

State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

HOUSE BILL 1157

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
AND OPERATING EXPENSES FOR THE STATE SECURITIES
DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2020;
AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE STATE SECURITIES
DEPARTMENT APPROPRIATION FOR THE 2019-
2020 FISCAL YEAR.

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

SECTION 1. REGULAR SALARIES. There is hereby established for the State Securities Department for the 2019-2020 fiscal year, the following maximum number of regular employees.

| Item No. | Class Code | Title | Maximum No. of Employees | Maximum Annual Salary Rate Fiscal Year 2019-2020 |
|----------|------------|---------------------------------|--------------------------|--|
| (1) | U040U | SECURITIES COMMISSIONER | 1 | GRADE SE02 |
| (2) | D051C | SYSTEMS APPLICATIONS SUPERVISOR | 1 | GRADE IT05 |
| (3) | N137N | SECURITIES DEPUTY COMMISSIONER | 1 | GRADE GS14 |
| (4) | G004C | MANAGING ATTORNEY | 1 | GRADE GS13 |
| (5) | X008C | SECURITIES CHIEF EXAMINER | 2 | GRADE GS13 |
| (6) | G025C | ATTORNEY SUPERVISOR | 1 | GRADE GS12 |
| (7) | G047C | ATTORNEY SPECIALIST | 6 | GRADE GS11 |



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|------|--------------------------------------|----------|------------|
| (8) | X015C SECURITIES EXAMINER SUPERVISOR | 3 | GRADE GS11 |
| (9) | A052C ACCOUNTING COORDINATOR | 1 | GRADE GS09 |
| (10) | X032C SENIOR SECURITIES EXAMINER | 9 | GRADE GS09 |
| (11) | X061C SECURITIES EXAMINER | 4 | GRADE GS07 |
| (12) | C037C ADMINISTRATIVE ANALYST | 1 | GRADE GS06 |
| (13) | C056C ADMINISTRATIVE SPECIALIST III | 3 | GRADE GS04 |
| (14) | A098C FISCAL SUPPORT SPECIALIST | 1 | GRADE GS04 |
| (15) | C046C LEGAL SUPPORT SPECIALIST | <u>2</u> | GRADE GS04 |
| | MAX. NO. OF EMPLOYEES | 37 | |

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

SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated, to the State Securities Department, to be payable from the Securities Department Fund, for personal services and operating expenses of the State Securities Department for the fiscal year ending June 30, 2020, the following:

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

TOTAL AMOUNT APPROPRIATED \$3,547,475

SECTION 4. APPROPRIATION - REFUNDS AND REIMBURSEMENTS. There is hereby appropriated, to the State Securities Department, to be payable from cash funds as defined by Arkansas Code 19-4-801 of the State Securities Department, for refunds and reimbursements of the State Securities Department for the fiscal year ending June 30, 2020, the following:

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

SECTION 5. APPROPRIATION - INVESTOR EDUCATION FUND. There is hereby appropriated, to the State Securities Department, to be payable from the Investor Education Fund, for operating expenses, promotional items, and grants of the State Securities Department for the fiscal year ending June 30, 2020, the following:

| ITEM NO. | FISCAL YEAR 2019-2020 |
|------------------------------|--------------------------|
| (01) MAINT. & GEN. OPERATION | |
| (A) OPER. EXPENSE | \$36,000 |
| (B) CONF. & TRAVEL | 0 |
| (C) PROF. FEES | 0 |
| (D) CAP. OUTLAY | 0 |
| (E) DATA PROC. | 0 |
| (02) GRANTS AND AID | 125,000 |
| (03) PROMOTIONAL ITEMS | <u>7,500</u> |
| TOTAL AMOUNT APPROPRIATED | <u>\$168,500</u> |

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

- a) The case name of the court order or settlement agreement.
- b) The amount of funds received or transaction recognized or required by the State Securities Department for each court order or settlement agreement.
- c) A plan for disbursement of the received funds. If funds received from a court order or settlement agreement are expended for any purpose, including investor education and enforcement activities, the report must itemize specific activities subject to the exclusions provided in Ark. Code Ann. 25-1-403(1)(B). The report shall also itemize the specific investor education and enforcement activities funded for the State Securities Department.
- d) An explanation of whether the funds received or transactions recognized or required from a court order or settlement are directed to a specific entity, and if so, the State Securities Department shall provide a summary of input regarding the drafting of the court order or settlement agreement.
- e) A report of the rationale for disbursing funds to a specific entity if the State Securities Department receives funds from a court order or settlement agreement that does not require disbursement of funds to a specific entity.
- f) A report of current balances of all unappropriated fund holdings received by court order or settlement agreement by the State Securities Department.
- g) The quarterly reports shall be provided no later than the 15th day of the month immediately following the end of each quarter.

The provisions of this section shall be in effect only from July 1, ~~2018~~ 2019 through June 30, ~~2019~~ 2020.

SECTION 7. 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 8. 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 9. 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, 2019 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, 2019 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, 2019.

APPROVED: 2/11/19