

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

As Engrossed: H3/13/15

A Bill

HOUSE BILL 1152

5 By: Joint Budget Committee
6

For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
9 AND OPERATING EXPENSES FOR THE STATE INSURANCE
10 DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2016;
11 AND FOR OTHER PURPOSES.
12
13

Subtitle

14 AN ACT FOR THE STATE INSURANCE DEPARTMENT
15 APPROPRIATION FOR THE 2015-2016 FISCAL
16 YEAR.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established
23 for the State Insurance Department for the 2015-2016 fiscal year, the
24 following maximum number of regular employees.
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Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2015-2016
30	(1) U042U	INSURANCE CHIEF DEPUTY COMMISSIONER	1	\$172,535
31	(2) U047U	STATE INSURANCE COMMISSIONER	1	\$130,821
32	(3) N014N	INS DEP COMMR FINANCIAL REGULATIONS	1	GRADE N914
33	(4) N190N	INSURANCE GENERAL COUNSEL	1	GRADE N912
34	(5) G018N	DIRECTOR RISK MANAGEMENT	1	GRADE N910
35	(6) N140N	INS ASST DEP COMMISSIONER FINANCE	1	GRADE N910
36	(7) N023N	INSURANCE DEPUTY COMMISSIONER	2	GRADE N910



1	(8)	N025N	INS DEPUTY COMMR INFO SERVICES	1	GRADE N910
2	(9)	X002N	PROPERTY & CASUALTY MANAGER	1	GRADE N910
3	(10)	N073N	INSURANCE CHF FIN/MKT CONDUCT EXMR	1	GRADE N908
4	(11)	G043N	RISK MANAGEMENT ASSISTANT DIRECTOR	1	GRADE N908
5	(12)	A004N	CERTIFIED FINANCIAL EXAMINER MANAGER	3	GRADE N906
6	(13)	N115N	CRIMINAL INSURANCE FRAUD DIRECTOR	1	GRADE N904
7	(14)	D010N	INSURANCE CHIEF TECHNOLOGY OFFICER	1	GRADE N904
8	(15)	A004C	CERTIFIED FINANCIAL EXAMINER	12	GRADE C130
9	(16)	X002C	INSURANCE PUBLIC EMP CLAIMS DIV DIR	1	GRADE C130
10	(17)	G004C	MANAGING ATTORNEY	3	GRADE C129
11	(18)	G241C	HEALTH INFO TECH OPER & TECH OFFICER	1	GRADE C128
12	(19)	D007C	INFORMATION SYSTEMS MANAGER	2	GRADE C128
13	(20)	G047C	ATTORNEY SPECIALIST	8	GRADE C126
14	(21)	X009C	INSURANCE DEPT DIR OF SECURITY OPS	1	GRADE C126
15	(22)	D034C	DATABASE ADMINISTRATOR	1	GRADE C124
16	(23)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
17	(24)	X017C	INSURANCE LICENSING MANAGER	1	GRADE C124
18	(25)	G259C	INSURANCE PROGRAM MANAGER	1	GRADE C124
19	(26)	G064C	SR HLTH INSURANCE INFORMATION PRG MG	1	GRADE C124
20	(27)	D022C	SYSTEMS SPECIALIST	4	GRADE C124
21	(28)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
22	(29)	D038C	SENIOR SOFTWARE SUPPORT ANALYST	1	GRADE C123
23	(30)	X192C	ASST DIRECTOR FRAUD INVESTIGATION	1	GRADE C122
24	(31)	A044C	AUDIT COORDINATOR	1	GRADE C122
25	(32)	A042C	INSURANCE SENIOR EXAMINER	7	GRADE C122
26	(33)	X034C	PREPAID FUNERAL MANAGER	1	GRADE C122
27	(34)	D044C	SYSTEMS ANALYST	1	GRADE C122
28	(35)	R014C	PERSONNEL MANAGER	1	GRADE C121
29	(36)	D052C	SOFTWARE SUPPORT ANALYST	4	GRADE C121
30	(37)	G107C	WCC PROGRAM MANAGER	1	GRADE C121
31	(38)	G106C	WCC CLAIMS SPECIALIST	5	GRADE C121
32	(39)	G125C	INSURANCE SPECIAL PROJECTS COORD	1	GRADE C120
33	(40)	G120C	RISK CONSULTANT	7	GRADE C120
34	(41)	X072C	CRIMINAL INS FRAUD INVESTIGATOR	7	GRADE C119
35	(42)	A067C	INSURANCE EXAMINER	2	GRADE C119
36	(43)	X066C	INSURANCE PREMIUM TAX EXAMINER	4	GRADE C119

