

**MINUTES OF THE MEETING**  
**OF THE**  
**ARKANSAS LEGISLATIVE COUNCIL (ALC)**

**November 15, 2024**

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The Arkansas Legislative Council met at 9:00 a.m., Friday, October 18, 2024, in Committee Room A of the Big MAC Building, Little Rock, Arkansas. Co-Chair Terry Rice called the meeting to order and recognized a quorum of members present. Senator Ben Gilmore was recognized to give the morning prayer.

**Minutes of the Previous Meeting**

Co-Chair Rice referred members to the minutes of the last Legislative Council meeting held on September 20, 2024 (Exhibit C) and asked if there were any questions. There were no questions.

**Senator Kim Hammer moved that the minutes of the September 20, 2024, meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.**

**Revenue Report**

Co-Chair Rice recognized Dr. Carlos Silva, Legislative Economist, Bureau of Legislative Research (BLR), to present the September 2024 General Revenue Report (Exhibit D). Dr. Silva reported, the collections of Gross General Revenues year-to-date are approximately \$2,003.64 million, a decrease of \$54.2 million, or 2.6% below the \$2,057.82 million collected last fiscal year-to-date.

He further reported, the Net General Revenue available for distribution of \$1,735.3 million, decreased \$41.6 million, or 2.3% from the \$1,776.86 million available for distribution in September 2023. The Cumulative Deviation of the forecast is at \$17.7 million. Dr. Silva stated, the active hurricanes in nearby regions may cause some fluctuation, but members will be updated as needed. This concluded the September 2024 General Revenue report. Co-Chair Rice recognized members for questions and Mr. Jim Hudson, Secretary, Department of Finance & Administration (DF&A) to respond.

**Report of the Executive Subcommittee**

Co-Chair Rice recognized Co-Chair Jeff Wardlaw to present the report of the Executive Subcommittee (Exhibit E). Co-Chair Wardlaw reported that the Executive Subcommittee met on Thursday, October 3, 2024. The Subcommittee heard from Ikaso Consulting regarding a proposal to assist the Subcommittee with the review of the RFP Procurement Procedures, per the request of Arkansas Legislative Council. The Subcommittee authorized the Bureau of Legislative Research to negotiate a contract with Ikaso Consulting for their services. The Subcommittee also heard from Perr & Knight and adopted recommendations concerning revisions to the program providing property insurance coverage for education facilities and state properties.

The Subcommittee met again on Thursday, October 17, 2024, and took up the following actions: accepted the final report of the ALC-Game & Fish/State Police Subcommittee concerning the firearms and concealed carry laws study; approved a contract between BLR and Ikaso Consulting for consulting services related to the RFP procurement process; approved a new actuarial and consulting service agreement between BLR and Perr & Knight to assist the Subcommittee with implementation of property insurance recommendations and for ongoing assistance with oversight of the programs; approved the payment of mileage and per diem for members-elect for attendance at legislative committee meetings after the general election; referred all of the Act 575 of 2023 prior authorization programs to the House and Senate Public Health, Welfare and Labor Committees for recommendations back to ALC on whether or not to accept the prior authorization requests.

Additionally, Co-Chair Wardlaw informed members that in November 2024, there is a proposed change to the Budget Hearings schedule and to be watchful of the legislative meeting calendar for any meeting updates. With many members expected to attend a legislative conference being held the week of November 18th, Budget Hearings scheduled for that week will be compressed into the schedule of meetings during the week prior. This concluded the report of the Executive Subcommittee, and there were no questions.

**Co-Chair Jeff Wardlaw moved that the report of the Executive Subcommittee be adopted.**

**Co-Chair Rice recognized Senator Bryan King for a substitute motion. Senator King moved to approve the Executive Subcommittee report but to pull the Ikaso Consulting contract to vote on separately.**

**After questions and discussion on the substitute motion from members, Co-Chair Rice requested a second on the substitute motion. The substitute motion died for a lack of a second.**

**Going back to the original motion, Co-Chair Jeff Wardlaw moved that the report of the Executive Subcommittee be adopted. The motion was seconded and approved by voice vote.**

### **Standing Subcommittee Presentations**

#### Administrative Rules Subcommittee

Co-Chair Rice recognized Representative Brian Evans to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Senator Hammer reported that the Administrative Rules Subcommittee met on Thursday, October 17, 2024. The Subcommittee filed one (1) report from the Executive Subcommittee concerning the review and approval of emergency rules. The Subcommittee filed one (1) written update related to rulemaking from the 2024 Fiscal Session. All other rules were reviewed and approved as noted in the report. This concluded the report of the Administrative Rules Subcommittee, and there were no questions.

