

State of Arkansas *As Engrossed: H3/12/25 H4/10/25*

95th General Assembly

A Bill

Regular Session, 2025

HOUSE BILL 1105

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
AND OPERATING EXPENSES FOR THE DEPARTMENT OF HUMAN
SERVICES - SECRETARY'S OFFICE FOR THE FISCAL YEAR
ENDING JUNE 30, 2026; AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE DEPARTMENT OF HUMAN
SERVICES - SECRETARY'S OFFICE
APPROPRIATION FOR THE 2025-2026 FISCAL
YEAR.

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

SECTION 1. REGULAR SALARIES - SECRETARY OF HUMAN SERVICES. There is
hereby established for the Department of Human Services - Secretary's Office
for the 2025-2026 fiscal year, the following maximum number of regular
employees.

			Maximum Annual
			Salary Rate
			Fiscal Year
Item	Class	No. of	
No.	Code	Title	Employees
			2025-2026
(1)	SC008	SECRETARY OF HUMAN SERVICES	<u>1</u>
		MAX. NO. OF EMPLOYEES	1

SECTION 2. APPROPRIATION - SECRETARY OF HUMAN SERVICES. There is



hereby appropriated, to the Department of Human Services, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for personal services of the Department of Human Services - Secretary's Office for the fiscal year ending June 30, 2026, the following:

ITEM	FISCAL YEAR
NO.	2025-2026
(01) REGULAR SALARIES	\$287,042
(02) PERSONAL SERVICES MATCHING	<u>68,678</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$355,720</u></u>

SECTION 3. REGULAR SALARIES - OPERATIONS. There is hereby established for the Department of Human Services - Secretary's Office for the 2025-2026 fiscal year, the following maximum number of regular employees.

Item	Class	Maximum	Maximum Annual
No.	Code Title	No. of	Salary Rate
		Employees	Fiscal Year
			2025-2026
(1)	N255N DHS CHIEF DEPUTY DIRECTOR	2	GRADE SE04
(2)	L023N DHS DEPUTY DIRECTOR	2	GRADE SE03
(3)	N040N DHS CHIEF INFORMATION OFFICER	2	GRADE SE02
(4)	N233N DHS CHIEF OF BUSINESS OPERATIONS	1	GRADE SE02
(5)	N232N DHS DEPUTY CHIEF INFORMATION OFFICER	1	GRADE SE02
(6)	A136C DHS MEDICAID CHIEF FINANCE OFFICER	1	GRADE SE02
(7)	N027N DHS DEPUTY DIRECTOR ADULT SERVICES	1	GRADE SE01
(8)	G029N DHS DIRECTOR OF POLICY AND LEGAL	2	GRADE SE01
(9)	L009C NURSE MANAGER	1	GRADE MP03
(10)	D006N STATE SYSTEMS ARCHITECT	3	GRADE IT10
(11)	D025N DHS IT SENIOR ENGINEER	4	GRADE IT09
(12)	D022N IT SENIOR PROJECT MANAGER	3	GRADE IT09
(13)	D123C DB ADMINISTRATOR	1	GRADE IT08
(14)	D007C INFORMATION SYSTEMS MANAGER	8	GRADE IT08
(15)	D030C INFORMATION SYSTEMS COORDINATOR	3	GRADE IT07
(16)	D025C STATE IT SECURITY SPECIALIST	3	GRADE IT06
(17)	D054C COMPUTER SUPPORT COORDINATOR	1	GRADE IT05

