

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

HOUSE BILL 1157

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, 2020;  
11 AND FOR OTHER PURPOSES.  
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## Subtitle

14 AN ACT FOR THE STATE SECURITIES  
15 DEPARTMENT APPROPRIATION FOR THE 2019-  
16 2020 FISCAL YEAR.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. REGULAR SALARIES. There is hereby established for the State  
23 Securities Department for the 2019-2020 fiscal year, the following maximum  
24 number of regular employees.  
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Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2019-2020
30	(1) U040U	SECURITIES COMMISSIONER	1	GRADE SE02
31	(2) D051C	SYSTEMS APPLICATIONS SUPERVISOR	1	GRADE IT05
32	(3) N137N	SECURITIES DEPUTY COMMISSIONER	1	GRADE GS14
33	(4) G004C	MANAGING ATTORNEY	1	GRADE GS13
34	(5) X008C	SECURITIES CHIEF EXAMINER	2	GRADE GS13
35	(6) G025C	ATTORNEY SUPERVISOR	1	GRADE GS12
36	(7) G047C	ATTORNEY SPECIALIST	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	9	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	37	

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11 SECTION 2. EXTRA HELP. There is hereby authorized, for the State  
 12 Securities Department for the 2019-2020 fiscal year, the following maximum  
 13 number of part-time or temporary employees, to be known as "Extra Help",  
 14 payable from funds appropriated herein for such purposes: two (2) temporary  
 15 or part-time employees, when needed, at rates of pay not to exceed those  
 16 provided in the Uniform Classification and Compensation Act, or its  
 17 successor, or this act for the appropriate classification.

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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, 2020, the  
 23 following:

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25	ITEM	FISCAL YEAR
26	<u>NO.</u>	<u>2019-2020</u>
27	(01) REGULAR SALARIES	\$2,228,277
28	(02) EXTRA HELP	16,000
29	(03) PERSONAL SERVICES MATCHING	701,554
30	(04) MAINT. & GEN. OPERATION	
31	(A) OPER. EXPENSE	530,660
32	(B) CONF. & TRAVEL	30,000
33	(C) PROF. FEES	20,984
34	(D) CAP. OUTLAY	0
35	(E) DATA PROC.	0
36	(05) EXAMINATION TRAVEL	<u>20,000</u>

1 TOTAL AMOUNT APPROPRIATED \$3,547,475

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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, 2020, the following:

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9 ITEM	FISCAL YEAR
10 <u>NO.</u>	<u>2019-2020</u>
11 (01) REFUNDS/REIMBURSEMENTS	<u>\$50,000</u>

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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  
 16 grants of the State Securities Department for the fiscal year ending June 30,  
 17 2020, the following:

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19 ITEM	FISCAL YEAR
20 <u>NO.</u>	<u>2019-2020</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>

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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, ~~2018~~  
25 2019 through June 30, ~~2019~~ 2020.

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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. EMERGENCY CLAUSE. It is found and determined by the General  
11 Assembly, that the Constitution of the State of Arkansas prohibits the  
12 appropriation of funds for more than a one (1) year period; that the  
13 effectiveness of this Act on July 1, 2019 is essential to the operation of  
14 the agency for which the appropriations in this Act are provided, and that in  
15 the event of an extension of the legislative session, the delay in the  
16 effective date of this Act beyond July 1, 2019 could work irreparable harm  
17 upon the proper administration and provision of essential governmental  
18 programs. Therefore, an emergency is hereby declared to exist and this Act  
19 being necessary for the immediate preservation of the public peace, health  
20 and safety shall be in full force and effect from and after July 1, 2019.

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