1	(44)	A060C	SENIOR AUDITOR	2	GRADE C119
2	(45)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	4	GRADE C118
3	(46)	X080C	PROP & CASUALTY COMPLIANCE OFFICER	4	GRADE C118
4	(47)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
5	(48)	A080C	FINANCE AUTHORITY SPECIALIST	1	GRADE C117
6	(49)	R025C	HUMAN RESOURCES ANALYST	1	GRADE C117
7	(50)	C016C	INSURANCE ADMINISTRATIVE COORDINATOR	2	GRADE C117
8	(51)	P020C	PRODUCTION ARTIST	1	GRADE C117
9	(52)	X123C	INSURANCE INVESTIGATOR	9	GRADE C116
10	(53)	C037C	ADMINISTRATIVE ANALYST	7	GRADE C115
11	(54)	R033C	BENEFITS ANALYST	1	GRADE C115
12	(55)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
13	(56)	G202C	VOLUNTEER PROGRAM COORDINATOR	3	GRADE C115
14	(57)	G201C	WCC CLAIMS ANALYST	3	GRADE C115
15	(58)	M066C	PROGRAM ELIGIBILITY SPECIALIST	2	GRADE C114
16	(59)	R036C	HUMAN RESOURCES SPECIALIST	1	GRADE C113
17	(60)	C046C	LEGAL SUPPORT SPECIALIST	4	GRADE C113
18	(61)	C056C	ADMINISTRATIVE SPECIALIST III	14	GRADE C112
19	(62)	A098C	FISCAL SUPPORT SPECIALIST	4	GRADE C112
20	(63)	X180C	INSURANCE LICENSING TECHNICIAN	10	GRADE C110
21	(64)	C073C	ADMINISTRATIVE SPECIALIST II	12	GRADE C109
22	(65)	C084C	MAIL SERVICES SPECIALIST	2	GRADE C107
23	(66)	C087C	ADMINISTRATIVE SPECIALIST I	<u>1</u>	GRADE C106
24			MAX. NO. OF EMPLOYEES	189	

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26 SECTION 2. REGULAR SALARIES - LEVEL ONE COOPERATIVE AGREEMENT -
 27 FEDERAL. There is hereby established for the State Insurance Department -
 28 Level One Cooperative Agreement - Federal for the 2015-2016 fiscal year, the
 29 following maximum number of regular employees.

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31					Maximum Annual
32				Maximum	Salary Rate
33	Item	Class		No. of	Fiscal Year
34	<u>No.</u>	<u>Code</u>	<u>Title</u>	<u>Employees</u>	<u>2015-2016</u>
35	(1)	N023N	INSURANCE DEPUTY COMMISSIONER	1	GRADE N910
36	(2)	L018N	NURSE PRACTITIONER	1	GRADE N904

1	(3)	D001C	STATE DATABASE ADMINISTRATOR	1	GRADE C130
2	(4)	X005C	PROPERTY & CASUALTY MANAGER	2	GRADE C128
3	(5)	G047C	ATTORNEY SPECIALIST	1	GRADE C126
4	(6)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
5	(7)	G064C	SR HLTH INSURANCE INFO PRG MANAGER	1	GRADE C124
6	(8)	D022C	SYSTEMS SPECIALIST	1	GRADE C124
7	(9)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
8	(10)	A041C	PROGRAM FISCAL MANAGER	1	GRADE C122
9	(11)	G109C	GRANTS MANAGER	2	GRADE C121
10	(12)	G147C	GRANTS COORDINATOR	6	GRADE C119
11	(13)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	1	GRADE C118
12	(14)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
13	(15)	X123C	INSURANCE INVESTIGATOR	3	GRADE C116
14	(16)	C037C	ADMINISTRATIVE ANALYST	1	GRADE C115
15	(17)	C056C	ADMINISTRATIVE SPECIALIST III	1	GRADE C112
16	(18)	C073C	ADMINISTRATIVE SPECIALIST II	<u>3</u>	GRADE C109
17			MAX. NO. OF EMPLOYEES	29	

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19 SECTION 3. EXTRA HELP. There is hereby authorized, for the State
 20 Insurance Department for the 2015-2016 fiscal year, the following maximum
 21 number of part-time or temporary employees, to be known as "Extra Help",
 22 payable from funds appropriated herein for such purposes: nineteen (19)
 23 temporary or part-time employees, when needed, at rates of pay not to exceed
 24 those provided in the Uniform Classification and Compensation Act, or its
 25 successor, or this act for the appropriate classification.

