts;

22 (2) General ledger codes as defined by rule of the department;  
23 and

24 (3) Year to date.

25 (c) A state agency shall report information on expenditures by:

26 (1) Budget classification;

27 (2) General ledger code as defined by rule of the department;

28 (3) Year to date; and

29 (4) Vendor.

30 (d) A state agency shall report information on compensation of state  
31 employees by:

32 (1) Agency;

33 (2) Employee name;

34 (3) Title;

35 (4) Position number; and

36 (5) Annual salary.

1 (e) A state agency shall report information on bonded indebtedness by  
 2 the:

3 (1) Original obligation amount or principal;

4 (2) Original interest rate;

5 (3) Statutory authority for the debt;

6 (4) Issuance date and description, including without limitation  
 7 whether the current issuance is an original issue or a reissue of  
 8 indebtedness;

9 (5) Term of the obligation;

10 (6) Source of funding for repayment; and

11 (7) Remaining principal.

12 (f) Information regarding payments to city and county governments  
 13 shall be provided in a manner prescribed by rule of the department.

14 (g) A state agency shall report information on contracts by the:

15 (1) Date of contract;

16 (2) Vendor;

17 (3) Estimated total contract value; and

18 (4) Type of contract, whether professional services,  
 19 commodities, capital outlay, or other type of contract.

20 (h) The department may promulgate rules to implement this section,  
 21 including without limitation rules concerning the reporting of additional  
 22 information under this section.

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 24 25-1-405. Cooperation by state agencies with Department of Finance and  
 25 Administration – Report.

26 (a) Each state agency shall:

27 (1) Cooperate with the Department of Finance and Administration  
 28 in meeting the requirements of this subchapter; and

29 (2) Take actions necessary to provide information under this  
 30 subchapter.

31 (b)(1) The department shall report annually to the Legislative Council  
 32 the name of each state agency failing to provide information under this  
 33 subchapter.

34 (2) A copy of the report under subdivision (b)(1) of this  
 35 section shall be posted on the website required by this subchapter  
 36 immediately after presentation to the Legislative Council.

1       (c) The Arkansas Lottery Commission shall pay the costs of providing  
2 expenditure information in the common format determined by the department.

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4       SECTION 2. TEMPORARY LANGUAGE. NOT TO BE CODIFIED.

5       (a) The website established by this act shall be operational and able  
6 to meet the requirements of this act by July 1, 2012.

7       (b) The Department of Finance and Administration shall report to the  
8 Legislative Council no later than April 1, 2012, on efforts to comply with  
9 this act.

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