1	(18)	D063C COMPUTER SUPPORT SPECIALIST	12	GRADE IT05
2	(19)	D061C INFORMATION SYSTEMS COORDINATION SPEC	7	GRADE IT05
3	(20)	D057C INFORMATION TECHNOLOGY MANAGER	1	GRADE IT05
4	(21)	D052C SOFTWARE SUPPORT ANALYST	7	GRADE IT05
5	(22)	D044C SYSTEMS ANALYST	1	GRADE IT05
6	(23)	D062C DATABASE ANALYST	4	GRADE IT04
7	(24)	D068C INFORMATION SYSTEMS ANALYST	1	GRADE IT04
8	(25)	D064C WEBSITE DEVELOPER	1	GRADE IT04
9	(26)	D071C COMPUTER SUPPORT ANALYST	2	GRADE IT03
10	(27)	D075C SOFTWARE SUPPORT SPECIALIST	3	GRADE IT03
11	(28)	D079C COMPUTER SUPPORT TECHNICIAN	9	GRADE IT02
12	(29)	R048C DHS CHIEF HUMAN RESOURCES OFFICER	1	GRADE GS15
13	(30)	N244N DHS CHIEF OF COMMUNICATION	1	GRADE GS15
14	(31)	A131C DHS CHIEF PROCUREMENT OFFICER	1	GRADE GS15
15	(32)	N016N DHS DEP DIR ADMINISTRATIVE SVCS	2	GRADE GS15
16	(33)	N231N DHS DEPUTY CHIEF COUNSEL	1	GRADE GS15
17	(34)	N086N DHS DDS DIR EVAL PLAN & MGMT SYSTEMS	1	GRADE GS14
18	(35)	N142N DHS/DAAS DEPUTY DIRECTOR	1	GRADE GS14
19	(36)	N102N DHS/DCO ASSISTANT DIRECTOR	1	GRADE GS14
20	(37)	N101N DHS/DCO ASST DEP DIR PGM & ADMN SPT	1	GRADE GS14
21	(38)	N099N DHS/DMS ADD - LONG TERM CARE	1	GRADE GS14
22	(39)	N100N DHS/DMS ADD - MEDICAL SERVICES	4	GRADE GS14
23	(40)	N080N DHS/DMS ASSISTANT DIRECTOR - FISCAL	1	GRADE GS14
24	(41)	N124N DHS/DYS ASSISTANT DIVISION DIRECTOR	2	GRADE GS14
25	(42)	A010C AGENCY CONTROLLER II	1	GRADE GS13
26	(43)	G290C ASST DEPUTY DIR OF LEGISLATIVE AFRS	1	GRADE GS13
27	(44)	N128N DHS ASST DIR QUALITY ASSURANCE	1	GRADE GS13
28	(45)	D026N DHS ELIGIBILITY SYSTEM PROGRAM MGR	3	GRADE GS13
29	(46)	G054N DHS GENERAL COUNSEL	1	GRADE GS13
30	(47)	N108N DHS/DCO ASST DEP DIR	1	GRADE GS13
31	(48)	N107N DHS/OFA ASSISTANT DIR - ACCTNG OPS	2	GRADE GS13
32	(49)	N109N DHS/OFA ASSISTANT DIRECTOR	1	GRADE GS13
33	(50)	G019C GENERAL COUNSEL	1	GRADE GS13
34	(51)	G004C MANAGING ATTORNEY	2	GRADE GS13
35	(52)	A021C AGENCY CONTROLLER I	2	GRADE GS12
36	(53)	G025C ATTORNEY SUPERVISOR	8	GRADE GS12

1	(54)	G024C DEPARTMENT ADMINISTRATIVE LAW JUDGE	2	GRADE GS12
2	(55)	G042C DHS ADMINISTRATIVE LAW JUDGE	6	GRADE GS12
3	(56)	G101C DHS AREA MANAGER	1	GRADE GS12
4	(57)	P004N DHS DIRECTOR OF PUBLIC RELATIONS	3	GRADE GS12
5	(58)	A016C DHS DMS BUSINESS OPERATIONS MANAGER	4	GRADE GS12
6	(59)	A014C FISCAL DIVISION MANAGER	4	GRADE GS12
7	(60)	R006C HUMAN RESOURCES ADMINISTRATOR	3	GRADE GS12
8	(61)	R013C AGENCY HUMAN RESOURCES MANAGER	1	GRADE GS11
9	(62)	A031C ASSISTANT CONTROLLER	7	GRADE GS11
10	(63)	G047C ATTORNEY SPECIALIST	58	GRADE GS11
11	(64)	G022C DHS DIRECTOR OF EMERGENCY OPERATIONS	1	GRADE GS11
12	(65)	A024C DHS DIVISION CHIEF FISCAL OFFICER	1	GRADE GS11
13	(66)	G027N DHS RESEARCH ANALYSIS MANAGER	1	GRADE GS11
14	(67)	G076C ADMINISTRATIVE SERVICES MANAGER	5	GRADE GS10
15	(68)	G073C ATTORNEY	1	GRADE GS10
16	(69)	A044C AUDIT COORDINATOR	7	GRADE GS10
17	(70)	L010C DHS DMS MEDICAL ASSISTANCE MANAGER	2	GRADE GS10
18	(71)	A052C ACCOUNTING COORDINATOR	4	GRADE GS09
19	(72)	A050C AGENCY FISCAL MANAGER	2	GRADE GS09
20	(73)	G099C DHS PROGRAM ADMINISTRATOR	7	GRADE GS09
21	(74)	A038C FISCAL SUPPORT MANAGER	1	GRADE GS09
22	(75)	G109C GRANTS MANAGER	3	GRADE GS09
23	(76)	P004C PUBLIC INFORMATION MANAGER	1	GRADE GS09
24	(77)	A082C ACCOUNTANT II	3	GRADE GS08
25	(78)	R021C BUDGET ANALYST	3	GRADE GS08
26	(79)	A056C DHS FINANCIAL SECTION MANAGER	7	GRADE GS08
27	(80)	G152C DHS PROGRAM MANAGER	20	GRADE GS08
28	(81)	G129C DHS/DCO PROGRAM MANAGER	3	GRADE GS08
29	(82)	E031C EDUCATION PROGRAM COORDINATOR	1	GRADE GS08
30	(83)	A047C FINANCIAL ANALYST II	3	GRADE GS08
31	(84)	A066C INTERNAL AUDITOR	2	GRADE GS08
32	(85)	R014C PERSONNEL MANAGER	7	GRADE GS08
33	(86)	V007C PROCUREMENT COORDINATOR	5	GRADE GS08
34	(87)	V004C PROCUREMENT MANAGER	4	GRADE GS08
35	(88)	A041C PROGRAM FISCAL MANAGER	3	GRADE GS08
36	(89)	X062C QUALITY ASSURANCE COORDINATOR	2	GRADE GS08