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27 SECTION 4. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 28 to the State Insurance Department, to be payable from the State Insurance
 29 Department Trust Fund, for personal services, operating expenses, special
 30 maintenance and professional services of the State Insurance Department -
 31 Operations for the fiscal year ending June 30, 2016, the following:

32

33	ITEM	FISCAL YEAR
34	<u>NO.</u>	<u>2015-2016</u>
35	(01) REGULAR SALARIES	\$7,011,543
36	(02) EXTRA HELP	140,000

1	(03) PERSONAL SERVICES MATCHING	2,305,841
2	(04) OVERTIME	35,000
3	(05) MAINT. & GEN. OPERATION	
4	(A) OPER. EXPENSE	2,579,878
5	(B) CONF. & TRAVEL	138,000
6	(C) PROF. FEES	142,000
7	(D) CAP. OUTLAY	355,000
8	(E) DATA PROC.	0
9	(06) SPECIAL MAINTENANCE	50,000
10	(07) PROFESSIONAL SERVICES	<u>486,000</u>
11	TOTAL AMOUNT APPROPRIATED	<u><u>\$13,243,262</u></u>

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13 SECTION 5. APPROPRIATION - FRAUD INVESTIGATION UNIT. There is hereby
 14 appropriated, to the State Insurance Department, to be payable from the State
 15 Insurance Department Trust Fund, for personal services and operating expenses
 16 of the State Insurance Department - Fraud Investigation Unit for the fiscal
 17 year ending June 30, 2016, the following:

18

19	ITEM	FISCAL YEAR
20	<u>NO.</u>	<u>2015-2016</u>
21	(01) REGULAR SALARIES	\$191,107
22	(02) PERSONAL SERVICES MATCHING	63,809
23	(03) MAINT. & GEN. OPERATION	
24	(A) OPER. EXPENSE	119,844
25	(B) CONF. & TRAVEL	12,000
26	(C) PROF. FEES	11,000
27	(D) CAP. OUTLAY	0
28	(E) DATA PROC.	<u>0</u>
29	TOTAL AMOUNT APPROPRIATED	<u><u>\$397,760</u></u>

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31 SECTION 6. APPROPRIATION - INSURANCE FRAUD INVESTIGATION DIVISION.
 32 There is hereby appropriated, to the State Insurance Department, to be
 33 payable from the Insurance Fraud Investigation Division Trust Fund, for
 34 personal services and operating expenses of the State Insurance Department -
 35 Insurance Fraud Investigation Division for the fiscal year ending June 30,
 36 2016, the following:

1		
2	ITEM	FISCAL YEAR
3	<u>NO.</u>	<u>2015-2016</u>
4	(01) REGULAR SALARIES	\$594,810
5	(02) PERSONAL SERVICES MATCHING	191,295
6	(03) MAINT. & GEN. OPERATION	
7	(A) OPER. EXPENSE	191,635
8	(B) CONF. & TRAVEL	35,000
9	(C) PROF. FEES	11,000
10	(D) CAP. OUTLAY	0
11	(E) DATA PROC.	<u>0</u>
12	TOTAL AMOUNT APPROPRIATED	<u><u>\$1,023,740</u></u>

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14 SECTION 7. APPROPRIATION - PREPAID FUNERAL BENEFITS DIVISION. There is
 15 hereby appropriated, to the State Insurance Department, to be payable from
 16 the State Insurance Department Prepaid Trust Fund, for personal services and
 17 operating expenses of the State Insurance Department - Prepaid Funeral
 18 Benefits Division for the fiscal year ending June 30, 2016, the following:

19

20	ITEM	FISCAL YEAR
21	<u>NO.</u>	<u>2015-2016</u>
22	(01) REGULAR SALARIES	\$221,267
23	(02) PERSONAL SERVICES MATCHING	75,737
24	(03) MAINT. & GEN. OPERATION	
25	(A) OPER. EXPENSE	71,390
26	(B) CONF. & TRAVEL	4,000
27	(C) PROF. FEES	27,000
28	(D) CAP. OUTLAY	0
29	(E) DATA PROC.	<u>0</u>
30	TOTAL AMOUNT APPROPRIATED	<u><u>\$399,394</u></u>

