

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas *As Engrossed: H3/13/15 H3/18/15 H3/20/15*
90th General Assembly **A Bill**
Regular Session, 2015

HOUSE BILL 1152

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 INSURANCE
DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2016;
AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE STATE INSURANCE DEPARTMENT
APPROPRIATION FOR THE 2015-2016 FISCAL
YEAR.

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

SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established for the State Insurance Department for the 2015-2016 fiscal year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2015-2016
(1)	U042U	INSURANCE CHIEF DEPUTY COMMISSIONER	1	\$172,535
(2)	U047U	STATE INSURANCE COMMISSIONER	1	\$130,821
(3)	N014N	INS DEP COMM FINANCIAL REGULATIONS	1	GRADE N914
(4)	N190N	INSURANCE GENERAL COUNSEL	1	GRADE N912
(5)	G018N	DIRECTOR RISK MANAGEMENT	1	GRADE N910
(6)	N140N	INS ASST DEP COMMISSIONER FINANCE	1	GRADE N910
(7)	N023N	INSURANCE DEPUTY COMMISSIONER	2	GRADE N910



(8)	N025N	INS DEPUTY COMMR INFO SERVICES	1	GRADE N910
(9)	X002N	<i>PROPERTY & CASUALTY MANAGER</i>	1	<i>GRADE N910</i>
(10)	N073N	INSURANCE CHF FIN/MKT CONDUCT EXMR	1	GRADE N908
(11)	G043N	<i>RISK MANAGEMENT ASSISTANT DIRECTOR</i>	1	<i>GRADE N908</i>
(12)	A004N	CERTIFIED FINANCIAL EXAMINER MANAGER	3	GRADE N906
(13)	N115N	CRIMINAL INSURANCE FRAUD DIRECTOR	1	GRADE N904
(14)	D010N	INSURANCE CHIEF TECHNOLOGY OFFICER	1	GRADE N904
(15)	A004C	CERTIFIED FINANCIAL EXAMINER	12	GRADE C130
(16)	X002C	INSURANCE PUBLIC EMP CLAIMS DIV DIR	1	GRADE C130
(17)	G004C	MANAGING ATTORNEY	3	GRADE C129
(18)	G241C	HEALTH INFO TECH OPER & TECH OFFICER	1	GRADE C128
(19)	D007C	INFORMATION SYSTEMS MANAGER	2	GRADE C128
(20)	G047C	ATTORNEY SPECIALIST	8	GRADE C126
(21)	X009C	INSURANCE DEPT DIR OF SECURITY OPS	1	GRADE C126
(22)	D034C	DATABASE ADMINISTRATOR	1	GRADE C124
(23)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
(24)	X017C	INSURANCE LICENSING MANAGER	1	GRADE C124
(25)	G259C	<i>INSURANCE PROGRAM MANAGER</i>	1	<i>GRADE C124</i>
(26)	G064C	SR HLTH INSURANCE INFORMATION PRG MG	1	GRADE C124
(27)	D022C	SYSTEMS SPECIALIST	4	GRADE C124
(28)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
(29)	D038C	SENIOR SOFTWARE SUPPORT ANALYST	1	GRADE C123
(30)	X192C	ASST DIRECTOR FRAUD INVESTIGATION	1	GRADE C122
(31)	A044C	AUDIT COORDINATOR	1	GRADE C122
(32)	A042C	INSURANCE SENIOR EXAMINER	7	GRADE C122
(33)	X034C	PREPAID FUNERAL MANAGER	1	GRADE C122
(34)	D044C	SYSTEMS ANALYST	1	GRADE C122
(35)	R014C	PERSONNEL MANAGER	1	GRADE C121
(36)	D052C	SOFTWARE SUPPORT ANALYST	4	GRADE C121
(37)	G107C	WCC PROGRAM MANAGER	1	GRADE C121
(38)	G106C	WCC CLAIMS SPECIALIST	5	GRADE C121
(39)	G125C	INSURANCE SPECIAL PROJECTS COORD	1	GRADE C120
(40)	G120C	RISK CONSULTANT	7	GRADE C120
(41)	X072C	CRIMINAL INS FRAUD INVESTIGATOR	7	GRADE C119
(42)	A067C	INSURANCE EXAMINER	2	GRADE C119
(43)	X066C	INSURANCE PREMIUM TAX EXAMINER	4	GRADE C119

