

**REPORT OF THE SPECIAL LANGUAGE SUBCOMMITTEE
OF THE
JOINT BUDGET COMMITTEE**

B.1

Wednesday, February 21, 2018

Mr. Chairman:

Your Special Language Subcommittee met on Tuesday, February 20, 2018 and makes the following recommendations listed below to the Joint Budget Committee.

1. The following amendments are recommended for approval and the amendments are RELEASED from the Subcommittee:

- A. SB65 – Economic Development Commission (Attachment 1 – MAH104)
- B. SB12 – Game and Fish Commission (Attachment 2 – WKT014)
- C. HB1007 – Dept. of Finance and Administration Revenue Services (Attachment 3 – JAP119)
- D. SB34 – Agriculture Department (Attachment 4 – KCS073)
- E. SB65 – Economic Development Commission (Attachment 5 – MAH107)

Respectfully submitted by Subcommittee Co-Chairs Senator Missy Irvin and Representative Douglas House.

ARKANSAS SENATE
 91st General Assembly - Fiscal Session, 2018
 Amendment Form

DRAFT

Subtitle of Senate Bill No. 65

AN ACT FOR THE ARKANSAS ECONOMIC DEVELOPMENT COMMISSION APPROPRIATION FOR THE
 2018-2019 FISCAL YEAR

Amendment No. ___ to Senate Bill No. 65

Amend Senate Bill No. 65 as originally introduced:

Page 4, line 24, delete "600,000" and substitute "900,000"

and

Page 4, line 31, delete "\$16,419,275" and substitute "\$16,719,275"

and

Page 5, line 25, delete "2018" and substitute "2019"

and

Page 15, insert the following SECTIONS immediately following SECTION 28 to read as follows:

" SECTION 29. APPROPRIATION - MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE LOAN MOBILIZATION. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Minority and Women-Owned Business Loan Mobilization Revolving Fund, for promotion and development of minority and women-owned business enterprises in the state, increasing the ability of minority and women-owned business enterprises to compete for state contracts, and sustaining the economic growth of minority and women-owned business enterprises for the fiscal year ending June 30, 2019, the following:

ITEM NO.	FISCAL YEAR 2018-2019
(01) MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE MOBILIZATION	<u>\$ 500,000</u>

SECTION 30. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND

DRAFT

TRANSFER PROVISION. As requested from time to time by the Director of the Arkansas Economic Development Commission, the Chief Fiscal Officer may transfer on his books and those of the State Treasurer and the Auditor of the State, the sum not to exceed five hundred thousand dollars (\$500,000) from the Arkansas Economic Development Commission Fund Account to the Minority and Women-Owned Business Loan Mobilization Revolving Fund, to provide funds for the Minority and Women-Owned Business Enterprise Loan Mobilization appropriation herein.

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

SECTION 31. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD – MINORITY AND WOMEN-OWNED BUSINESS LOAN MOBILIZATION REVOLVING FUND. Any unexpended balance of funds for the Minority and Women-Owned Business Enterprise Loan Mobilization appropriation which remain at the close of each state fiscal year shall be carried forward to the next state fiscal year to be used for the same intent and purposes as set forth in law.

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

and

Appropriately renumber the subsequent SECTION numbers of the bill.

The Amendment was read the first time, rules suspended and read the second time and _____
By: Joint Budget Committee
MAH/MAH - 02-14-2018 10:21:31
MAH104

Secretary

ARKANSAS SENATE
91st General Assembly - Fiscal Session, 2018
Amendment Form

DRAFT

Subtitle of Senate Bill No. 12
AN ACT FOR THE ARKANSAS STATE GAME AND FISH COMMISSION APPROPRIATION FOR THE
2018-2019 FISCAL YEAR

Amendment No. ___ to Senate Bill No. 12

Amend Senate Bill No. 12 as originally introduced:

Page 1, line 30, delete "\$132,729" and substitute "\$152,638"

AND

Page 5, line 8, delete "36,131,187" and substitute "34,760,018"

AND

Page 5, line 13, delete "5,628,831" and substitute "7,000,000"

AND

Page 8, line 36, insert new sections immediately following Section 13 to read as follows:

" SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE OR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW.
COMPENSATION DIFFERENTIALS. To address specific employee compensation needs, the Arkansas Game and Fish Commission (the Commission) is authorized to pay compensation differentials to employees occupying regularly appropriated positions. All compensation differentials must be reviewed by the Arkansas Legislative Council or, if the General Assembly is in session, the Joint

DRAFT

Budget Committee. The Commission must demonstrate the need for a compensation differential and submit a plan to the Arkansas Legislative Council or, if the General Assembly is in session, the Joint Budget Committee identifying the classifications or positions eligible for such differentials. Compensation differentials that may be authorized under this section are shift differentials, hazardous duty, certification, and second language in an amount not to exceed twelve percent (12%) of an employee's base salary. The cumulative total of any compensation differentials paid to an employee under this section shall not exceed twenty-five percent (25%) of the employee's base salary. An employee who receives additional compensation under this section who moves into a position that is not authorized to receive the compensation differential shall have the compensation differential removed. If granting additional compensation would have the effect of exceeding the line item maximum assigned to the employee's classification, the additional compensation shall not be construed as exceeding the line item maximum for that classification.

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

SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE OR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. COST OF LIVING INCREASES AND MERIT PAY. Employees of the Arkansas Game and Fish Commission shall be eligible for cost-of-living and merit pay adjustments at the discretion of the Commission. In addition, the Commission is authorized to develop and establish a merit pay system. The merit system developed by the Commission must be reviewed by the Arkansas Legislative Council, or if the General Assembly is in session, the Joint Budget Committee. The Commission may establish merit payments as either an increase to an employee's base salary or as a lump sum payment, based on sufficiency of funding. Commission employees shall be evaluated using an instrument developed by the Commission that incorporates performance evaluation standards. Employees reaching the maximum rate of pay for their respective classifications may receive merit pay or cost of living adjustments in a lump sum payment, provided adjustments are awarded; the additional compensation shall not be construed as exceeding the line item maximum for that classification.

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

AND

Appropriately renumber the subsequent Sections of the bill.

The Amendment was read the first time, rules suspended and read the second time and _____

By: Joint Budget Committee

WKT/WKT - 02-20-2018 12:08:03

WKT014

Secretary

Hall of the House of Representatives

91st General Assembly - Fiscal Session, 2018

Amendment Form

DRAFT

Subtitle of House Bill No. 1007

AN ACT FOR THE DEPARTMENT OF FINANCE AND ADMINISTRATION - REVENUE SERVICES
DIVISION APPROPRIATION FOR THE 2018-2019 FISCAL YEAR

Amendment No. ___ to House Bill No. 1007

Amend House Bill No. 1007 as originally introduced:

Page 9, line 15, insert the following new SECTION immediately following SECTION 15 to read as follows:

" SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. TAXATION OF CANDY AND SOFT DRINKS.

(a) The Director of the Department of Finance and Administration shall either:

(1)(A) By July 1, 2018, publish a list of the Universal Product Codes for items that meet the definition of:

(i) A candy under § 26-52-103(3) or § 26-53-102(3);

and

(ii) A soft drink under § 26-52-103(28) or § 26-53-102(22).

(B) The list published by the director under subdivision (a)(1)(A) of this section shall provide guidance to retailers, sellers, and vendors regarding which items are defined as a candy or a soft drink but not defined as food and food ingredients under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., or the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

(C) The list published by the director under subdivision (a)(1)(A) of this section is exempt from the Arkansas Administrative Procedure Act, § 25-15-201 et seq; or

(2) Not subject a retailer, seller, or vendor to the penalties under § 26-18-201, § 26-18-202, § 26-18-208, § 26-18-209, § 26-52-512, or § 26-53-125 if the retailer, seller, or vendor:

(A) Collects and remits tax payments to the Department of Finance and Administration on the gross receipts and gross proceeds derived from the sale of items that meet the definition of:

DRAFT

JAP119 - 02-16-2018 11:34:09

Page 1 of 2

(i) A candy under § 26-52-103(3) or § 26-53-102(3) at the taxable rate for food and food ingredients under § 26-52-317 or § 26-53-145; or

(ii) A soft drink under § 26-52-103(28) or § 26-53-102(22) at the taxable rate for food and food ingredients under § 26-52-317 or § 26-53-145; and

(B) Demonstrates a good faith effort to collect and remit tax payments to the department on the gross receipts and gross proceeds derived from the sale of items that meet the definition of:

(i) A candy under § 26-52-103(3) or § 26-53-102(3) at the taxable rate under § 26-52-301, § 26-52-302, § 26-53-106, or § 26-53-107; or

(ii) A soft drink under § 26-52-103(28) or § 26-53-102(22) at the taxable rate under § 26-52-301, § 26-52-302, § 26-53-106, or § 26-53-107.