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32 SECTION 8. APPROPRIATION - PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM.
 33 There is hereby appropriated, to the State Insurance Department, to be
 34 payable from the Prepaid Funeral Contracts Recovery Program Fund, for the
 35 expenses and payment of claims by the State Insurance Department - Prepaid
 36 Funeral Contracts Recovery Program for the fiscal year ending June 30, 2016,

1 the following:

2

3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2015-2016</u>
5 (01) EXPENSES AND CLAIMS FOR PREPAID	
6 FUNERAL CONTRACTS RECOVERY	
7 PROGRAM	<u>\$500,000</u>

8

9 SECTION 9. APPROPRIATION - REFUNDS OF OVERPAYMENTS. There is hereby
 10 appropriated, to the State Insurance Department, to be payable from the
 11 Miscellaneous Revolving Fund, for payments of miscellaneous tax and fee
 12 refunds by the State Insurance Department - Refunds of Overpayments for the
 13 fiscal year ending June 30, 2016, the following:

14

15 ITEM	FISCAL YEAR
16 <u>NO.</u>	<u>2015-2016</u>
17 (01) REFUNDS/REIMBURSEMENTS	<u>\$11,000,000</u>

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19 SECTION 10. APPROPRIATION - CONTINUING EDUCATION PROGRAM. There is
 20 hereby appropriated, to the State Insurance Department, to be payable from
 21 the Insurance Continuing Education Trust Fund, for personal services of the
 22 State Insurance Department - Continuing Education Program for the fiscal year
 23 ending June 30, 2016, the following:

24

25 ITEM	FISCAL YEAR
26 <u>NO.</u>	<u>2015-2016</u>
27 (01) REGULAR SALARIES	\$25,268
28 (02) PERSONAL SERVICES MATCHING	<u>10,812</u>
29 TOTAL AMOUNT APPROPRIATED	<u>\$36,080</u>

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31 SECTION 11. APPROPRIATION - HEALTH INFORMATION COUNSELING. There is
 32 hereby appropriated, to the State Insurance Department, to be payable from
 33 the federal funds as designated by the Chief Fiscal Officer of the State, for
 34 personal services and operating expenses of the State Insurance Department -
 35 Health Information Counseling for the fiscal year ending June 30, 2016, the
 36 following:

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2	ITEM	FISCAL YEAR
3	<u>NO.</u>	<u>2015-2016</u>
4	(01) REGULAR SALARIES	\$203,617
5	(02) PERSONAL SERVICES MATCHING	76,747
6	(03) MAINT. & GEN. OPERATION	
7	(A) OPER. EXPENSE	284,063
8	(B) CONF. & TRAVEL	0
9	(C) PROF. FEES	356,409
10	(D) CAP. OUTLAY	0
11	(E) DATA PROC.	<u>0</u>
12	TOTAL AMOUNT APPROPRIATED	<u><u>\$920,836</u></u>

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14 SECTION 12. APPROPRIATION - CONSUMER INFORMATION SYSTEM - CASH. There

15 is hereby appropriated, to the State Insurance Department, to be payable from

16 the cash fund deposited in the State Treasury as determined by the Chief

17 Fiscal Officer of the State, for operating expenses of the State Insurance

18 Department - Consumer Information System - Cash for the fiscal year ending

19 June 30, 2016, the following:

20		
21	ITEM	FISCAL YEAR
22	<u>NO.</u>	<u>2015-2016</u>
23	(01) MAINT. & GEN. OPERATION	
24	(A) OPER. EXPENSE	\$79,005
25	(B) CONF. & TRAVEL	0
26	(C) PROF. FEES	0
27	(D) CAP. OUTLAY	0
28	(E) DATA PROC.	<u>0</u>
29	TOTAL AMOUNT APPROPRIATED	<u><u>\$79,005</u></u>

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31 SECTION 13. APPROPRIATION - TRAVEL AND SUBSISTENCE - CASH. There is

32 hereby appropriated, to the State Insurance Department, to be payable from

33 the cash fund deposited in the State Treasury as determined by the Chief

34 Fiscal Officer of the State, for travel and subsistence expenses of the State

35 Insurance Department - Travel and Subsistence - Cash for the fiscal year

36 ending June 30, 2016, the following:

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ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) TRAVEL & SUBSISTENCE EXPENSES	<u>\$100,000</u>