1	(90)	A060C SENIOR AUDITOR	19	GRADE GS08
2	(91)	E023C TRAINING PROJECT MANAGER	2	GRADE GS08
3	(92)	A089C ACCOUNTANT I	7	GRADE GS07
4	(93)	G181C ACOM DWS PROGRAM MONITOR	2	GRADE GS07
5	(94)	G138C AGENCY ADMINISTRATIVE REVIEW OFFICER	5	GRADE GS07
6	(95)	R024C ASSISTANT PERSONNEL MANAGER	11	GRADE GS07
7	(96)	A081C AUDITOR	2	GRADE GS07
8	(97)	V008C BUYER SUPERVISOR	1	GRADE GS07
9	(98)	P065C DEVELOPMENT SPECIALIST	1	GRADE GS07
10	(99)	G183C DHS PROGRAM COORDINATOR	7	GRADE GS07
11	(100)	M042C DHS STAFF SUPERVISOR	1	GRADE GS07
12	(101)	C010C EXECUTIVE ASSISTANT TO THE DIRECTOR	1	GRADE GS07
13	(102)	M040C FAMILY SERVICES PROGRAM COORDINATOR	1	GRADE GS07
14	(103)	A076C FINANCE PROGRAM ANALYST	2	GRADE GS07
15	(104)	A075C FINANCIAL ANALYST I	2	GRADE GS07
16	(105)	X125C FRAUD INVESTIGATOR COORDINATOR	2	GRADE GS07
17	(106)	G147C GRANTS COORDINATOR	3	GRADE GS07
18	(107)	L048C HEALTH PROGRAM SPECIALIST II	1	GRADE GS07
19	(108)	S017C MAINTENANCE COORDINATOR	1	GRADE GS07
20	(109)	A065C PAYROLL SERVICES COORDINATOR	1	GRADE GS07
21	(110)	P020C PRODUCTION ARTIST	1	GRADE GS07
22	(111)	P013C PUBLIC INFORMATION COORDINATOR	3	GRADE GS07
23	(112)	E040C STAFF DEVELOPMENT COORDINATOR	3	GRADE GS07
24	(113)	C037C ADMINISTRATIVE ANALYST	16	GRADE GS06
25	(114)	M045C ADULT PROTECTIVE SERVICES WORKER	4	GRADE GS06
26	(115)	R027C BUDGET SPECIALIST	14	GRADE GS06
27	(116)	R026C CIVIL RIGHTS/EMPLOYEE RELATIONS COORD	1	GRADE GS06
28	(117)	G170C DHS ADMINISTRATIVE REVIEW OFFICER	6	GRADE GS06
29	(118)	G210C DHS PROGRAM SPECIALIST	13	GRADE GS06
30	(119)	P021C EDITOR	1	GRADE GS06
31	(120)	A074C FISCAL SUPPORT SUPERVISOR	11	GRADE GS06
32	(121)	X156C FRAUD INVESTIGATOR	3	GRADE GS06
33	(122)	G180C GRANTS ANALYST	10	GRADE GS06
34	(123)	G214C GRANTS SPECIALIST	1	GRADE GS06
35	(124)	P049C GRAPHIC ARTIST	1	GRADE GS06
36	(125)	L053C HEALTH PROGRAM SPECIALIST I	1	GRADE GS06