**Representative Brian Evans moved that the report of the Administrative Rules Subcommittee be adopted. The motion was seconded and passed by voice vote.**

Employee Benefits Division (EBD) Oversight Subcommittee

Co-Chair Rice recognized Senator Jimmy Hickey, Jr. to present the report of the Employee Benefits Division Oversight Subcommittee (Exhibit F.4). Senator Hickey reported that the Employee Benefits Division Oversight Subcommittee met on Monday, October 7, 2024. The Subcommittee reviewed and approved the United Healthcare amended contract for plan year 2025, which was approved by the State Board of Finance.

The Subcommittee met again on Wednesday, October 16, 2024. The Subcommittee adopted The Segal Group Inc. recommendations related to the Diabetes Management Program Study, which will be included in its final report to Arkansas Legislative Council. The Subcommittee then heard information from the Segal Group Inc. and the Employees Benefit Division concerning incentives related to participation in wellness programs. Lastly, the Subcommittee reviewed and approved contracts with Colonial Life and Accidental Insurance Company and ConnectYourCare, Inc. which were approved by the State Board of Finance. This concluded the report of the Employee Benefits Division Oversight Subcommittee, and there were no questions.

**Senator Jimmy Hickey, Jr. moved that the report of the Employee Benefits Division Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.**

Game & Fish/State Police Subcommittee

Co-Chair Rice recognized Senator Ricky Hill to present the report of the Game & Fish/State Police Subcommittee (Exhibit F.5). Senator Hill reported that the Game & Fish/State Police Subcommittee met on Thursday, October 3, 2024, and reviewed and discussed draft legislation recommendations to be included in the final report for the Arkansas Firearms and Concealed Carry Laws Study. A new version of JLC174 was presented to the Subcommittee. The Subcommittee adopted a motion to make additional changes to a new version of JLC174.

The Subcommittee met again on Monday, October 7, 2024, and discussed and adopted additional changes to JLC174 to be included in the final report for the Arkansas Firearms and Concealed Carry Laws Study. The Subcommittee made a motion to adopt the final report with the additional changes to JLC174 and submit the report to ALC - Executive Subcommittee. This concluded the report of the Game & Fish/State Police Subcommittee, and there were no questions.

**Senator Ricky Hill moved that the report of the Game & Fish/State Police Subcommittee be adopted. The motion was seconded and passed by voice vote.**

Occupational Licensing Review Subcommittee

Co-Chair Rice recognized Representative Cindy Crawford to present the report of the Occupational Licensing Review Subcommittee (Exhibit F.11). Representative Crawford reported that the Occupational Licensing Review Subcommittee met on Thursday, October 17, 2024, to discuss and approve the final report for occupational entities in Groups 4 and 5. This concluded the report of the Occupational Licensing Review Subcommittee, and there were no questions.

**Representative Cindy Crawford moved that the report of the Occupational Licensing Review Subcommittee be adopted. The motion was seconded and passed by voice vote.**

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Co-Chair Rice recognized Senator Jonathan Dismang to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.12). Senator Dismang reported that the PEER Subcommittee met on Tuesday, October 15, 2024. The Subcommittee received reports, reviewed requests, and approved the following: Various Temporary Appropriations; American Rescue Plan Act Appropriations; Infrastructure Investment and Jobs Act Appropriations; Reallocation of Resources for DHS from Restricted Reserve Fund Transfers. Item I.3, a Miscellaneous Federal Grant Appropriation (MFG) request by the Insurance Department is marked as held by the Subcommittee. Item notes reflect it has a \$356,706 MFG Appropriation request; however, the department received a grant from DHHS to add a two (2) year funding for a senior Medicare portal. This concluded the report of the PEER Subcommittee, and there were no questions.