SECTION 14. APPROPRIATION - PUBLIC EMPLOYEE CLAIMS SECTION. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Agencies Fund Account, for personal services and operating expenses of the State Insurance Department - Public Employee Claims Section for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) REGULAR SALARIES	\$997,445
(02) PERSONAL SERVICES MATCHING	343,737
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	509,609
(B) CONF. & TRAVEL	13,000
(C) PROF. FEES	1,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$1,864,791</u>

SECTION 15. APPROPRIATION - STATE EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Workers' Compensation Revolving Fund, for payment of state employee claims by the State Insurance Department - State Employee Claims for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) STATE EMPLOYEE CLAIMS	<u>\$16,500,000</u>

SECTION 16. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE CLAIMS. There is hereby appropriated, to the State Insurance Department, to be payable from the Miscellaneous Revolving Fund, for payment of public school employee

1 claims by the State Insurance Department - Public School Employee Claims for
2 the fiscal year ending June 30, 2016, the following:

3	4	ITEM	FISCAL YEAR
5	6	<u>NO.</u>	<u>2015-2016</u>
7	8	(01) PUBLIC SCHOOL EMPLOYEE CLAIMS	<u>\$450,000</u>

9 SECTION 17. APPROPRIATION - COUNTY EMPLOYEE CLAIMS. There is hereby
10 appropriated, to the State Insurance Department, to be payable from the
11 Miscellaneous Revolving Fund, for payment of county employee claims by the
12 State Insurance Department - County Employee Claims for the fiscal year
13 ending June 30, 2016, the following:

14	15	ITEM	FISCAL YEAR
16	17	<u>NO.</u>	<u>2015-2016</u>
18	19	(01) COUNTY EMPLOYEE CLAIMS	<u>\$200,000</u>

20 SECTION 18. APPROPRIATION - CITY EMPLOYEE CLAIMS. There is hereby
21 appropriated, to the State Insurance Department, to be payable from the
22 Miscellaneous Revolving Fund, for payment of city employee claims by the
23 State Insurance Department - City Employee Claims for the fiscal year ending
24 June 30, 2016, the following:

24	25	ITEM	FISCAL YEAR
26	27	<u>NO.</u>	<u>2015-2016</u>
28	29	(01) CITY EMPLOYEE CLAIMS	<u>\$600,000</u>

30 SECTION 19. APPROPRIATION - GOVERNMENTAL BONDING BOARD. There is
31 hereby appropriated, to the State Insurance Department, to be payable from
32 the Fidelity Bond Trust Fund, for operating expenses, refunds,
33 reimbursements, claims, investments, professional services, and reinsurance
34 of the State Insurance Department - Governmental Bonding Board for the fiscal
35 year ending June 30, 2016, the following:

35	36	ITEM	FISCAL YEAR
		<u>NO.</u>	<u>2015-2016</u>

1	(01) MAINT. & GEN. OPERATION	
2	(A) OPER. EXPENSE	\$5,000
3	(B) CONF. & TRAVEL	0
4	(C) PROF. FEES	0
5	(D) CAP. OUTLAY	0
6	(E) DATA PROC.	0
7	(02) REFUNDS/REIMBURSEMENTS	150,000
8	(03) CLAIMS	3,000,000
9	(04) INVESTMENTS	760,637
10	(05) PROFESSIONAL SERVICES	50,000
11	(06) REINSURANCE	<u>139,218</u>
12	TOTAL AMOUNT APPROPRIATED	<u>\$4,104,855</u>

13

14 SECTION 20. APPROPRIATION - ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND.

15 There is hereby appropriated, to the State Insurance Department, to be
 16 payable from the Arkansas Multi-Agency Insurance Trust Fund, for expenses and
 17 payment of claims by the State Insurance Department - Arkansas Multi-Agency
 18 Insurance Trust Fund for the fiscal year ending June 30, 2016, the following:

19

20	ITEM	FISCAL YEAR
21	<u>NO.</u>	<u>2015-2016</u>
22	(01) FOR EXPENSES AND CLAIMS FROM AMAIT	
23	FUND	<u>\$10,000,000</u>

24

25 SECTION 21. APPROPRIATION - PUBLIC SCHOOL INSURANCE PROGRAM. There is
 26 hereby appropriated, to the State Insurance Department, to be payable from
 27 the Public School Insurance Trust Fund, for expenses and payment of claims by
 28 the State Insurance Department - Public School Insurance Program for the
 29 fiscal year ending June 30, 2016, the following:

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31	ITEM	FISCAL YEAR
32	<u>NO.</u>	<u>2015-2016</u>
33	(01) EXPENSES AND CLAIMS	<u>\$14,000,000</u>