(44)	A060C	SENIOR AUDITOR	2	GRADE C119
(45)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	4	GRADE C118
(46)	X080C	PROP & CASUALTY COMPLIANCE OFFICER	4	GRADE C118
(47)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
(48)	A080C	FINANCE AUTHORITY SPECIALIST	1	GRADE C117
(49)	R025C	HUMAN RESOURCES ANALYST	1	GRADE C117
(50)	C016C	INSURANCE ADMINISTRATIVE COORDINATOR	2	GRADE C117
(51)	P020C	PRODUCTION ARTIST	1	GRADE C117
(52)	X123C	INSURANCE INVESTIGATOR	9	GRADE C116
(53)	C037C	ADMINISTRATIVE ANALYST	7	GRADE C115
(54)	R033C	BENEFITS ANALYST	1	GRADE C115
(55)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
(56)	G202C	VOLUNTEER PROGRAM COORDINATOR	3	GRADE C115
(57)	G201C	WCC CLAIMS ANALYST	3	GRADE C115
(58)	M066C	PROGRAM ELIGIBILITY SPECIALIST	2	GRADE C114
(59)	R036C	HUMAN RESOURCES SPECIALIST	1	GRADE C113
(60)	C046C	LEGAL SUPPORT SPECIALIST	4	GRADE C113
(61)	C056C	ADMINISTRATIVE SPECIALIST III	14	GRADE C112
(62)	A098C	FISCAL SUPPORT SPECIALIST	4	GRADE C112
(63)	X180C	INSURANCE LICENSING TECHNICIAN	10	GRADE C110
(64)	C073C	ADMINISTRATIVE SPECIALIST II	12	GRADE C109
(65)	C084C	MAIL SERVICES SPECIALIST	2	GRADE C107
(66)	C087C	ADMINISTRATIVE SPECIALIST I	<u>1</u>	GRADE C106
		MAX. NO. OF EMPLOYEES	189	

SECTION 2. REGULAR SALARIES - LEVEL ONE COOPERATIVE AGREEMENT - FEDERAL. There is hereby established for the State Insurance Department - Level One Cooperative Agreement - Federal for the 2015-2016 fiscal year, the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2015-2016
(1)	N023N	INSURANCE DEPUTY COMMISSIONER	1	GRADE N910
(2)	L018N	NURSE PRACTITIONER	1	GRADE N904

(3)	X005C	PROPERTY & CASUALTY MANAGER	2	GRADE C128
(4)	G047C	ATTORNEY SPECIALIST	1	GRADE C126
(5)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
(6)	G064C	SR HLTH INSURANCE INFO PRG MANAGER	1	GRADE C124
(7)	D022C	SYSTEMS SPECIALIST	1	GRADE C124
(8)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
(9)	A041C	PROGRAM FISCAL MANAGER	1	GRADE C122
(10)	G109C	GRANTS MANAGER	2	GRADE C121
(11)	G147C	GRANTS COORDINATOR	6	GRADE C119
(12)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	1	GRADE C118
(13)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
(14)	X123C	INSURANCE INVESTIGATOR	3	GRADE C116
(15)	C037C	ADMINISTRATIVE ANALYST	1	GRADE C115
(16)	C056C	ADMINISTRATIVE SPECIALIST III	1	GRADE C112
(17)	C073C	ADMINISTRATIVE SPECIALIST II	<u>3</u>	GRADE C109
		MAX. NO. OF EMPLOYEES	28	

SECTION 3. EXTRA HELP. There is hereby authorized, for the State Insurance Department for the 2015-2016 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: nineteen (19) 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 4. APPROPRIATION - OPERATIONS. There is hereby appropriated, to the State Insurance Department, to be payable from the State Insurance Department Trust Fund, for personal services, operating expenses, special maintenance and professional services of the State Insurance Department - Operations for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$7,011,543
(02) EXTRA HELP	140,000
(03) PERSONAL SERVICES MATCHING	2,305,841

(04) OVERTIME	35,000
(05) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	2,579,878
(B) CONF. & TRAVEL	138,000
(C) PROF. FEES	142,000
(D) CAP. OUTLAY	355,000
(E) DATA PROC.	0
(06) SPECIAL MAINTENANCE	50,000
(07) PROFESSIONAL SERVICES	<u>486,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$13,243,262</u></u>

