

1 State of Arkansas  
2 91st General Assembly  
3 Fiscal Session, 2018  
4

# A Bill

HOUSE BILL 1074

5 By: Joint Budget Committee  
6

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE STATE SECURITIES  
10 DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2019;  
11 AND FOR OTHER PURPOSES.  
12  
13

## Subtitle

14 AN ACT FOR THE STATE SECURITIES  
15 DEPARTMENT APPROPRIATION FOR THE 2018-  
16 2019 FISCAL YEAR.  
17  
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19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
21

22 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established  
23 for the State Securities Department for the 2018-2019 fiscal year, the  
24 following maximum number of regular employees.  
25

26				Maximum Annual
27				Salary Rate
28	Item	Class	Maximum	Fiscal Year
29	No.	Code	No. of	2018-2019
	Title		Employees	
30	(1)	U040U	1	GRADE SE02
31	(2)	D051C	1	GRADE IT05
32	(3)	N137N	1	GRADE GS14
33	(4)	G004C	1	GRADE GS13
34	(5)	X008C	2	GRADE GS13
35	(6)	G025C	1	GRADE GS12
36	(7)	G047C	6	GRADE GS11



1	(8) X015C SECURITIES EXAMINER SUPERVISOR	3	GRADE GS11
2	(9) A052C ACCOUNTING COORDINATOR	1	GRADE GS09
3	(10) X032C SENIOR SECURITIES EXAMINER	10	GRADE GS09
4	(11) X061C SECURITIES EXAMINER	4	GRADE GS07
5	(12) C037C ADMINISTRATIVE ANALYST	1	GRADE GS06
6	(13) C056C ADMINISTRATIVE SPECIALIST III	3	GRADE GS04
7	(14) A098C FISCAL SUPPORT SPECIALIST	1	GRADE GS04
8	(15) C046C LEGAL SUPPORT SPECIALIST	<u>2</u>	GRADE GS04
9	MAX. NO. OF EMPLOYEES	38	

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11 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for  
 12 the State Securities Department for the 2018-2019 fiscal year, the following  
 13 maximum number of part-time or temporary employees, to be known as "Extra  
 14 Help", payable from funds appropriated herein for such purposes: two (2)  
 15 temporary or part-time employees, when needed, at rates of pay not to exceed  
 16 those provided in the Uniform Classification and Compensation Act, or its  
 17 successor, or this act for the appropriate classification.

18

19 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,  
 20 to the State Securities Department, to be payable from the Securities  
 21 Department Fund, for personal services and operating expenses of the State  
 22 Securities Department for the fiscal year ending June 30, 2019, the  
 23 following:

24

25	ITEM	FISCAL YEAR
26	<u>NO.</u>	<u>2018-2019</u>
27	(01) REGULAR SALARIES	\$1,977,302
28	(02) EXTRA HELP	16,000
29	(03) PERSONAL SERVICES MATCHING	641,799
30	(04) MAINT. & GEN. OPERATION	
31	(A) OPER. EXPENSE	470,660
32	(B) CONF. & TRAVEL	30,000
33	(C) PROF. FEES	20,984
34	(D) CAP. OUTLAY	35,000
35	(E) DATA PROC.	0
36	(05) EXAMINATION TRAVEL	<u>20,000</u>

1 TOTAL AMOUNT APPROPRIATED \$3,211,745

2

3 SECTION 4. APPROPRIATION - REFUNDS AND REIMBURSEMENTS. There is hereby  
 4 appropriated, to the State Securities Department, to be payable from cash  
 5 funds as defined by Arkansas Code 19-4-801 of the State Securities  
 6 Department, for refunds and reimbursements of the State Securities Department  
 7 for the fiscal year ending June 30, 2019, the following:

8

9 ITEM	FISCAL YEAR
10 <u>NO.</u>	<u>2018-2019</u>
11 (01) REFUNDS/REIMBURSEMENTS	<u>\$500,000</u>

12

13 SECTION 5. APPROPRIATION - INVESTOR EDUCATION FUND. There is hereby  
 14 appropriated, to the State Securities Department, to be payable from the  
 15 Investor Education Fund, for operating expenses, promotional items and grants  
 16 of the State Securities Department for the fiscal year ending June 30, 2019,  
 17 the following:

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19 ITEM	FISCAL YEAR
20 <u>NO.</u>	<u>2018-2019</u>
21 (01) MAINT. & GEN. OPERATION	
22 (A) OPER. EXPENSE	\$36,000
23 (B) CONF. & TRAVEL	0
24 (C) PROF. FEES	0
25 (D) CAP. OUTLAY	0
26 (E) DATA PROC.	0
27 (02) GRANTS AND AID	125,000
28 (03) PROMOTIONAL ITEMS	<u>7,500</u>
29 TOTAL AMOUNT APPROPRIATED	<u>\$168,500</u>

30

31 SECTION 6. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 32 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. QUARTERLY  
 33 REPORTS. The State Securities Department shall on a quarterly basis provide  
 34 to the Arkansas Legislative Council or Joint Budget Committee a report of all  
 35 funds received or any external fund transactions recognized or required  
 36 through court orders or settlement agreements. The report shall include:

1 a) The case name of the court order or settlement agreement.

2 b) The amount of funds received or transaction recognized or required by  
3 the State Securities Department for each court order or settlement agreement.

4 c) A plan for disbursement of the received funds. If funds received from  
5 a court order or settlement agreement are expended for any purpose, including  
6 investor education and enforcement activities, the report must itemize  
7 specific activities subject to the exclusions provided in Ark. Code Ann. 25-  
8 1-403(1)(B). The report shall also itemize the specific investor education  
9 and enforcement activities funded for the State Securities Department.

10 d) An explanation of whether the funds received or transactions  
11 recognized or required from a court order or settlement are directed to a  
12 specific entity, and if so, the State Securities Department shall provide a  
13 summary of input regarding the drafting of the court order or settlement  
14 agreement.

15 e) A report of the rationale for disbursing funds to a specific entity if  
16 the State Securities Department receives funds from a court order or  
17 settlement agreement that does not require disbursement of funds to a  
18 specific entity.

19 f) A report of current balances of all unappropriated fund holdings  
20 received by court order or settlement agreement by the State Securities  
21 Department.

22 g) The quarterly reports shall be provided no later than the 15<sup>th</sup> day of  
23 the month immediately following the end of each quarter.

24 The provisions of this section shall be in effect only from July 1, 2017  
25 2018 through June 30, ~~2018~~ 2019.

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27 SECTION 7. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
28 authorized by this act shall be limited to the appropriation for such agency  
29 and funds made available by law for the support of such appropriations; and  
30 the restrictions of the State Procurement Law, the General Accounting and  
31 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
32 Procedures and Restrictions Act, or their successors, and other fiscal  
33 control laws of this State, where applicable, and regulations promulgated by  
34 the Department of Finance and Administration, as authorized by law, shall be  
35 strictly complied with in disbursement of said funds.

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1           SECTION 8. LEGISLATIVE INTENT. It is the intent of the General  
2 Assembly that any funds disbursed under the authority of the appropriations  
3 contained in this act shall be in compliance with the stated reasons for  
4 which this act was adopted, as evidenced by the Agency Requests, Executive  
5 Recommendations and Legislative Recommendations contained in the budget  
6 manuals prepared by the Department of Finance and Administration, letters, or  
7 summarized oral testimony in the official minutes of the Arkansas Legislative  
8 Council or Joint Budget Committee which relate to its passage and adoption.

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10           SECTION 9. EFFECTIVE DATE. This act is effective on and after July 1,  
11 2018.