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35 SECTION 22. APPROPRIATION - CRIMINAL BACKGROUND CHECKS - CASH. There
 36 is hereby appropriated, to the State Insurance Department, to be payable from

1 the cash fund deposited in the State Treasury as determined by the Chief
 2 Fiscal Officer of the State, for operating expenses of the State Insurance
 3 Department - Criminal Background Checks - Cash for the fiscal year ending
 4 June 30, 2016, the following:

6 ITEM	FISCAL YEAR
7 NO.	2015-2016
8 (01) MAINT. & GEN. OPERATION	
9 (A) OPER. EXPENSE	\$125,000
10 (B) CONF. & TRAVEL	0
11 (C) PROF. FEES	0
12 (D) CAP. OUTLAY	0
13 (E) DATA PROC.	<u>0</u>
14 TOTAL AMOUNT APPROPRIATED	<u>\$125,000</u>

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 16 SECTION 23. APPROPRIATION - RATE REVIEW - FEDERAL. There is hereby
 17 appropriated, to the State Insurance Department, to be payable from the
 18 federal funds as designated by the Chief Fiscal Officer of the State, for
 19 personal services and operating expenses of the State Insurance Department -
 20 Rate Review - Federal for the fiscal year ending June 30, 2016, the
 21 following:

23 ITEM	FISCAL YEAR
24 NO.	2015-2016
25 (01) REGULAR SALARIES	\$199,667
26 (02) PERSONAL SERVICES MATCHING	60,725
27 (03) MAINT. & GEN. OPERATION	
28 (A) OPER. EXPENSE	1,013,525
29 (B) CONF. & TRAVEL	191,416
30 (C) PROF. FEES	4,380,080
31 (D) CAP. OUTLAY	0
32 (E) DATA PROC.	<u>0</u>
33 TOTAL AMOUNT APPROPRIATED	<u>\$5,845,413</u>

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 35 SECTION 24. APPROPRIATION - LEVEL ONE COOPERATIVE AGREEMENT - FEDERAL.
 36 There is hereby appropriated, to the State Insurance Department, to be

1 payable from the federal funds as designated by the Chief Fiscal Officer of
 2 the State, for personal services and operating expenses associated with the
 3 Federal-State Partnership Health Insurance Exchange of the State Insurance
 4 Department - Level One Cooperative Agreement - Federal for the fiscal year
 5 ending June 30, 2016, the following:

6	7 ITEM	FISCAL YEAR
8	<u>NO.</u>	<u>2015-2016</u>
9	(01) REGULAR SALARIES	\$1,369,198
10	(02) PERSONAL SERVICES MATCHING	458,886
11	(03) MAINT. & GEN. OPERATION	
12	(A) OPER. EXPENSE	1,009,574
13	(B) CONF. & TRAVEL	257,148
14	(C) PROF. FEES	36,618,646
15	(D) CAP. OUTLAY	0
16	(E) DATA PROC.	<u>0</u>
17	TOTAL AMOUNT APPROPRIATED	<u><u>\$39,713,452</u></u>

18
 19 SECTION 25. APPROPRIATION - MEDICARE - MIPPA - 2. There is hereby
 20 appropriated, to the State Insurance Department, to be payable from the
 21 federal funds as designated by the Chief Fiscal Officer of the State, for
 22 operating expenses and grants and aid by the State Insurance Department -
 23 Medicare - MIPPA - 2 for the fiscal year ending June 30, 2016, the following:

24	25 ITEM	FISCAL YEAR
26	<u>NO.</u>	<u>2015-2016</u>
27	(01) MAINT. & GEN. OPERATION	
28	(A) OPER. EXPENSE	\$72,452
29	(B) CONF. & TRAVEL	0
30	(C) PROF. FEES	81,896
31	(D) CAP. OUTLAY	0
32	(E) DATA PROC.	0
33	(02) MEDICARE IMPROVEMENT FOR PATIENTS & 34 PROVIDERS GRANTS	<u>166,502</u>
35	TOTAL AMOUNT APPROPRIATED	<u><u>\$320,850</u></u>

36

1 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
3 PROVISION. In the event the State Insurance Department is unable to maintain
4 a full roster of examination personnel, and upon approval of the Chief Fiscal
5 Officer of the State, the resulting unused appropriations in Regular
6 Salaries, Extra Help, and Personal Services Matching may be transferred to
7 the Professional Services special line item for the purpose of contracting
8 with qualified individuals or firms for examination assistance.