SECTION 5. APPROPRIATION - FRAUD INVESTIGATION UNIT. There is hereby appropriated, to the State Insurance Department, to be payable from the State Insurance Department Trust Fund, for personal services and operating expenses of the State Insurance Department - Fraud Investigation Unit for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$191,107
(02) PERSONAL SERVICES MATCHING	63,809
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	119,844
(B) CONF. & TRAVEL	12,000
(C) PROF. FEES	11,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$397,760</u></u>

SECTION 6. APPROPRIATION - INSURANCE FRAUD INVESTIGATION DIVISION. There is hereby appropriated, to the State Insurance Department, to be payable from the Insurance Fraud Investigation Division Trust Fund, for personal services and operating expenses of the State Insurance Department - Insurance Fraud Investigation Division for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$594,810
(02) PERSONAL SERVICES MATCHING	191,295
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	191,635
(B) CONF. & TRAVEL	35,000
(C) PROF. FEES	11,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$1,023,740</u></u>

SECTION 7. APPROPRIATION - PREPAID FUNERAL BENEFITS DIVISION. There is hereby appropriated, to the State Insurance Department, to be payable from the State Insurance Department Prepaid Trust Fund, for personal services and operating expenses of the State Insurance Department - Prepaid Funeral Benefits Division for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$221,267
(02) PERSONAL SERVICES MATCHING	75,737
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	71,390
(B) CONF. & TRAVEL	4,000
(C) PROF. FEES	27,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$399,394</u></u>

SECTION 8. APPROPRIATION - PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM. There is hereby appropriated, to the State Insurance Department, to be payable from the Prepaid Funeral Contracts Recovery Program Fund, for the expenses and payment of claims by the State Insurance Department - Prepaid Funeral Contracts Recovery Program for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) EXPENSES AND CLAIMS FOR PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM	<u>\$500,000</u>

SECTION 9. APPROPRIATION - REFUNDS OF OVERPAYMENTS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payments of miscellaneous tax and fee refunds by the State Insurance Department - Refunds of Overpayments for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) REFUNDS/REIMBURSEMENTS	<u>\$11,000,000</u>

SECTION 10. APPROPRIATION - CONTINUING EDUCATION PROGRAM. There is hereby appropriated, to the State Insurance Department, to be payable from the Insurance Continuing Education Trust Fund, for personal services of the State Insurance Department - Continuing Education Program for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) REGULAR SALARIES	\$25,268
(02) PERSONAL SERVICES MATCHING	<u>10,812</u>
TOTAL AMOUNT APPROPRIATED	<u>\$36,080</u>

SECTION 11. APPROPRIATION - HEALTH INFORMATION COUNSELING. There is hereby appropriated, to the State Insurance Department, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for personal services and operating expenses of the State Insurance Department - Health Information Counseling for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$203,617
(02) PERSONAL SERVICES MATCHING	76,747
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	284,063
(B) CONF. & TRAVEL	0
(C) PROF. FEES	356,409
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$920,836</u></u>

SECTION 12. APPROPRIATION - CONSUMER INFORMATION SYSTEM - CASH. There is hereby appropriated, to the State Insurance Department, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for operating expenses of the State Insurance Department - Consumer Information System - Cash for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$79,005
(B) CONF. & TRAVEL	0
(C) PROF. FEES	0
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$79,005</u></u>

SECTION 13. APPROPRIATION - TRAVEL AND SUBSISTENCE - CASH. There is hereby appropriated, to the State Insurance Department, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for travel and subsistence expenses of the State Insurance Department - Travel and Subsistence - Cash for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) TRAVEL & SUBSISTENCE EXPENSES	<u>\$100,000</u>

SECTION 14. APPROPRIATION - PUBLIC EMPLOYEE CLAIMS SECTION. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Agencies Fund Account, for personal services and operating expenses of the State Insurance Department - Public Employee Claims Section for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$997,445
(02) PERSONAL SERVICES MATCHING	343,737
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	509,609
(B) CONF. & TRAVEL	13,000
(C) PROF. FEES	1,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$1,864,791</u>

