

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

December 20, 2024

The Arkansas Legislative Council met at 9:00 a.m., Friday, November 15, 2024, in Committee Room A of the Big MAC Building, Little Rock, Arkansas. Vice Co-Chair Ben Gilmore called the meeting to order and recognized a quorum of members present. Representative John P. Carr was recognized to give the morning prayer.

Minutes of the Previous Meeting

Vice Co-Chair Gilmore referred members to the minutes of the last Legislative Council meeting held on October 18, 2024 (Exhibit C) and asked if there were any questions. There were no questions.

Representative DeAnn Vaught moved that the minutes of the October 18, 2024, meeting of the Legislative Council be adopted. The motion was seconded and passed by voice vote.

Revenue Report

Vice Co-Chair Gilmore recognized Dr. Carlos Silva, Legislative Economist, Bureau of Legislative Research (BLR), to present the October 2024 General Revenue Report (Exhibit D). Dr. Silva reported, the collections of Gross General Revenues year-to-date are approximately \$2,631.93 million, a decrease of \$85.8 million, or 3.2% below the \$2,717.71 million collected last fiscal year-to-date.

He further reported, the Net General Revenue available for distribution of \$2,224.6 million, decreased \$64.5 million, or 2.8% from the \$2,289.06 million available for distribution in October 2023. The Cumulative Deviation of the forecast is at \$23.1 million. Dr. Silva stated, the Department of Finance & Administration (DF&A) provided a handout of the November 2024 revision to the official general revenue forecast for FY2025, 2026, and 2027 (*Handout 1*). This concluded the October 2024 General Revenue report.

Report of the Executive Subcommittee

Vice Co-Chair Gilmore recognized Representative Jon S. Eubanks to present the report of the Executive Subcommittee (Exhibit E). Representative Eubanks reported that the Executive Subcommittee met on Wednesday, October 13, 2024. The Subcommittee heard from Perr & Knight with an update on their work on the property insurance captive feasibility study and adopted an amendment to the Perr & Knight contract that adjusted the scope of work. The Subcommittee also recommended approval of an amendment to the ALC Rules (*Attachment 1 of the report*), which abolishes the ALC-Policy-Making Subcommittee and transfers those duties to the Executive Subcommittee. Final approval of this proposed amendment will be taken up at the December 2024 ALC meeting. This concluded the report of the Executive Subcommittee.

Representative Jon S. Eubanks moved that the report of the Executive Subcommittee be adopted.

Vice Co-Chair Gilmore recognized Senator Bryan King for a substitute motion. Senator King moved to not adopt the Executive Subcommittee Report. The motion was seconded.

After questions and discussion on the substitute motion from members, Vice Co-Chair Gilmore requested a vote on the substitute motion. After a voice vote, the substitute motion failed.

Going back to the original motion, Representative Jon S. Eubanks moved that the report of the Executive Subcommittee be adopted. The motion was seconded and passed by voice vote.

Standing Subcommittee Presentations

Administrative Rules Subcommittee

Vice Co-Chair Gilmore recognized Senator Kim Hammer to present the report of the Administrative Rules Subcommittee (Exhibit F.1). Senator Hammer reported that the Administrative Rules Subcommittee met on Thursday, November 14, 2024. The Subcommittee received and filed quarterly reports by the Department of Corrections (DOC) and the DOC-Post-Prison Transfer Board. The Subcommittee received agency updates on outstanding rulemaking from the 2023 Regular Session. The Subcommittee filed a written update related to rulemaking for the 2024 Fiscal Session. One (1) rule was reviewed and approved with changes presented by the agency during the meeting. Two (2) rules will be placed on the December agenda due to a lack of a second to a motion to suspend the subcommittee rules. 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.