1	(126)	R025C HUMAN RESOURCES ANALYST	13	GRADE GS06
2	(127)	R029C HUMAN RESOURCES RECRUITER	5	GRADE GS06
3	(128)	X101C INTERNAL AFFAIRS INVESTIGATOR	2	GRADE GS06
4	(129)	G179C LEGAL SERVICES SPECIALIST	8	GRADE GS06
5	(130)	S033C MAINTENANCE SUPERVISOR	1	GRADE GS06
6	(131)	P031C MEDIA SPECIALIST	2	GRADE GS06
7	(132)	G178C POLICY DEVELOPMENT COORDINATOR	1	GRADE GS06
8	(133)	M066C PROGRAM ELIGIBILITY SPECIALIST	1	GRADE GS06
9	(134)	A084C PROGRAM/FIELD AUDIT SPECIALIST	2	GRADE GS06
10	(135)	X136C QUALITY ASSURANCE REVIEWER	1	GRADE GS06
11	(136)	B076C RESEARCH PROJECT ANALYST	4	GRADE GS06
12	(137)	G202C VOLUNTEER PROGRAM COORDINATOR	1	GRADE GS06
13	(138)	C050C ADMINISTRATIVE SUPPORT SUPERVISOR	1	GRADE GS05
14	(139)	A088C ASSETS COORDINATOR	1	GRADE GS05
15	(140)	R033C BENEFITS ANALYST	1	GRADE GS05
16	(141)	C022C BUSINESS OPERATIONS SPECIALIST	1	GRADE GS05
17	(142)	V014C BUYER	1	GRADE GS05
18	(143)	A091C FISCAL SUPPORT ANALYST	16	GRADE GS05
19	(144)	L070C HEALTH CARE ANALYST	3	GRADE GS05
20	(145)	D077C HELP DESK SPECIALIST	2	GRADE GS05
21	(146)	R032C HUMAN RESOURCES PROGRAM REP	6	GRADE GS05
22	(147)	C040C LEASING SPECIALIST	1	GRADE GS05
23	(148)	A090C PAYROLL SERVICES SPECIALIST	4	GRADE GS05
24	(149)	V015C PURCHASING SPECIALIST	8	GRADE GS05
25	(150)	V018C WAREHOUSE MANAGER	2	GRADE GS05
26	(151)	A101C ACCOUNTING TECHNICIAN	1	GRADE GS04
27	(152)	C056C ADMINISTRATIVE SPECIALIST III	13	GRADE GS04
28	(153)	A098C FISCAL SUPPORT SPECIALIST	15	GRADE GS04
29	(154)	V020C INVENTORY CONTROL MANAGER	1	GRADE GS04
30	(155)	C046C LEGAL SUPPORT SPECIALIST	34	GRADE GS04
31	(156)	C044C MEDICAL BILLING SPECIALIST	2	GRADE GS04
32	(157)	A097C PAYROLL TECHNICIAN	2	GRADE GS04
33	(158)	C043C RECORDS MANAGEMENT ANALYST	3	GRADE GS04
34	(159)	V021C SURPLUS PROPERTY AGENT	1	GRADE GS04
35	(160)	V025C WAREHOUSE SPECIALIST	1	GRADE GS04
36	(161)	C073C ADMINISTRATIVE SPECIALIST II	6	GRADE GS03

1	(162)	V027C INVENTORY CONTROL TECHNICIAN	3	GRADE GS03
2	(163)	C062C LOCAL OFFICE ADMINISTRATIVE ASST	1	GRADE GS03
3	(164)	S054C PRINTER	<u>1</u>	GRADE GS03
4		MAX. NO. OF EMPLOYEES	650	

5

6 SECTION 4. EXTRA HELP - OPERATIONS. There is hereby authorized, for
 7 the Department of Human Services - Secretary's Office for the 2025-2026
 8 fiscal year, the following maximum number of part-time or temporary
 9 employees, to be known as "Extra Help", payable from funds appropriated
 10 herein for such purposes: twenty-eight (28) temporary or part-time employees,
 11 when needed, at rates of pay not to exceed those provided in the Uniform
 12 Classification and Compensation Act, or its successor, or this act for the
 13 appropriate classification.