SECTION 15. APPROPRIATION - STATE EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Workers' Compensation Revolving Fund, for payment of state employee claims by the State Insurance Department - State Employee Claims for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) STATE EMPLOYEE CLAIMS	<u>\$16,500,000</u>

SECTION 16. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of public school employee claims by the State Insurance Department - Public School Employee Claims for

the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) PUBLIC SCHOOL EMPLOYEE CLAIMS	<u>\$450,000</u>

SECTION 17. APPROPRIATION - COUNTY EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of county employee claims by the State Insurance Department - County Employee Claims for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) COUNTY EMPLOYEE CLAIMS	<u>\$200,000</u>

SECTION 18. APPROPRIATION - CITY EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of city employee claims by the State Insurance Department - City Employee Claims for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) CITY EMPLOYEE CLAIMS	<u>\$600,000</u>

SECTION 19. APPROPRIATION - GOVERNMENTAL BONDING BOARD. There is hereby appropriated, to the State Insurance Department, to be payable from the Fidelity Bond Trust Fund, for operating expenses, refunds, reimbursements, claims, investments, professional services, and reinsurance of the State Insurance Department - Governmental Bonding Board for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) MAINT. & GEN. OPERATION	

(A) OPER. EXPENSE	\$5,000
(B) CONF. & TRAVEL	0
(C) PROF. FEES	0
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(02) REFUNDS/REIMBURSEMENTS	150,000
(03) CLAIMS	3,000,000
(04) INVESTMENTS	760,637
(05) PROFESSIONAL SERVICES	50,000
(06) REINSURANCE	<u>139,218</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$4,104,855</u></u>

SECTION 20. APPROPRIATION - ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND. There is hereby appropriated, to the State Insurance Department, to be payable from the Arkansas Multi-Agency Insurance Trust Fund, for expenses and payment of claims by the State Insurance Department - Arkansas Multi-Agency Insurance Trust Fund for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) FOR EXPENSES AND CLAIMS FROM AMAIT FUND	<u><u>\$10,000,000</u></u>

SECTION 21. APPROPRIATION - PUBLIC SCHOOL INSURANCE PROGRAM. There is hereby appropriated, to the State Insurance Department, to be payable from the Public School Insurance Trust Fund, for expenses and payment of claims by the State Insurance Department - Public School Insurance Program for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) EXPENSES AND CLAIMS	<u><u>\$14,000,000</u></u>

SECTION 22. APPROPRIATION - CRIMINAL BACKGROUND CHECKS - CASH. There is hereby appropriated, to the State Insurance Department, to be payable from the cash fund deposited in the State Treasury as determined by the Chief

Fiscal Officer of the State, for operating expenses of the State Insurance Department - Criminal Background Checks - Cash for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$125,000
(B) CONF. & TRAVEL	0
(C) PROF. FEES	0
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$125,000</u></u>

SECTION 23. APPROPRIATION - RATE REVIEW - FEDERAL. There is hereby appropriated, to the State Insurance Department, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for personal services and operating expenses of the State Insurance Department - Rate Review - Federal for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) REGULAR SALARIES	\$199,667
(02) PERSONAL SERVICES MATCHING	60,725
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	1,013,525
(B) CONF. & TRAVEL	191,416
(C) PROF. FEES	4,380,080
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$5,845,413</u></u>

SECTION 24. APPROPRIATION - LEVEL ONE COOPERATIVE AGREEMENT - FEDERAL. There is hereby appropriated, to the State Insurance Department, to be payable from the federal funds as designated by the Chief Fiscal Officer of

the State, for personal services and operating expenses associated with the Federal-State Partnership Health Insurance Exchange of the State Insurance Department - Level One Cooperative Agreement - Federal for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) REGULAR SALARIES	\$1,272,986
(02) PERSONAL SERVICES MATCHING	431,735
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	1,009,574
(B) CONF. & TRAVEL	257,148
(C) PROF. FEES	36,618,646
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
TOTAL AMOUNT APPROPRIATED	<u>\$39,590,089</u>

