

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

State of Arkansas

As Engrossed: H2/6/19 H2/27/19 S3/20/19

92nd General Assembly

A Bill

Regular Session, 2019

HOUSE BILL 1341

By: Representatives Cavanaugh, Bentley, Bragg, Payton, Brown, Christiansen, Della Rosa, Gates, M. Gray, Ladyman, Lundstrum, Lynch, McCollum, Penzo, Petty, Rushing, S. Smith, Speaks, Vaught
By: Senator B. Ballinger

For An Act To Be Entitled

AN ACT CONCERNING STATE ACCOUNTING AND BUDGETARY PROCEDURES; TO CREATE THE GOVERNMENT FINANCIAL DISCLOSURE AND ACCOUNTABILITY ACT OF 2019; TO AMEND THE LAW CONCERNING THE BUDGET REQUESTS OF CERTAIN STATE OFFICES AND DEPARTMENTS; TO AMEND THE LAW CONCERNING THE EXPENDITURE OF CASH FUNDS; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE GOVERNMENT FINANCIAL DISCLOSURE AND ACCOUNTABILITY ACT OF 2019.

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

SECTION 1. DO NOT CODIFY. Title.

This act shall be known and may be cited as the "Government Financial Disclosure and Accountability Act of 2019".

SECTION 2. DO NOT CODIFY. Legislative intent.

(a) It is the intent of the General Assembly:

(1) To provide for additional transparency in the budgeting and expenditure procedures used by constitutional officers and agencies;

(2) To require additional financial disclosures to better enable



the General Assembly to responsibly appropriate state funds;

(3) To ensure that the state and the public have the necessary information to determine whether state funds are being used in an appropriate and fiscally responsible manner;

(4) That, to the extent this act conflicts with any provision of the Arkansas Constitution, the Arkansas Constitution applies; and

(5) To require that cash funds have an appropriation authorized by the General Assembly and that budget requests submitted during budget hearings include the information necessary for the General Assembly to make informed appropriation decisions.

(b) It is not the intent of the General Assembly to:

(1) Make the constitutional officers and agencies state agencies for purposes of state accounting and budgetary procedures;

(2) Require the constitutional officers and agencies to submit annual operations plans that are the same as the annual operations plans required for state agencies;

(3) Apply the procurement laws in Arkansas Code, Title 19, Chapter 11, to the constitutional officers and agencies to the extent that the procurement laws do not already apply; or

(4) Require legislative approval of any expenditure of an office or agency if such approval would conflict with the Arkansas Constitution.

SECTION 3. Arkansas Code § 19-4-201(b)(2), concerning the authority of the Governor with respect to the execution of the state budget, is amended to read as follows:

(2)(A) Budget requests for administration and operation of the legislative branch, the judicial branch, the elective constitutional offices, the Arkansas Department of Transportation, the Office of the Arkansas Lottery, and the Arkansas State Game and Fish Commission shall be submitted directly to the Legislative Council without any recommendation by the Governor.

(B) Each budget request submitted under subdivision (b)(2)(A) of this section shall:

(i) Include all of the information required for other public entities under this chapter;

(ii) Be in substantially the same format as budget

requests for other public entities under this chapter; and
(iii) Include a detailed listing of any
unappropriated funds, including without limitation the sources of the funds,
the fund balances, and the expenditures of the funds for the previous fiscal
year.

SECTION 4. Arkansas Code Title 19, Chapter 4, Subchapter 8, is amended to add an additional section to read as follows:

19-4-817. Constitutional officers and agencies.

(a) Beginning with fiscal year 2021, cash funds of the following constitutional officers and departments shall be budgeted and proposed expenditures approved by enactments of the General Assembly:

- (1) The Governor;
- (2) The Secretary of State;
- (3) The Attorney General;
- (4) The Treasurer of State;
- (5) The Auditor of State;
- (6) The Commissioner of State Lands;
- (7) The Supreme Court and its justices;
- (8) The Arkansas State Game and Fish Commission;
- (9) The Arkansas Department of Transportation;
- (10) The General Assembly; and
- (11) The respective staffs of the officers listed in this

subsection.

(b) The General Assembly shall budget, approve, and appropriate expenditures of cash funds by the enactment of separate appropriation bills setting forth the purpose for which the moneys are to be expended and the dollar amount to be expended for that purpose.

(c) The constitutional officers and agencies listed in subsection (a) of this section shall submit any budgetary information requested by the Legislative Council and shall undertake whatever budgetary procedures the Legislative Council may establish for the appropriation of cash funds.

(d) The constitutional officers and agencies listed in subsection (a) of this section shall not be charged a service charge under § 19-5-206 when complying with this section.

(e) This section does not provide the General Assembly with the

authority to approve expenditures of the Arkansas State Game and Fish Commission or the Arkansas Department of Transportation, which shall be subject only to review and appropriation by the General Assembly.

/s/Cavanaugh