9 The provisions of this section shall be in effect only from July 1, ~~2014~~
10 2015 through June 30, ~~2015~~ 2016.

11
12 SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
13 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. (a) As
14 used in this section, "Health Care Independence Program" means the Health
15 Care Independence Program established under the Health Care Independence Act
16 of 2014, Arkansas Code § 20-77-2401 et seq.

17 (b)(1) Determining the maximum number of employees, the maximum amount
18 of appropriation, for what purposes an appropriation is authorized, and
19 general revenue funding for a state agency each fiscal year is the
20 prerogative of the General Assembly.

21 (2) The purposes of subdivision (b)(1) of this section are
22 typically accomplished by:

23 (A) Identifying the purpose in the appropriation act;

24 (B) Delineating such maximums in the appropriation act for
25 a state agency; and

26 (C) Delineating the general revenue allocations authorized
27 for each fund and fund account by amendment to the Revenue Stabilization Law,
28 Arkansas Code § 19-5-101 et seq.

29 (3) It is both necessary and appropriate that the General
30 Assembly restrict the use of appropriations authorized in this act.

31 (c)(1) Except as provided in this subsection, the State Insurance
32 Department shall not allocate, budget, expend, or utilize any appropriation
33 authorized by the General Assembly for the purpose of advertisement,
34 promotion, or other activities designed to promote or encourage enrollment in
35 the Arkansas Health Insurance Marketplace or the Health Care Independence
36 Program, including without limitation:

- 1 (A) Unsolicited communications mailed to potential
2 recipients;
- 3 (B) Television, radio, or online commercials;
- 4 (C) Billboard or mobile billboard advertising;
- 5 (D) Advertisements printed in newspapers, magazines, or
6 other print media; and
- 7 (E) Internet websites and electronic media.

8 (2) This subsection does not prohibit the department from:

- 9 (A) Direct communications with:
- 10 (i) Licensed insurance agents; and
- 11 (ii) Persons licensed by the department;
- 12 (B) Solicited communications with potential recipients;
- 13 (C)(i) Responding to an inquiry regarding the coverage for
14 which a potential recipient might be eligible, including without limitation
15 providing educational materials or information regarding any coverage for
16 which the individual might qualify.
- 17 (ii) Educational materials and information
18 distributed under subdivision (c)(2)(C)(i) of this section shall contain only
19 factual information and shall not contain subjective statements regarding the
20 coverage for which the potential recipient might be eligible; and
- 21 (D) Using an Internet website for the exclusive purpose of
22 enrolling individuals in the Arkansas Health Insurance Marketplace or the
23 Health Care Independence Program.

24 (d) The State Insurance Department shall not apply for or accept any
25 funds, including without limitation federal funds, for the purpose of
26 advertisement, promotion, or other activities designed to promote or
27 encourage enrollment in the Arkansas Health Insurance Marketplace or the
28 Health Care Independence Program.

29 (e)(1) Except as provided in subdivision (e)(2) of this section, the
30 State Insurance Department shall not:

- 31 (A)(i) Except as provided in subdivision (e)(1)(A)(ii) of
32 this section, allocate, budget, expend, or utilize an appropriation
33 authorized by the General Assembly for the purpose of funding activities of
34 navigators, guides, certified application counselors, and certified licensed
35 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
36 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

1 (ii) Subdivision (e)(1)(A)(i) of this section does
2 not apply to regulatory and training responsibilities related to navigators,
3 guides, certified application counselors, and certified licensed producers;
4 and

5 (B) Apply for or accept any funds, including without
6 limitation federal funds, for the purpose of funding activities of
7 navigators, guides, certified application counselors, and certified licensed
8 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
9 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

10 (2) Subdivision (e)(1) of this section does not apply to
11 certified application counselors at health related institutions, including
12 without limitation the University of Arkansas for Medical Sciences.

13 (f) An appropriation authorized by the General Assembly shall not be
14 subject to the provisions allowed through reallocation of resources or
15 transfer of appropriation authority for the purpose of transferring an
16 appropriation to any other appropriation authorized for the State Insurance
17 Department to be allocated, budgeted, expended, or utilized in a manner
18 prohibited by this section.

19 (g) The provisions of this section are severable, and the invalidity
20 of any subsection or subdivision of this section shall not affect other
21 provisions of the section that can be given effect without the invalid
22 provision.