14

15 SECTION 5. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 16 to the Department of Human Services, to be payable from the paying account as
 17 determined by the Chief Fiscal Officer of the State, for personal services
 18 and operating expenses of the Department of Human Services - Secretary's
 19 Office for the fiscal year ending June 30, 2026, the following:

20

21	ITEM	FISCAL YEAR
22	<u>NO.</u>	<u>2025-2026</u>
23	(01) REGULAR SALARIES	\$38,443,782
24	(02) EXTRA HELP	298,556
25	(03) PERSONAL SERVICES MATCHING	14,099,810
26	(04) OVERTIME	8,383
27	(05) MAINT. & GEN. OPERATION	
28	(A) OPER. EXPENSE	5,571,873
29	(B) CONF. & TRAVEL	59,433
30	(C) PROF. FEES	8,861,800
31	(D) CAP. OUTLAY	400,000
32	(E) DATA PROC.	0
33	(06) DATA PROCESSING SERVICES	<u>2,016,710</u>
34	TOTAL AMOUNT APPROPRIATED	<u>\$69,760,347</u>

35

36 SECTION 6. APPROPRIATION - VARIOUS BUILDING CONSTRUCTION. There is

hereby appropriated, to the Department of Human Services, to be payable from the Department of Human Services Renovation Fund, for construction, renovation, maintenance, equipment, and repairs for various buildings operated by the Department of Human Services - Secretary's Office for the fiscal year ending June 30, 2026, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2025-2026</u>
(01) CONSTRUCTION	<u>\$15,914,729</u>

SECTION 7. APPROPRIATION - CONSOLIDATED COST. There is hereby appropriated, to the Department of Human Services, to be payable from the DHS Consolidated Cost Revolving Fund, for operating expenses of the Department of Human Services - Secretary's Office - Consolidated Cost for the fiscal year ending June 30, 2026, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2025-2026</u>
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$800,000
(B) CONF. & TRAVEL	0
(C) PROF. FEES	0
(D) CAP. OUTLAY	21,500
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$821,500</u>

SECTION 8. APPROPRIATION - GRANTS PAYING. There is hereby appropriated, to the Department of Human Services, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for purchase of services of the Department of Human Services - Secretary's Office for the fiscal year ending June 30, 2026, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2025-2026</u>
(01) PURCHASE OF SERVICES	<u>\$129,084</u>

1 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
3 SECRETARY'S OFFICE/OFFICE OF CHIEF COUNSEL - PURCHASE OF EVIDENCE. Upon
4 approval by the Chief Fiscal Officer of the State, the Chief Counsel for the
5 Department of Human Services may transfer an amount up to but not to exceed
6 \$12,000 and deposit same in a bank account for the purpose of purchasing
7 evidence in the course of investigating the illegal use of food
8 stamps/Electronic Benefit Transfer (EBT) cards. The funds so transferred
9 shall be subject to accounting in a manner substantially similar to that
10 employed by the Arkansas State Police for such transactions; provided
11 however, that information tending to identify participants in such
12 transactions shall be exempt from the Arkansas Freedom of Information Act.

13 The provisions of this section shall be in effect only from July 1, ~~2024~~
14 2025 through June 30, ~~2025~~ 2026.

15
16 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
17 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HUMAN
18 SERVICES RENOVATION FUND. Department of Human Services Renovation Fund.

19 (a) There is established on the books of the Treasurer of State, Auditor
20 of State, and the Chief Fiscal Officer of the State a fund to be known as the
21 Department of Human Services Renovation Fund.

22 (b) This fund shall be used for constructing, acquiring, renovating,
23 maintaining, repairing, and equipping facilities of the Department of Human
24 Services and for paying disallowances by the federal government.

25 (c) The fund shall consist of:

26 (1) Federal reimbursement received by the Department of Human Services and
27 deposited in the various fund accounts of the department; and

28 (2) General revenues transferred from the Division of Youth Services, the
29 Division of Aging, Adult, and Behavioral Health Services, and the Division of
30 Developmental Disabilities Services for the purposes of repairing,
31 renovating, equipping, acquiring and constructing Department of Human
32 Services facilities with an annual maximum of five million dollars
33 (\$5,000,000). The projects for which these transfers are authorized must be
34 projects which were unanticipated during the preceding regular session of the
35 Arkansas General Assembly and must be projects which, if not carried out in
36 the interim period between regular sessions of the Arkansas General Assembly

1 would cause greater harm to the facilities, clients or programs of the
2 Department of Human Services than to wait until the next regular session.

3 (3) Other non-general revenue funds as may be available within the Department
4 of Human Services that can be used for the purposes of this fund.