**Senator Jonathan Dismang moved to adopt the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee. The motion was seconded and passed by voice vote.**

Review Subcommittee

Co-Chair Rice recognized Senator Kim Hammer to present the report of the Review Subcommittee (Exhibit F.14). Senator Hammer reported that the Review Subcommittee met on Monday, October 14, 2024, and in addition to reviewing methods of finance, discretionary grants, services contracts, and monthly reports, the Subcommittee considered one supplemental item to review a construction project over \$5 million for the ASU - Jonesboro College of Veterinary Medicine. All items were reviewed with the exception of twelve (12) on-call construction projects from UAMS, which were held pending additional information from the agency. The information requested has now been received and the holds have been released. The Subcommittee also held one out-of-state contract with APERS from Linea Solutions Inc., pending additional information. The requested information was provided to ALC (*Handout 2- APERS*). This concluded the report of the Review Subcommittee.

**Senator Kim Hammer moved that the report of the Review Subcommittee be adopted, including the previously held items, but apart from the APERS request. The motion was seconded and passed by voice vote.**

Ms. Amy Fecher, Executive Director, Ms. Ashley Golleher, Deputy Director of Operations, and Mr. Phillip Norton, Director of Information Technology, all with APERS, were recognized to respond to questions. Ms. Fecher stated she believed the question members had of the agency was, why the agency did not use the MAP process, but instead went with the RFP process. After questions and discussion, Co-Chair Rice requested a motion.

**Senator Kim Hammer moved to approve the APERS item for Linea Solution, Inc. The motion was seconded and passed by voice vote.**

Uniform Personnel Classification and Compensation Plan Subcommittee

Co-Chair Rice recognized Senator Breanne Davis to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.15). Senator Davis reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Wednesday, October 16, 2024. The subcommittee reviewed and/or approved the items on the report listed as Items 1-7. It should be noted that the subcommittee approved only the Recruiting Incentive Plan

for Accountant and Investment Analyst classifications within the agency for Item 1.C - APERS. Their request for a Special Compensation Awards Plan was pulled by the agency in consultation with the Office of Personnel Management (OPM). This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

**Senator Breanne Davis moved that the report of the Uniform Personnel Classification and Compensation Plan Subcommittee be adopted. The motion was seconded and passed by voice vote.**

### **Review of Communications**

Co-Chair Rice referred members to the communications listed on the agenda as Items H.01 - H.16 and noted that action by Legislative Council was needed for Items H.03, H.05(a), and H.07(a) and verbal reports will be given by AID on Item H.07(b) and DHS on Item H.10.

**H.03 - Arkansas Public Employees Retirement System (APERS),** Request to review three (3) Partial Equity Ownership Investments, submitted pursuant to A.C.A. §19-11-1302.

- a. The Realty Associates Fund XIV UTP, L.P.
- b. Heitman Value Partners Fund VI.
- c. Starwood Distressed Opportunity Fund XIII, L.P.

**Co-Chair Wardlaw moved to file the request from Arkansas Public Employees Retirement System as reviewed. The motion was seconded and passed by voice vote.**

**H.05 - Arkansas Teacher Retirement System (ATRS),** Request for the Legislative Council's review of partial equity ownership agreements, submitted pursuant to A.C.A. §19-11-1302.

- a. The Veritas Capital Fund IX, L.P.

**Co-Chair Wardlaw moved to file the request from Arkansas Teacher Retirement System as reviewed. The motion was seconded and passed by voice vote.**

**H.07(a) - Department of Commerce, Arkansas Economic Development Commission, Division of Rural Services,** Request to approve the FY25, Cycle 1 Grant Funding recommendations for the Rural Community Grant Program (RCGP).

**Co-Chair Wardlaw moved to file the request from Department of Commerce, Arkansas Economic Development Commission, Division of Rural Services as approved. The motion was seconded and passed by voice vote.**

**H.07(b) - Arkansas Insurance Department (AID) -** Co-Chair Rice recognized Mr. Alan McClain, Insurance Commissioner and Mr. Booth Rand, General Counsel, AID, and Mr. Jake Windley, Director of Legislative Affairs, Department of Commerce, for the verbal report on rates, reports, violations, bulletins, and other related information of the Insurance Department. Co-Chair Rice then recognized members for questions.

**H.10 - Department of Human Services (DHS) -** Co-Chair Rice recognized Ms. Misty Eubanks, Deputy Secretary, Operations and Budget, and Ms. Janet Mann, Deputy Secretary/Medicaid Director of Programs, Department of Human Services (DHS), for the verbal report on assisted living facility reimbursements, pursuant to Section 15 of Act 213 of 2022. Co-Chair Rice then recognized members for questions.

**Adjournment**

At 9:58 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

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Senator Terry Rice  
Co-Chair, Senate

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Marty Garrity  
Executive Secretary