



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR
March 29, 2019

Senator Larry Teague, Co-Chair
Representative Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following amendments to HB1105, the 2019-2020 Operations Appropriation Bill for the Arkansas Department of Finance and Administration (DFA) - Management Services Division:

Please amend the following sections:

SECTION 1. REGULAR SALARIES as follows and renumber accordingly:

Item Class	No. Code	Title	Maximum Annual	
			Maximum No. of Employees	Salary Rate Fiscal Year 2019-2020
(X)	<u>G024C</u>	<u>DEPARTMENT ADMIN LAW JUDGE</u>	<u>2</u>	<u>GRADE GS12</u>
(X)	<u>Co46C</u>	<u>LEGAL SUPPORT SPECIALIST</u>	<u>1</u>	<u>GRADE GS04</u>
MAX. NO. EMPLOYEES			448	<u>451</u>

This will move the Office of Hearings & Appeals from the Revenue Division of the Arkansas Department of Finance and Administration to the Management Services Division. The move allows for transforming administrative law judges to a more independent and impartial environment to hear disputes involving audits under Arkansas tax laws under either the Arkansas Tax Procedure Act, as set forth in Ark. Code Ann. § 26-18-101 et seq., or the Arkansas Administrative Procedure Act, as set forth in Ark. Code Ann. § 25-15-101 et seq.

SECTION 3. APPROPRIATION – OPERATIONS as follows:

ITEM NO.	FISCAL YEAR	
	2019-2020	
(01) REGULAR SALARIES	21,625,258	21,825,687
(03) PERSONAL SERVICES MATCHING	6,810,406	6,856,907
TOTAL AMOUNT APPROPRIATED	<u>\$31,942,468</u>	<u>\$32,189,398</u>

This will transfer the Hearings and Appeals section from the Revenue Services Division to the Management Services Division.

SECTION 9. APPROPRIATION – DEPARTMENT OF JUSTICE NON-VICTIM ASSISTANCE GRANTS – STATE. There is hereby appropriated, to the Department of Finance and Administration – Management Services Division, to be payable from the Miscellaneous Agencies Fund Account, for grants and aid to state agencies and local governments for matching funds and to implement or sustain approved drug law enforcement, violent offender, substance abuse and other non-victim assistance program grants for the fiscal year ending June 30, 2020, the following:

This will allow the funding to be used to sustain the programs and to be used for the Drug Task force operations.

SECTION 21. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MATCHING FUNDS DEPARTMENT OF JUSTICE NON-VICTIM ASSISTANCE GRANTS. The funds appropriated in this Act for the Department of Justice Non-Victim Assistance Matching Grants shall be used for matching funds for administering the Federal Grants provided in this Act for the Department of Justice Non-Victim Assistance Grants. However, if no Federal Grants are available to be matched with these funds, the funding provided from the Miscellaneous Agencies Fund Account may be used to provide funding for Drug Task Force operations across the State. The Department of Finance and Administration – Management Services Division is hereby authorized to call upon state agencies to assist in the implementation of the Department of Justice Non-Victim Assistance Grants. The funds appropriated in this Act for Department of Justice Non-Victim Assistance Matching Grants ~~shall~~ may be used to provide one hundred percent (100%) of the required matching funds for state agencies and to provide up to sixty percent (60%) of the required matching funds for local governments should Federal Grants be available. Such funds and appropriation ~~shall~~ may be transferred to eligible state agencies or paid to local governments to be used for matching federal funds for administration of the

Senator Larry Teague, Co-Chair
Representative Lane Jean, Co-Chair
Page 3

Department of Justice Non-Victim Assistance Grants or paid to local governments to be used to fund Drug Task Force operations in such amounts as determined by the Arkansas Alcohol and Drug Abuse Coordinating Council or other oversight agency as designated by the Governor. Any unobligated balances in funds in this Act for the Department of Justice Non-Victim Assistance Grants may be used by state agencies as matching funds for other U.S. Department of Justice Grants in an amount determined by the Chief Fiscal Officer of the State. Any unexpended balances in funds provided for Department of Justice Non-Victim Assistance Matching Grants may be carried forward and used for the same purpose during the fiscal year ending June 30, ~~2019~~ 2020.

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

This will allow the agency to utilize the funding for the Drug Task force operations.

I appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson", written over a horizontal line.

Asa Hutchinson

AH:db:cjs