5 (d)(1) At the request of the Secretary of the Department of Human
6 Services, and upon certification of the availability of such funds, the Chief
7 Fiscal Officer of the State shall initiate the necessary transfer documents
8 to reflect the transfer on the books of record of the Treasurer of State, the
9 Auditor of State, the Chief Fiscal Officer of the State, and the Department
10 of Human Services.

11 (2) The Secretary of the Department of Human Services shall submit any
12 transfer plan to and must receive approval of the plan from the Chief Fiscal
13 Officer of the State, the Governor and the Arkansas Legislative Council or
14 Joint Budget Committee prior to the effective date of the transfer.

15 (e) Provided, that any non-general revenue funding that may remain in the
16 fund at the end of any fiscal year shall be carried over into the next fiscal
17 year and all obligated general revenue funding that may remain in the fund at
18 the end of any fiscal year shall be carried over into the next fiscal year to
19 satisfy such legal and contractual obligations that have been entered into
20 prior to the end of the fiscal year.

21 (f) Determining the amount of funds appropriated to a state agency is the
22 prerogative of the General Assembly and is usually accomplished by
23 delineating specific line items and by identifying the appropriation and
24 funding attached to that line item. The General Assembly has determined that
25 the Department of Human Services could be operated more efficiently if some
26 flexibility is given to that agency. That flexibility is being accomplished
27 by providing transfer authority in subsection (d) of this section, and since
28 the General Assembly has granted the agency broad powers under the transfer
29 authority concept, it is both necessary and appropriate that the General
30 Assembly maintain oversight of the utilization of the transfer authority by
31 requiring prior approval of the Legislative Council or Joint Budget Committee
32 in the utilization of this transfer authority. Therefore, the requirement of
33 approval by the Legislative Council or Joint Budget Committee is not a
34 severable part of this section. If the requirement of approval by the
35 Legislative Council or Joint Budget Committee is ruled unconstitutional by a
36 court of competent jurisdiction, this entire section is void.

1 The provisions of this section shall be in effect only from July 1, 2024
2 2025 through June 30, ~~2025~~ 2026.

3
4 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
5 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

6 TRANSFER AUTHORITY. The Secretary of the Department of Human Services shall
7 have transfer authority provided by the following:

8 (a) DEPARTMENT OF HUMAN SERVICES RENOVATION FUND. The Secretary of the
9 Department of Human Services is authorized to request fund transfers
10 according to the provisions established by Arkansas Code Ann. 19-5-1020,
11 Department of Human Services Renovation Fund, as amended herein; and

12 (b) MATCH TRANSFER. The Secretary of the Department of Human Services,
13 with the approval of the Chief Fiscal Officer of the State, is authorized to
14 effect inter-agency and inter-divisional fund transfers for the purpose of
15 providing the State's matching share for payments made to that Division or
16 Office or its service providers for services eligible for federal
17 reimbursement under programs administered by the Department of Human
18 Services. The Department of Human Services shall report to the Legislative
19 Council or Joint Budget Committee on a quarterly basis all fund transfers
20 made in accordance with the authority granted by this section; and

21 (c) REALLOCATION OF RESOURCES: (1) The Department of Human Services (DHS)
22 provides hundreds of different services to over 1 million Arkansans. The
23 specific mix of service needs and the funding and staffing required to
24 provide them can vary significantly based on many factors, including natural
25 disasters, changing federal mandates and funding sources, demographic shifts,
26 fluctuating court-ordered services, social trends, and job market variations
27 such as nursing shortages. The impact of these factors through the course of
28 any fiscal year make it very difficult for the Department to accurately
29 predict the exact needs for funding, appropriation and positions in each of
30 its over 100 different appropriations. To ensure that it can respond quickly
31 to changing client needs and make the most effective use of the resources
32 allocated to it, the Department of Human Services shall be authorized to
33 utilize the reallocation of resource authority to make the proper adjustments
34 to the budgets within the Department. Therefore, upon determination by the
35 Secretary of the Department of Human Services that a reallocation of
36 resources within the department is necessary for the efficient and effective