23 (h) This section expires on June 30, ~~2015~~ 2016.

24
25 *SECTION 28. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 23-61-*
26 *710(c) is amended to read as follows:*

27 (c) *The commissioner shall at the end of each biennium period*
28 *cause to be transferred into the General Revenue Fund Account of the State*
29 *Apportionment Fund the excess of the State Insurance Department Trust Fund*
30 *moneys over an amount equal to ~~three (3)~~ one (1) fiscal-year budget for the*
31 *department.*

32
33 *SECTION 29. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 26-57-*
34 *604(a)(1), concerning the remittance of insurance premium taxes, is amended*
35 *to read as follows:*

36 (a)(1)(A) *Coincident with the filing of the tax report, each*

1 authorized life or accident and health insurer, including licensed health
2 maintenance organizations, may apply for a credit for the noncommissioned
3 salaries and wages of the insurer's Arkansas employees ~~which~~ that are paid in
4 connection with its insurance operations.

5 (B)(i) The credit may be applied as an offset against the
6 premium tax imposed in § 26-57-603(d) on life and accident and health
7 insurance.

8 (ii) However, the credit shall not be applied as an
9 offset against the premium tax on collections resulting from an eligible
10 individual insured under § 20-77-2401 et seq. or § 23-61-801 et seq.

11
12 SECTION 30. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 26-57-
13 610(b)(2), concerning the disposition of insurance premium taxes, is amended
14 to read as follows:

15 (2) The taxes based on premiums collected ~~to implement the~~
16 ~~private insurance option under the Health Care Independence Program~~
17 ~~established by § 20-77-2405 and the Arkansas Health Care Independence Program~~
18 ~~demonstration approved by the United States Department of Health and Human~~
19 ~~Services on September 27, 2013, under § 20-77-2401 et seq. and § 23-61-801 et~~
20 seq. shall be:

21 (A) At the time of deposit separately certified by the
22 commissioner to the Treasurer of State for classification and distribution
23 under this section; and

24 (B) Transferred to the Health Care Independence Program
25 Trust Fund and used as provided by § 19-5-1141;

26
27 SECTION 31. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
28 authorized by this act shall be limited to the appropriation for such agency
29 and funds made available by law for the support of such appropriations; and
30 the restrictions of the State Procurement Law, the General Accounting and
31 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
32 Procedures and Restrictions Act, or their successors, and other fiscal
33 control laws of this State, where applicable, and regulations promulgated by
34 the Department of Finance and Administration, as authorized by law, shall be
35 strictly complied with in disbursement of said funds.

36

1 SECTION 32. LEGISLATIVE INTENT. It is the intent of the General
2 Assembly that any funds disbursed under the authority of the appropriations
3 contained in this act shall be in compliance with the stated reasons for
4 which this act was adopted, as evidenced by the Agency Requests, Executive
5 Recommendations and Legislative Recommendations contained in the budget
6 manuals prepared by the Department of Finance and Administration, letters, or
7 summarized oral testimony in the official minutes of the Arkansas Legislative
8 Council or Joint Budget Committee which relate to its passage and adoption.

9
10 SECTION 33. EMERGENCY CLAUSE. It is found and determined by the
11 General Assembly, that the Constitution of the State of Arkansas prohibits
12 the appropriation of funds for more than a one (1) year period; that the
13 effectiveness of this Act on July 1, 2015 is essential to the operation of
14 the agency for which the appropriations in this Act are provided; with the
15 exception that SECTION 28 in this Act shall be in full force and effect from
16 and after the date of its passage and approval and SECTIONS 29 and 30 shall
17 be in full force and effect from and after January 1, 2015, and that in the
18 event of an extension of the Legislative Session, the delay in the effective
19 date of this Act beyond July 1, 2015, with the exception that SECTION 28 in
20 this Act shall be in full force and effect from and after the date of its
21 passage and approval and SECTIONS 29 and 30 shall be in full force and effect
22 from and after January 1, 2015, could work irreparable harm upon the proper
23 administration and provision of essential governmental programs. Therefore,
24 an emergency is hereby declared to exist and this Act being necessary for the
25 immediate preservation of the public peace, health and safety shall be in
26 full force and effect from and after July 1, 2015; with the exceptions that
27 SECTION 28 in this Act shall be in full force and effect from and after the
28 date of its passage and approval and SECTIONS 29 and 30 shall be in full
29 force and effect from and after January 1, 2015.

30
31 /s/ Joint Budget Committee
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