

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

State of Arkansas
90th General Assembly
Regular Session, 2015

A Bill

SENATE BILL 772

By: Senator D. Johnson
By: Representative Vines

For An Act To Be Entitled

AN ACT TO MAKE TECHNICAL CORRECTIONS TO TITLE 19 AND
TITLE 27 OF THE ARKANSAS CODE CONCERNING PUBLIC
FINANCE; AND FOR OTHER PURPOSES.

Subtitle

TO MAKE TECHNICAL CORRECTIONS TO TITLE 19
AND TITLE 27 OF THE ARKANSAS CODE
CONCERNING PUBLIC FINANCE.

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

SECTION 1. Arkansas Code § 19-3-506(b)(3) is amended to read as follows to clarify a reference to a state entity:

(3) With respect to State Treasury funds or other public funds, notify the Division of Legislative Audit of all known fraud or suspected fraud or all known or suspected illegal acts involving the management or other employees of the Treasurer of State, the ~~board~~ State Board of Finance, a bank depository, an investment depository, or a securities broker;

SECTION 2. Arkansas Code § 19-4-701 is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

19-4-701. Fiscal ~~periods~~ period of state.

(a) For the purpose of this chapter, relating to the appropriation and disbursement of funds, the fiscal year of the state shall commence on July 1 and shall end on June 30 of the following year; ~~and the biennial period, or~~



~~“biennium”, shall commence on July 1 following the adjournment of the regular session of the General Assembly and end on June 30 two (2) years thereafter.~~

(b)(1) The definition of the fiscal year, for the purposes of this chapter, ~~shall not be construed to~~ does not affect special appropriations ~~where~~ when no fiscal period is defined in the act making ~~such~~ the special appropriation or affect the bond year for other fiscal transactions.

(2)(A) In the case of special appropriations ~~where~~ when the emergency clause has been adopted by the General Assembly and ~~where~~ when no period of time is mentioned in the act making the appropriation, the appropriation shall be ~~construed to be~~ available for a ~~two-year~~ one-year period from and after the effective date of the act.

(B) In the case of special appropriations ~~where~~ when the emergency clause has not been adopted and ~~where~~ when no period of time is mentioned in the act making the appropriation, the appropriation shall be ~~construed to~~ become available ninety (90) days after the adjournment of the General Assembly. ~~It~~ The appropriation shall be available for a ~~two-year~~ one-year period from and after the date the appropriation became available.

SECTION 3. Arkansas Code § 19-4-704 is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

19-4-704. No obligations without appropriations.

(a) ~~No obligations will~~ An obligation shall not be paid from appropriated funds until the General Assembly ~~shall have~~ has made an appropriation for that purpose, nor shall any state agency enter into ~~any a~~ a contract ~~which that~~ that would contemplate that payments under the ~~contracts~~ contract would be made beyond the expiration of the ~~biennial period~~ fiscal year unless the General Assembly, ~~prior to~~ before the expiration of the ~~biennial period~~ fiscal year, makes an appropriation for that purpose, or in the case of a multiyear ~~contracts~~ contract for commodities or services, a determination in writing has been made ~~prior to~~ before use that:

(1) Estimated requirements cover the period of the contract and are reasonably firm and continuing; and

(2) Such a contract would serve the best interests of the state by encouraging effective competition or otherwise promoting economies in state procurement.

(b) ~~In no event shall any obligations~~ An obligation shall not be incurred unless there are sufficient funds or an approved federal grant on hand, or estimated to become available, to meet the ~~obligations when they become~~ obligation when it becomes due.

SECTION 4. Arkansas Code § 19-4-707 is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

19-4-707. Obligations for improvements.

Notwithstanding the fact that no disbursements may be made during any fiscal ~~period~~ year in excess of the appropriations made available by the General Assembly for the fiscal ~~period~~ year, ~~it is provided that~~ contracts for improvements including major repairs, alterations, and construction of new buildings and facilities may be let to the extent of the appropriations made available for those purposes for the ~~biennial period~~ fiscal year. However, no such contracts may be let in amounts exceeding the probable funds available or which are estimated to become available during the ~~period~~ fiscal year.

SECTION 5. Arkansas Code § 19-4-710(b) is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(b) Budget manuals prepared for the General Assembly for the ~~biennial~~ annual state budget shall identify the original revenue source of interagency transfers of funds.