1 operation of the department, the Secretary, with approval of the Governor,
2 shall have the authority to request, from the Chief Fiscal Officer of the
3 State, a transfer of positions, appropriations, line item appropriations, and
4 funds within or between existing and newly created divisions, offices,
5 sections, or units of the department. Provided, however, that no transfer of
6 funds or appropriation that provides direct support or matching support for
7 the Arkansas Medicaid Program shall be made to any other fund account or
8 appropriation that does not directly support the Arkansas Medicaid Program.
9 Further, no positions, funds, or appropriation authorized during the budget
10 process for the Division of Children and Family Services' compliance with
11 initiatives established under the Angela R. consent decree shall be
12 transferred to any other division. Nothing in this provision is intended to
13 prevent the one-time transfers of savings in any other program to the
14 Arkansas Medicaid Program, with the exception of the provisions previously
15 cited for the Division of Children and Family Services – Angela R. consent
16 decree. The Division of Developmental Disabilities – Grants to Community
17 Providers line item of the Developmental Disabilities Services - Grants-in-
18 Aid appropriation may not be decreased. The appropriation, funding, and
19 positions provided for the five Human Development Centers shall remain at a
20 level sufficient to ensure quality care for the Centers' residents. The
21 exemptions provided in this subsection whereby certain DHS Programs and
22 Divisions are protected from appropriation, fund, or position transfers are
23 applicable only to the reallocation or transfer authority granted herein, and
24 not by any reductions which are applicable to all state programs.

25 The Secretary of the Department of Human Services shall submit any
26 requests for transfers to and must receive approval of the requests for
27 transfers from the Chief Fiscal Officer of the State, the Governor, and the
28 Arkansas Legislative Council or Joint Budget Committee prior to the effective
29 date of the transfers. Provided, however, that the Department of Human
30 Services shall be limited to submitting no more than four reallocation of
31 resources transfer requests during any fiscal year. In each Departmental
32 request no single division will request reallocation for more than one
33 purpose as listed in this section. Transfer authority for unforeseen purposes
34 shall further be limited to no more than 5% of the total appropriation,
35 funding, and positions authorized for the Department. Reallocation of
36 resources transfers may include multiple items but shall be limited to the

1 following purposes:

2 i) Medicaid Program;

3 ii) Facilities and institutions costs, including operational expenses and
4 construction/renovation/equipping expenses;

5 iii) Departmental grants and contracts;

6 iv) Court ordered settlements and payments;

7 v) Payment of administrative expenses, including but not limited to, overtime
8 and other costs of personnel for critical services or functions necessary to
9 carry out the mission of the agency;

10 vi) Restructuring efforts as deemed necessary to comply with new and/or
11 unanticipated federal or state mandates; and/or

12 vii) Redirecting internal resources, both direct and/or indirect, to meet
13 client needs and services.

14 Determining the maximum number of employees and the maximum amount of
15 appropriation and general revenue funding for a state agency each fiscal year
16 is the prerogative of the General Assembly. This is usually accomplished by
17 delineating such maximums in the appropriation act(s) for a state agency and
18 the general revenue allocations authorized for each fund and fund account by
19 amendment to the Revenue Stabilization law. Further, the General Assembly has
20 determined that the Department of Human Services may operate more efficiently
21 if some flexibility is provided to the Department of Human Services
22 authorizing broad powers under the Reallocation of Resources provisions
23 herein. Therefore, it is both necessary and appropriate that the General
24 Assembly maintain oversight by requiring prior approval of the Legislative
25 Council or Joint Budget Committee as provided by this section. The
26 requirement of approval by the Legislative Council or Joint Budget Committee
27 is not a severable part of this section. If the requirement of approval by
28 the Legislative Council or Joint Budget Committee is ruled unconstitutional
29 by a court of competent jurisdiction, this entire section is void.

30 (2) If it is determined that the requested reallocation of resources
31 transfers should be made, the Chief Fiscal Officer of the State shall then
32 initiate the necessary transfer documents to reflect the transfers upon the
33 fiscal records of the Treasurer of State, the Auditor of State, the Chief
34 Fiscal Officer of the State, and the Department of Human Services. In
35 addition, the Chief Fiscal Officer of the State, together with the Co-
36 Chairpersons of the Legislative Council or Joint Budget Committee, may

1 approve, on an emergency basis, requests for utilization of this Section
2 without prior approval of the Arkansas Legislative Council or Joint Budget
3 Committee, with any such actions reported at the next meeting of the Arkansas
4 Legislative Council or Joint Budget Committee.

5 The provisions of this section shall be in effect only from July 1, ~~2024~~
6 2025 through June 30, ~~2025~~ 2026.

7
8 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
9 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. Arkansas
10 State Hospital – Insurance reimbursements and unspent set-aside funds for
11 repairs recoupment.