SECTION 25. APPROPRIATION - MEDICARE - MIPPA - 2. There is hereby appropriated, to the State Insurance Department, to be payable from the federal funds as designated by the Chief Fiscal Officer of the State, for operating expenses and grants and aid by the State Insurance Department - Medicare - MIPPA - 2 for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$72,452
(B) CONF. & TRAVEL	0
(C) PROF. FEES	81,896
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(02) MEDICARE IMPROVEMENT FOR PATIENTS & PROVIDERS GRANTS	<u>166,502</u>
TOTAL AMOUNT APPROPRIATED	<u>\$320,850</u>

SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER PROVISION. In the event the State Insurance Department is unable to maintain a full roster of examination personnel, and upon approval of the Chief Fiscal Officer of the State, the resulting unused appropriations in Regular Salaries, Extra Help, and Personal Services Matching may be transferred to the Professional Services special line item for the purpose of contracting with qualified individuals or firms for examination assistance.

The provisions of this section shall be in effect only from July 1, ~~2014~~ 2015 through June 30, ~~2015~~ 2016.

SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. (a) As used in this section, "Health Care Independence Program" means the Health Care Independence Program established under the Health Care Independence Act of 2014, Arkansas Code § 20-77-2401 et seq.

(b)(1) Determining the maximum number of employees, the maximum amount of appropriation, for what purposes an appropriation is authorized, and general revenue funding for a state agency each fiscal year is the prerogative of the General Assembly.

(2) The purposes of subdivision (b)(1) of this section are typically accomplished by:

- (A) Identifying the purpose in the appropriation act;
- (B) Delineating such maximums in the appropriation act for a state agency; and
- (C) Delineating the general revenue allocations authorized for each fund and fund account by amendment to the Revenue Stabilization Law, Arkansas Code § 19-5-101 et seq.

(3) It is both necessary and appropriate that the General Assembly restrict the use of appropriations authorized in this act.

(c)(1) Except as provided in this subsection, the State Insurance Department shall not allocate, budget, expend, or utilize any appropriation authorized by the General Assembly for the purpose of advertisement, promotion, or other activities designed to promote or encourage enrollment in the Arkansas Health Insurance Marketplace or the Health Care Independence Program, including without limitation:

- (A) Unsolicited communications mailed to potential

recipients;

- (B) Television, radio, or online commercials;
- (C) Billboard or mobile billboard advertising;
- (D) Advertisements printed in newspapers, magazines, or

other print media; and

- (E) Internet websites and electronic media.

(2) This subsection does not prohibit the department from:

- (A) Direct communications with:

- (i) Licensed insurance agents; and
- (ii) Persons licensed by the department;

- (B) Solicited communications with potential recipients;

(C)(i) Responding to an inquiry regarding the coverage for which a potential recipient might be eligible, including without limitation providing educational materials or information regarding any coverage for which the individual might qualify.

(ii) Educational materials and information distributed under subdivision (c)(2)(C)(i) of this section shall contain only factual information and shall not contain subjective statements regarding the coverage for which the potential recipient might be eligible; and

(D) Using an Internet website for the exclusive purpose of enrolling individuals in the Arkansas Health Insurance Marketplace or the Health Care Independence Program.

(d) The State Insurance Department shall not apply for or accept any funds, including without limitation federal funds, for the purpose of advertisement, promotion, or other activities designed to promote or encourage enrollment in the Arkansas Health Insurance Marketplace or the Health Care Independence Program.

(e)(1) Except as provided in subdivision (e)(2) of this section, the State Insurance Department shall not:

(A)(i) Except as provided in subdivision (e)(1)(A)(ii) of this section, allocate, budget, expend, or utilize an appropriation authorized by the General Assembly for the purpose of funding activities of navigators, guides, certified application counselors, and certified licensed producers under the Arkansas Health Insurance Marketplace Navigator, Guide, and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

- (ii) Subdivision (e)(1)(A)(i) of this section does

not apply to regulatory and training responsibilities related to navigators, guides, certified application counselors, and certified licensed producers; and

(B) Apply for or accept any funds, including without limitation federal funds, for the purpose of funding activities of navigators, guides, certified application counselors, and certified licensed producers under the Arkansas Health Insurance Marketplace Navigator, Guide, and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

(2) Subdivision (e)(1) of this section does not apply to certified application counselors at health related institutions, including without limitation the University of Arkansas for Medical Sciences.

