

State of Arkansas
93rd General Assembly
Second Extraordinary Session, 2021

A Bill

Call Item 2
SENATE BILL 5

By: Senator Hickey
By: Representative Shepherd

For An Act To Be Entitled

AN ACT TO TRANSFER FUNDS TO THE RESTRICTED RESERVE
FUND EXECUTIVE/LEGISLATIVE 3/5 VOTE SET-ASIDE, THE
UNALLOCATED RESTRICTED RESERVE MAJORITY VOTE SET-
ASIDE, THE GENERAL REVENUE ALLOTMENT RESERVE FUND AND
THE ECONOMIC DEVELOPMENT INCENTIVE QUICK ACTION
CLOSING FUND; TO DECLARE AN EMERGENCY; AND FOR OTHER
PURPOSES.

Subtitle

TO TRANSFER FUNDS TO THE RESTRICTED
RESERVE FUND, GENERAL REVENUE ALLOTMENT
RESERVE FUND AND ECONOMIC DEVELOPMENT
INCENTIVE QUICK ACTION CLOSING FUND; AND
TO DECLARE AN EMERGENCY.

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

SECTION 1. DO NOT CODIFY. TEMPORARY LANGUAGE. Supplemental funding transfer to Restricted Reserve Fund.

(a) Notwithstanding any other provisions of law, immediately upon the effective date of this act, as authorized in Acts 2021, No. 1058, § 2(c), and as determined by the Chief Fiscal Officer of the State under Acts 2021, No. 1058, § 3(a)(1) and 3(a)(1)(A), reclaimed or recovered fiscal year 2021 unexpended general revenue balances shall be transferred on the books of the Chief Fiscal Officer of the State, the Treasurer of State, and the Auditor of State to the Executive/Legislative 3/5 Vote Set-Aside in an amount that, when



added to the existing fund balance in the Executive/Legislative 3/5 Vote Set-Aside as of the date of this transfer, causes the total balance in the Executive/Legislative 3/5 Vote Set-Aside to equal fifty million dollars (\$50,000,000).

(b) After making the transfer described in subsection (a) of this section, all remaining funds from the reclaimed or recovered fiscal year 2021 unexpended general revenue balances shall be transferred to the Unallocated Restricted Reserve Majority Vote Set-Aside, as authorized in Acts 2021, No. 1058, § 2(c), and as determined by the Chief Fiscal Officer of the State under Acts 2021, No. 1058, § 3(a)(2) and 3(a)(2)(A).

(c) The fund transfers in subsections (a) and (b) of this section are in addition to those funds previously authorized and shall be transferred out of the Executive/Legislative 3/5 Vote Set-Aside and the Unallocated Restricted Reserve Majority Vote Set-Aside as provided in Acts 2021, No. 1058.

SECTION 2. Arkansas Code § 19-6-486(d), concerning the Long Term Reserve Fund, is amended to add an additional subdivision to read as follows:

(3)(A) The Chief Fiscal Officer of the State may make a one-time transfer of up to fifty million dollars (\$50,000,000) from the Long Term Reserve Fund or its successor fund or fund accounts to the General Revenue Allotment Reserve Fund before March 31, 2022.

(B) A transfer under subdivision (d)(3)(A) of this section is not subject to the procedures established in subsection (e) of this section.

SECTION 3. TEMPORARY LANGUAGE. DO NOT CODIFY. ECONOMIC DEVELOPMENT ONE-TIME FUNDING TRANSFER. (a) Notwithstanding any other provisions of law, the Chief Fiscal Officer of the State may transfer from time to time as funds are determined to be available by the Chief Fiscal Officer of the State, on his or her books and those of the State Treasurer and the Auditor of the State, a sum not to exceed fifty million dollars (\$50,000,000) from the Long Term Reserve Fund or its successor fund or fund accounts to the General Revenue Allotment Reserve Fund.

(b) Once the Chief Fiscal Officer of the State determines funding for the economic development investment incentives is needed, the Chief Fiscal Officer of the State may transfer on his or her books and those of the State

Treasurer and the Auditor of the State an amount not to exceed fifty million dollars (\$50,000,000) from the General Revenue Allotment Reserve Fund to the Economic Development Incentive Quick Action Closing Fund for economic development investment incentives applicable to a qualified manufacturer of steel as defined in A.C.A. § 26-51-1211.

The provisions of this section shall be effective from the date of passage and approval and shall expire on March 31, 2022.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that, due to unforeseen circumstances, funds provided by the General Assembly for the Restricted Reserve Fund under Acts 2021, No. 1058, and the funds provided to the General Revenue Allotment Reserve Fund and Economic Development Incentive Quick Action Closing Fund are insufficient to provide funding for unanticipated circumstances and possible essential governmental services; that this act will provide the necessary funds to address unanticipated services and various state-funded projects; and that this act is immediately necessary because a delay in the effective date of this act could work irreparable harm upon the proper implementation, administration, or operations of government-funded programs. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.