



**State of Arkansas  
Department of Finance and Administration  
Fiscal Impact Statement**

**Bill: HB1378**

**Bill Subtitle: TO AMEND THE COMPOSITION AND MEETING REQUIREMENTS OF THE STATE BOARD OF FINANCE; AND TO REPEAL THE REQUIREMENTS FOR THE EMPLOYMENT OF A CHIEF COMPLIANCE OFFICER BY THE STATE BOARD OF FINANCE.**

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**Sponsors:**

**Rep. Beaty and Sen. Hill**

**Basic Change:**

HB1378 alters the operation and composition of the State Board of Finance by:

- Reducing from seven to six the number of board members required to reach a quorum;
- Replacing the Securities Commissioner with the Secretary of Transformation and Shared Services as a member of the board;
- Eliminating the requirement that the board employ the chief compliance officer; and
- Allowing the Governor's designee to serve on the board in his or her absence.

Act 475 of 2023 transferred the administrative duties of the State Securities Department to the State Bank Department and allowed the Bank Commissioner to act as the Securities Commissioner. HB1378 will ensure that two board positions are not held by a single individual by replacing the Securities Commissioner with the Secretary of Transformation and Shared Services.

HB1378 also eliminates the requirement that the Chief Compliance Officer be employed by the board. Under current law, the Chief Compliance Officer is in a position authorized for the Office of the Treasurer of State and is not employed by the board.

**Fiscal Impact:**

None.

**Taxpayer Impact:**

None.

**Resources Required:**

None.

**Time Required:**

Adequate time is provided for implementation.

**Procedural Changes:**

None.



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**Other Comments:**

None.

**Legal Analysis:**

None.