SECTION 6. Arkansas Code § 19-4-1412(a) is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(a) If, after the expiration date of the ~~second biennial period~~ fiscal year for which funds have been appropriated for the benefit of any specific capital improvement project, there remains a balance of funds or appropriations, then ~~such~~ the fund balances ~~as may~~ that remain in the General Improvement Fund for the benefit of the capital improvement project shall be reallocated for the benefit of proposed new or existing capital improvement projects of the various state agencies as may be enacted.

SECTION 7. Arkansas Code § 19-5-205(e)(1)(B)(xii) is repealed because the Public Defender Fund referenced in the subdivision was repealed in 2013 by Act 1146.

~~(xii) Such fund balances as may exist on June 30, 1995, in the Public Defender Fund of the State Treasury and all such funds as may accrue to and be transferred from the Public Defender Fund by the Treasurer of State on the last day of each month;~~

SECTION 8. Arkansas Code § 19-5-1009(b)(8) is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(8) Livestock and poultry indemnities, not to exceed those amounts appropriated by the General Assembly for the then-current ~~biennial period~~ fiscal year.

SECTION 9. Arkansas Code § 19-6-301(172)(B) is repealed because the fees collected under § 17-19-111 for deposit into the Bail Bondsman Board Fund, which is a miscellaneous fund, are not special revenues.

~~(B) The additional professional bail bond company fees, § 17-19-111;~~

SECTION 10. Arkansas Code § 19-6-828 is amended to read as follows to correct the bifurcation of a fund by combining the revenue source of the fund with its other substantive provisions that were codified in Title 27:

19-6-828. State Aid Street Fund.

~~The State Aid Street Fund shall consist of one cent (1¢) per gallon tax from revenue distributed under the Arkansas Highway Revenue Distribution Law § 27-70-201 et seq., from the proceeds derived from existing motor fuel taxes and distillate fuel taxes, there to be used for construction, reconstruction, and improvements of the state aid street system and apportioned to municipalities as prescribed in § 27-72-413.~~

(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 special revenue fund to be known as the "State Aid Street Fund".

(b) The fund shall consist of a tax of one cent (1¢) per gallon from revenue distributed under the Arkansas Highway Revenue Distribution Law, §

27-70-201 et seq., from the proceeds derived from existing motor fuel taxes and distillate fuel taxes.

(c) The fund shall be used for construction, reconstruction, and improvements of the state aid streets system under the State Aid Streets Law, § 27-72-401 et seq.

(d)(1) All revenues deposited into the fund shall be apportioned to the municipalities as prescribed in § 27-72-413 for distribution on the state aid streets system among the various municipalities.

(2) The apportioned funds shall remain for a period of two (2) years from the date they are apportioned.

(3) Any unused funds shall be returned to the fund for redistribution under § 27-72-413.

(4)(A) For a municipality to receive these apportioned funds, the municipality shall be matched in the ratio of ninety percent (90%) of moneys from the fund to not less than ten percent (10%) municipal matching funds for all municipalities with a population in excess of twenty-five thousand (25,000) residents.

(B) For all other municipalities, the state aid streets system shall be funded at one hundred percent (100%), and all municipalities receiving moneys from the fund shall comply with the State Aid Streets Law, § 27-72-401 et seq.

SECTION 11. Arkansas Code § 19-7-502(a) and (b) are amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(a) If new or additional federal funds, new or additional ~~Comprehensive Employment and Training Act, or its successor's, funds, funds~~ of the Comprehensive Employment and Training Act or of its successor, or changes in state use of appropriations for programs combined into block grants from the federal government become necessary, or if new federal programs or new ~~Comprehensive Employment and Training Act, or its successor's, programs~~ programs of the Comprehensive Employment and Training Act or of its successor are initiated that are not authorized or contemplated in the ~~biennial operations appropriation act~~ annual appropriation act for operations for the benefiting state agency and such changes make it necessary that the benefiting state agency employ additional personnel or require

additional appropriations to expend these funds in order to carry out the objectives of the federal programs or to meet federal requirements, then the head of the affected state agency is authorized to request the approval of the Governor and the Chief Fiscal Officer of the State, as provided in this section, for additional appropriations of one (1) or more new or additional salaried positions to be utilized by that respective agency. The salary rates for these positions are not to exceed the highest maximum annual salary rate or the highest grade level position authorized in the salary schedule of the requesting agency's ~~biennial~~ annual appropriation act for operations, as governed by the Uniform Classification and Compensation Act ~~of 1969~~, § 21-5-201 et seq., ~~or its successor.~~

