

State of Arkansas
94th General Assembly
First Extraordinary Session, 2023

A Bill

Call Item 2
SENATE BILL 1

By: Senators Hickey, J. Boyd, Crowell, J. Dismang, J. Dotson, Gilmore, Hester, Hill, Irvin, B. Johnson, J. Payton

By: Representatives Jean, M. Shepherd, Eaves

For An Act To Be Entitled

AN ACT TO CREATE AND TRANSFER FUNDS TO THE ARKANSAS RESERVE FUND SET-ASIDE IN THE RESTRICTED RESERVE FUND TO ALLOW THAT ADDITIONAL FUNDS MAY BE MADE AVAILABLE FOR STATE DEPARTMENTS, AGENCIES, AND INSTITUTIONS; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE AND TRANSFER FUNDS TO THE ARKANSAS RESERVE FUND SET-ASIDE IN THE RESTRICTED RESERVE FUND TO ALLOW THAT ADDITIONAL FUNDS MAY BE MADE AVAILABLE FOR STATE DEPARTMENTS, AGENCIES, AND INSTITUTIONS; AND FOR OTHER PURPOSES.

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

SECTION 1. DO NOT CODIFY. Arkansas Reserve Fund Set-Aside.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a sub-fund within the Restricted Reserve Fund to be known as the "Arkansas Reserve Fund Set-Aside".

(b) Immediately upon the effective date of this act, the Chief Fiscal Officer of the State shall transfer on his or her books and those of the Treasurer of State and the Auditor of the State seven hundred ten million six hundred twelve thousand five hundred eight dollars (\$710,612,508) from the



General Revenue Allotment Reserve Fund to the Arkansas Reserve Fund Set-Aside.

(c)(1) Notwithstanding other provisions of law under § 19-5-1263, funds in the Arkansas Reserve Fund Set-Aside may be released from time to time to one (1) or more general revenue operating funds or fund accounts, the Miscellaneous Agencies Fund Account, and the State Central Services Fund as set out in subdivisions (c)(2) and (3) of this section.

(2)(A) The Chief Fiscal Officer of the State may determine that circumstances exist that require utilization of the Arkansas Reserve Fund Set-Aside.

(B) The Chief Fiscal Officer of the State shall gather sufficient financial data that will enable the verification of the existence of adequate circumstances and the amount necessary to address the need to submit a proposed distribution of moneys with documentation of the need and the purpose of the transfer from the Arkansas Reserve Fund Set-Aside to the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee for prior approval.

(3)(A) After receiving approval of at least two-thirds (⅔) of the members of the Legislative Council or, if the General Assembly is in session, at least two-thirds (⅔) of the members of the Joint Budget Committee, the Chief Fiscal Officer of the State shall cause the required transfer or transfers under this subsection to be made.

(B) The Chief Fiscal Officer of the State shall ensure that the amounts transferred in a fiscal year to the funds and fund accounts in the Revenue Stabilization Law, § 19-5-101 et seq., do not cause the funds released from the Arkansas Reserve Fund Set-Aside when combined with general revenue funding to exceed the maximum allocations authorized in the Revenue Stabilization Law, § 19-5-101 et seq.

(d) The General Assembly finds that:

(1) Determining the maximum amount of appropriation and funding for a state agency or institution each fiscal year is the prerogative of the General Assembly;

(2) Determining the maximum amount of appropriation and funding for a state agency or institution is usually accomplished by delineating the maximum amounts in the appropriation acts for the state agency or institution and in the general revenue allocations authorized for each relevant fund and

fund account by amendment to the Revenue Stabilization Law, § 19-5-101 et seq.;

(3) The Arkansas Reserve Fund Set-Aside has established procedures for the transfer of funds to various funds and fund accounts for the efficient and effective operation of state government; and

(4) It is necessary and appropriate that the General Assembly maintain oversight by requiring prior approval of the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, as provided in this section.

(e)(1) The requirement of approval by the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, is not a severable part of this section.

(2) If the requirement of approval by the Legislative Council or the Joint Budget Committee under this section is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.

SECTION 2. DO NOT CODIFY. Duplicate Acts. If the House and the Senate duplicate bills “to create and transfer funds to the Arkansas Reserve Fund Set-Aside in the Restricted Reserve Fund to allow that additional funds may be made available for State Departments, Agencies, and Institutions” are both enacted and adopted by the General Assembly in the First Extraordinary Session of 2023 in identical form, then the last Act passed or latest expression shall supersede the other.

APPROVED: 9/14/23