Senator Kim Hammer 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

Vice Co-Chair Gilmore recognized Representative Aaron Pilkington to present the report of the Employee Benefits Division Oversight Subcommittee (Exhibit F.4). Representative Pilkington reported that the Employee Benefits Division Oversight Subcommittee met on Thursday, November 14, 2024. The Subcommittee adopted the final report of the Diabetes Management Program Study for submission to the Arkansas Legislative Council (*Attachment 1 of the report*). The Subcommittee also reviewed and approved actions by the State Board of Finance, including EBD Formulary reports for September, October, and November 2024; Medical Drug Recommendations for November 2024; an EBD Contract Amendment for HMO Partners, Incorporated, and Mainstream Technologies. This concluded the report of the Employee Benefits Division Oversight Subcommittee, and there were no questions.

Representative Aaron Pilkington moved that the report of the Employee Benefits Division Oversight Subcommittee be adopted. The motion was seconded and passed by voice vote.

Performance Evaluation and Expenditure Review (PEER) Subcommittee

Vice Co-Chair Gilmore recognized Representative Frances Cavanaugh to present the report of the Performance Evaluation and Expenditure Review (PEER) Subcommittee (Exhibit F.12).

Representative Cavanaugh reported that the PEER Subcommittee met on Wednesday, November 13, 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; and Restricted Reserve Fund Transfers. This concluded the report of the PEER Subcommittee, and there were no questions.

Representative Frances Cavanaugh 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

Vice Co-Chair Gilmore recognized Representative Les D. Eaves to present the report of the Review Subcommittee (Exhibit F.14). Representative Eaves reported that the Review Subcommittee met on Monday, October 14, 2024, and reviewed the agenda items, including methods of finance, alternative delivery construction projects, discretionary grants, and services contracts. The Subcommittee held Contract #11 (*pg. 7 of the report*) for additional information. That information has been received but the hold has not been released. Additionally, a ratification was approved for a contract with UAPB (*pg. 8 of the report*). This concluded the report of the Review Subcommittee, and there were no questions.

Representative Les D. Eaves moved that the report of the Review Subcommittee be adopted. The motion was seconded and passed by voice vote.

Uniform Personnel Classification and Compensation Plan Subcommittee

Vice Co-Chair Gilmore recognized Representative Mark Berry to present the report of the Uniform Personnel Classification and Compensation Plan Subcommittee (Exhibit F.15). Representative Berry reported the Uniform Personnel Classification and Compensation Plan Subcommittee met on Tuesday, November 12, 2024. The subcommittee reviewed and approved items on the report listed as Items 1-4. This concluded the report of the Uniform Personnel Classification and Compensation Plan Subcommittee, and there were no questions.

Representative Mark Berry 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

Vice Co-Chair Gilmore referred members to the communications listed on the agenda as Items H.01 - H.12 and noted that action by Legislative Council was needed for Item H.09(b), and verbal reports will be given by AID on Item H.04(a) and DHS on Item H.08(a).

H.04(a) - Department of Commerce, Arkansas Insurance Department (AID) - Vice Co-Chair Gilmore recognized Mr. Booth Rand, General Counsel, Department of Commerce, Arkansas Insurance Department, 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. After the report, Vice Co-Chair Gilmore then recognized members for questions.

H.08(a) - Department of Human Services (DHS) - Vice Co-Chair Gilmore recognized Ms. Kristi Putnam, Secretary, and Ms. Lori McDonald, Chief of Staff, Department of Human Services (DHS), for the verbal report on assisted living facility reimbursements, pursuant to Section 15 of Act 213 of 2022. After the report, Vice Co-Chair Gilmore then recognized members for questions.

H.09(b) - Department of Parks, Heritage, and Tourism (DPHT), Division of State Parks, Request for favorable advice to establish a new state park or make acquisitions of real property for additions to or expansions of existing state parks, submitted pursuant to A.C.A. § 22-4-106;

Representative Eubanks moved to give favorable advice for the request from DPHT, Division of State Parks. The motion was seconded and passed by voice vote.

Adjournment

At 9:30 a.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

Senator Ben Gilmore
Vice Co-Chair, Senate

Marty Garrity
Executive Secretary