(b) In the case of those agencies, departments, or institutions, that are specifically exempt from the ~~provisions of the compensation act~~ Uniform Classification and Compensation Act, § 21-5-201 et seq., such new or additional employees shall be established at salary rates not to exceed the maximum established in the salary schedule of the ~~biennial operations appropriation act~~ annual appropriation act for operations for the respective agency for comparable positions. ~~In no event shall the~~ The additional positions shall not exceed the maximum number of positions authorized for the agency in the ~~biennial~~ agency's annual appropriation act for operations.

SECTION 12. Arkansas Code § 19-7-503(6) is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(6) Unless provided elsewhere, all federal funds received by state agencies, departments, boards, and commissions benefiting from the establishment of the ~~biennial operations appropriation acts~~ annual appropriation acts for operations authorized by the General Assembly for new federal ~~or Arkansas Workforce Investment Act, § 15-4-2201 et seq., or its successor's, programs~~ programs or programs of the Arkansas Workforce Investment Act, § 15-4-2201 et seq., shall be deposited into the State Treasury, except when such a deposit is expressly prohibited, in writing, as a condition for approval of the grant or reimbursement by the federal grant or agency; and

SECTION 13. Arkansas Code § 19-10-202(b) is amended to read as follows

to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(b) The commission may appoint such other personnel as ~~may be~~ necessary to effectuate the operations of the commission and as ~~may be~~ authorized by ~~biennial~~ annual appropriation of the General Assembly.

SECTION 14. Arkansas Code § 19-11-1012(b)(11) is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(11) All professional consultant services contracts shall contain the following clause:

“In the event the State of Arkansas fails to appropriate funds or make moneys available for any ~~biennial period~~ fiscal year covered by the term of this contract for the services to be provided by the contractor, this contract shall be terminated on the last day of the last ~~biennial period~~ fiscal year for which funds were appropriated or moneys made available for such purposes. “This provision shall not be construed to abridge any other right of termination the agency may have.”

SECTION 15. Arkansas Code § 19-11-1102(e) is amended to read as follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an appropriation by the General Assembly is limited to one (1) fiscal year:

(e) As soon as practical after the close of each month ~~during the biennial period beginning July 1, 2003, and thereafter~~, each agency purchasing official who has a technology purchase contract shall determine the difference between the amount of taxes or fees collected and the contract baseline amount and report these findings to the Chief Fiscal Officer of the State.

SECTION 16. Arkansas Code § 27-70-207(e)(2)(A) is amended to read as follows to correct a reference:

(2)(A) Permanently dedicate the revenues to the State Aid Street Fund ~~created under § 27-72-407.~~

SECTION 17. Arkansas Code § 27-72-407 is transferred to correct the bifurcation of a fund by combining the revenue source of the fund in § 19-6-

828 with its other substantive provisions.

~~27-72-407. State Aid Street Fund.~~

~~(a) There is created in the State Treasury, subject to the availability and appropriation of funding, a fund to be known as the State Aid Street Fund, there to be used for construction, reconstruction, and improvements of the state aid street system.~~

~~(b)(1) All revenues deposited in the fund shall be apportioned to the municipalities as prescribed in § 27-72-413 for the distribution on the state aid street system among the various municipalities.~~

~~(2) The apportioned funds shall remain for a period of two (2) years from the date they are apportioned.~~

~~(3) Any unused funds shall be returned to the fund for redistribution in accordance with § 27-72-413.~~

~~(4)(A) For a municipality to receive these funds, the municipality must be matched in the ratio of ninety percent (90%) of moneys from the fund to not less than ten percent (10%) municipal matching funds for all municipalities with a population in excess of twenty-five thousand (25,000) residents.~~

~~(B) For all other municipalities, the state aid street project shall be funded at one hundred percent (100%), and all municipalities receiving moneys from the fund shall comply with the provisions of this subchapter.~~

SECTION 18. DO NOT CODIFY. The enactment and adoption of this act shall not repeal, expressly or impliedly, the acts passed at the regular session of the Ninetieth General Assembly. All such acts shall have full force and effect and, so far as those acts intentionally vary from or conflict with any provision contained in this act, those acts shall have the effect of subsequent acts and as amending or repealing the appropriate parts of the Arkansas Code of 1987.