

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

A Bill

SENATE BILL 772

5 By: Senator D. Johnson
6 By: Representative Vines
7

For An Act To Be Entitled

9 AN ACT TO MAKE TECHNICAL CORRECTIONS TO TITLE 19 AND
10 TITLE 27 OF THE ARKANSAS CODE CONCERNING PUBLIC
11 FINANCE; AND FOR OTHER PURPOSES.
12
13

Subtitle

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

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 19-3-506(b)(3) is amended to read as
23 follows to clarify a reference to a state entity:

24 (3) With respect to State Treasury funds or other public funds,
25 notify the Division of Legislative Audit of all known fraud or suspected
26 fraud or all known or suspected illegal acts involving the management or
27 other employees of the Treasurer of State, the ~~board~~ State Board of Finance,
28 a bank depository, an investment depository, or a securities broker;
29

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

33 19-4-701. Fiscal ~~periods~~ period of state.

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



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

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

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

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

18
 19 SECTION 3. Arkansas Code § 19-4-704 is amended to read as follows to
 20 reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an
 21 appropriation by the General Assembly is limited to one (1) fiscal year:

22 19-4-704. No obligations without appropriations.

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

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

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

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

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

9 19-4-707. Obligations for improvements.

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

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

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

26
27 SECTION 6. Arkansas Code § 19-4-1412(a) is amended to read as follows
28 to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an
29 appropriation by the General Assembly is limited to one (1) fiscal year:

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

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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, §

1 27-70-201 et seq., from the proceeds derived from existing motor fuel taxes
 2 and distillate fuel taxes.

3 (c) The fund shall be used for construction, reconstruction, and
 4 improvements of the state aid streets system under the State Aid Streets Law,
 5 § 27-72-401 et seq.

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

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

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

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

18 (B) For all other municipalities, the state aid streets
 19 system shall be funded at one hundred percent (100%), and all municipalities
 20 receiving moneys from the fund shall comply with the State Aid Streets Law, §
 21 27-72-401 et seq.

22
 23 SECTION 11. Arkansas Code § 19-7-502(a) and (b) are amended to read as
 24 follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29,
 25 an appropriation by the General Assembly is limited to one (1) fiscal year:

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

1 additional appropriations to expend these funds in order to carry out the
 2 objectives of the federal programs or to meet federal requirements, then the
 3 head of the affected state agency is authorized to request the approval of
 4 the Governor and the Chief Fiscal Officer of the State, as provided in this
 5 section, for additional appropriations of one (1) or more new or additional
 6 salaried positions to be utilized by that respective agency. The salary rates
 7 for these positions are not to exceed the highest maximum annual salary rate
 8 or the highest grade level position authorized in the salary schedule of the
 9 requesting agency's ~~biennial~~ annual appropriation act for operations, as
 10 governed by the Uniform Classification and Compensation Act ~~of 1969~~, § 21-5-
 11 201 et seq., ~~or its successor.~~

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

21
 22 SECTION 12. Arkansas Code § 19-7-503(6) is amended to read as follows
 23 to reflect that, pursuant to Arkansas Constitution, Article 5, § 29, an
 24 appropriation by the General Assembly is limited to one (1) fiscal year:

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

35
 36 SECTION 13. Arkansas Code § 19-10-202(b) is amended to read as follows

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

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

6
 7 SECTION 14. Arkansas Code § 19-11-1012(b)(11) is amended to read as
 8 follows to reflect that, pursuant to Arkansas Constitution, Article 5, § 29,
 9 an appropriation by the General Assembly is limited to one (1) fiscal year:

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

12 “In the event the State of Arkansas fails to appropriate funds or make moneys
 13 available for any ~~biennial period~~ fiscal year covered by the term of this
 14 contract for the services to be provided by the contractor, this contract
 15 shall be terminated on the last day of the last ~~biennial period~~ fiscal year
 16 for which funds were appropriated or moneys made available for such purposes.

17 “This provision shall not be construed to abridge any other right of
 18 termination the agency may have.”

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

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

29
 30 SECTION 16. Arkansas Code § 27-70-207(e)(2)(A) is amended to read as
 31 follows to correct a reference:

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

34
 35 SECTION 17. Arkansas Code § 27-72-407 is transferred to correct the
 36 bifurcation of a fund by combining the revenue source of the fund in § 19-6-

1 828 with its other substantive provisions.

2 ~~27-72-407. State Aid Street Fund.~~

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

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

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

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

14 ~~(4)(A) For a municipality to receive these funds, the~~
15 ~~municipality must be matched in the ratio of ninety percent (90%) of moneys~~
16 ~~from the fund to not less than ten percent (10%) municipal matching funds for~~
17 ~~all municipalities with a population in excess of twenty-five thousand~~
18 ~~(25,000) residents.~~

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

23
24 SECTION 18. DO NOT CODIFY. The enactment and adoption of this act
25 shall not repeal, expressly or impliedly, the acts passed at the regular
26 session of the Ninetieth General Assembly. All such acts shall have full
27 force and effect and, so far as those acts intentionally vary from or
28 conflict with any provision contained in this act, those acts shall have the
29 effect of subsequent acts and as amending or repealing the appropriate parts
30 of the Arkansas Code of 1987.

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