12 (a) An insurance reimbursement received by the Department of Human
13 Services to reimburse funds that were transferred from the EBD or Contingency
14 Set-Aside in the Restricted Reserve Fund for critical storm damage repair for
15 the Arkansas State Hospital shall be transferred, as the insurance
16 reimbursement is received, on the books of the Chief Fiscal Officer of the
17 State, the Treasurer of State, and the Auditor of State from the appropriate
18 fund or fund account into which the department deposited the insurance
19 reimbursement payment to:

20 (1) The EBD or Contingency Set-Aside in the Restricted Reserve
21 Fund if the EBD or Contingency Set-Aside in the Restricted Reserve Fund is
22 currently active with a balance greater than zero dollars (\$0.00); or

23 (2) The General Revenue Allotment Reserve Fund if the EBD or
24 Contingency Set-Aside in the Restricted Reserve Fund is no longer active.

25 (b) Any funds received by the department for critical storm damage
26 repair for the Arkansas State Hospital from the EBD or Contingency Set-Aside
27 in the Restricted Reserve Fund that remain upon completion of the storm
28 damage repair project shall be transferred as provided for insurance
29 reimbursements under subsection (a) of this section.

30 (c) The Secretary of the Department of Human Services shall notify the
31 Chief Fiscal Officer of the State and the Performance Evaluation and
32 Expenditure Review Subcommittee of the Legislative Council or, if the General
33 Assembly is in session, the PEER/Review Subcommittee of the Joint Budget
34 Committee, of the following to allow for the transfers provided for in
35 subsections (a) and (b) of this section:

36 (1) The receipt of an insurance reimbursement by the department

1 for critical storm damage repair for the Arkansas State Hospital; and

2 (2) Upon completion of the storm damage repair project, the
3 amount of any remaining funds described in subsection (b) of this section.

4 (d) The department shall report quarterly to the Legislative Council
5 or, if the General Assembly is in session, the Joint Budget Committee:

6 (1) The status of the storm damage repair project;

7 (2) The projected completion time lines for the storm damage
8 repair project;

9 (3) The total amount of the insurance reimbursements received by
10 the department to date for the storm damage repair project; and

11 (4) Any remaining balance of the original five million dollars
12 (\$5,000,000) transferred to the department from the EBD or Contingency Set-
13 Aside in the Restricted Reserve Fund.

14 (e) This section is effective on July 1, 2024, and until the final
15 transfer of funds has been made as provided in this section.

16
17
18 *SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS*
19 *CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW.*

20 DEPARTMENT OF HUMAN SERVICES COMPREHENSIVE AGENCY REVIEW. The Arkansas
21 Legislative Council - Hospital and Medicaid Study Subcommittee shall perform
22 a comprehensive review of the Department of Human Services, which shall
23 commence at the direction of the co-chairs of the Arkansas Legislative
24 Council, in consultation with the subcommittee co-chairs. This review shall
25 include, but is not limited to: administrative policies and functions,
26 personnel and staffing evaluations, and revenues and expenditures of the
27 department, divisions, and providers. The subcommittee shall prioritize the
28 review as follows: the Shared Services division, the Division of Children and
29 Family Services, and the Division of County Operations, with further
30 prioritization of divisions to be determined by the subcommittee. The review
31 shall include input and recommendations from the Attorney General's Medicaid
32 Fraud Unit and the Department of Inspector General's office.

33 The preliminary recommendations and report shall be completed within
34 six months of the subcommittee's initial meeting. Upon completion of this
35 preliminary report, the subcommittee shall provide the department, the
36 Governor, and the Arkansas Legislative Council with a report to include

recommendations and desired metrics with expected timelines of completion to meet the desired outcomes provided in the preliminary report. At the direction of the chair of the Arkansas Legislative Council - Hospital and Medicaid Study Subcommittee, the subcommittee may add recommendations and approve and review actions by the department in accordance with the preliminary recommendations.

The final report and outcomes, including recommending legislation to address findings, shall be presented at the final Arkansas Legislative Council meeting of the 95th General Assembly.

The Department of Human Services shall report to the subcommittee monthly the status of implementation of the recommendations with review and approval of all steps taken to meet the metrics and desired outcomes of the department in accordance with the recommendations by the subcommittee and by the Arkansas Legislative Council.

The provisions of this section shall be in effect only from July 1, 2025 through June 30, 2026.

SECTION 14. 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 Procurement 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 15. 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 16. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2025 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 legislative session, the delay in the effective date of this Act beyond July 1, 2025 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, 2025.

/s/Joint Budget Committee