(f) An appropriation authorized by the General Assembly shall not be subject to the provisions allowed through reallocation of resources or transfer of appropriation authority for the purpose of transferring an appropriation to any other appropriation authorized for the State Insurance Department to be allocated, budgeted, expended, or utilized in a manner prohibited by this section.

(g) The provisions of this section are severable, and the invalidity of any subsection or subdivision of this section shall not affect other provisions of the section that can be given effect without the invalid provision.

(h) This section expires on June 30, ~~2015~~ 2016.

SECTION 28. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 23-61-710(c) is amended to read as follows:

(c) The commissioner shall at the end of each biennium period cause to be transferred into the General Revenue Fund Account of the State Apportionment Fund the excess of the State Insurance Department Trust Fund moneys over an amount equal to ~~three (3)~~ one (1) fiscal-year budget for the department.

SECTION 29. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 26-57-604(a)(1), concerning the remittance of insurance premium taxes, is amended to read as follows:

(a)(1)(A) Coincident with the filing of the tax report, each authorized life or accident and health insurer, including licensed health

maintenance organizations, may apply for a credit for the noncommissioned salaries and wages of the insurer's Arkansas employees ~~which~~ that are paid in connection with its insurance operations.

(B)(i) The credit may be applied as an offset against the premium tax imposed in § 26-57-603(d) on life and accident and health insurance.

(ii) However, the credit shall not be applied as an offset against the premium tax on collections resulting from an eligible individual insured under § 20-77-2401 et seq. or § 23-61-801 et seq.

SECTION 30. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 26-57-610(b)(2), concerning the disposition of insurance premium taxes, is amended to read as follows:

(2) The taxes based on premiums collected ~~to implement the private insurance option under the Health Care Independence Program established by § 20-77-2405 and the Arkansas Health Care Independence Program demonstration approved by the United States Department of Health and Human Services on September 27, 2013,~~ under § 20-77-2401 et seq. and § 23-61-801 et seq. shall be:

(A) At the time of deposit separately certified by the commissioner to the Treasurer of State for classification and distribution under this section; and

(B) Transferred to the Health Care Independence Program Trust Fund and used as provided by § 19-5-1141;

SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING RESTRICTIONS. The State Insurance Department shall not allocate, budget, expend or commit for expenditure any appropriation authorized by the General Assembly for final implementation of a state-based health insurance exchange by the Arkansas Health Insurance Marketplace Board as established in Arkansas Code § 23-61-803 et seq. until after the decision of the United States Supreme Court in King v. Burwell, 759 F.3d 358 (4th Cir.), cert. granted, U.S. ___, 135 S. Ct. 475(2014).

The provisions of this Section shall be in effect from the date of the passage and approval of this Act through June 30, 2016.

SECTION 32. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code Title 23, Chapter 61, Subchapter 8, is amended to add an additional section to read as follows:

23-61-808. Restriction on use of grant funds for final implementation of a state-based health insurance exchange.

The Arkansas Health Insurance Marketplace and the Board of Directors of the Arkansas Health Insurance Marketplace shall not allocate, budget, expend, or commit for expenditure any grant funds received for final implementation of a state-based health insurance exchange under § 23-61-801 et seq. until after the decision of the United States Supreme Court in King v. Burwell, 759 F.3d 358 (4th Cir.), cert. granted, U.S., 135 S. Ct. 475 (2014).

SECTION 33. 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 34. 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 35. 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, 2015 is essential to the operation of

the agency for which the appropriations in this Act are provided; with the exception that ~~SECTION 28~~ SECTIONS 28, 31 and 32 in this Act shall be in full force and effect from and after the date of its passage and approval and SECTIONS 29 and 30 shall be in full force and effect from and after January 1, 2015, and that in the event of an extension of the Legislative Session, the delay in the effective date of this Act beyond July 1, 2015, with the exception that ~~SECTION 28~~ SECTIONS 28, 31 and 32 in this Act shall be in full force and effect from and after the date of its passage and approval and SECTIONS 29 and 30 shall be in full force and effect from and after January 1, 2015, 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, 2015; with the exceptions that ~~SECTION 28~~ SECTIONS 28, 31 and 32 in this Act shall be in full force and effect from and after the date of its passage and approval and SECTIONS 29 and 30 shall be in full force and effect from and after January 1, 2015.

/s/Joint Budget Committee