(b) This section is effective until September 30, 2019."

AND

Appropriately renumber the subsequent sections of the bill.

The Amendment was read _____
By: Representative Davis
JAP/JAP - 02-16-2018 11:34:09
JAP119

Chief Clerk

ARKANSAS SENATE
91st General Assembly - Fiscal Session, 2018
Amendment Form

DRAFT

Subtitle of Senate Bill No. 34

AN ACT FOR THE ARKANSAS AGRICULTURE DEPARTMENT APPROPRIATION FOR THE 2018-2019
FISCAL YEAR.

Amendment No. ___ to Senate Bill No. 34

Amend Senate Bill No. 34 as originally introduced:

Insert an additional SECTION immediately following SECTION 44 to read as follows:

" SECTION 45. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FAIR WAIVER. The Arkansas Livestock and Poultry Commission shall waive the rules under Section (2) of the Commission's Minimum Standards for Receiving Funds for Premium and Construction Purposes to allow the Three-County Fair, consisting of Cross, Woodruff, and Jackson counties, to hold the Three-County Fair after the district fair while receiving the funds from the commission that the Three-County Fair would receive if the fair were held before the district fair. The provisions of this section shall be in effect only from July 1, 2018 through June 30, 2019."

And

Appropriately renumber subsequent SECTION numbers of the bill.

DRAFT

The Amendment was read the first time, rules suspended and read the second time and _____
By: Joint Budget Committee
By: Representative M.J. Gray
KCS/KCS - 02-15-2018 12:18:45
KCS073

Secretary

Hall of the House of Representatives

91st General Assembly - Fiscal Session, 2018

Amendment Form

DRAFT

Subtitle of House Bill No. 65

AN ACT FOR THE ARKANSAS ECONOMIC DEVELOPMENT COMMISSION APPROPRIATION FOR THE
2018-2019 FISCAL YEAR.

Amendment No. ___ to House Bill No. 65

Amend House Bill No. 65 as originally introduced:

Page 29, insert an additional SECTION immediately following SECTION 52 to read as follows:

" SECTION 53. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER PROVISION – STATE OPERATIONS. After receiving approval from the Chief Fiscal Officer of the State and prior review by the Legislative Council or Joint Budget Committee, the Director of the Arkansas Economic Development Commission is authorized to transfer appropriation from any line item appropriation authorized in the State Operations Section of this Act to any other line item authorized in the State Operations Section of this Act.

Determining the maximum number of employees and the maximum amount of appropriation and general revenue funding for a state agency each fiscal year is the prerogative of the General Assembly. This is usually accomplished by delineating such maximums in the appropriation act(s) for a state agency and the general revenue allocations authorized for each fund and fund account by amendment to the Revenue Stabilization Law. Further, the General Assembly has determined that the Arkansas Economic Development Commission may operate more efficiently if some flexibility is provided to the Arkansas Economic Development Commission authorizing broad powers under this Section. Therefore, it is both necessary and appropriate that the General Assembly maintain oversight by requiring prior review of the Legislative Council or Joint Budget Committee as provided by this section. The

DRAFT

MAH107 - 02-20-2018 10:03:29

Page 1 of 2

requirement of review by the Legislative Council or Joint Budget Committee is not a severable part of this section. If the requirement of review by the Legislative Council or Joint Budget Committee is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.

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

and

Appropriately renumber the subsequent SECTION numbers of the bill.

The Amendment was read _____

By: Joint Budget Committee
By: Representative Davis
MAH/MAH - 02-20-2018 10:03:29
MAH107

Chief Clerk