

April 9, 2015

LEGISLATIVE COMMITTEE REPORT

A Legislative Committee meeting was held on Thursday, April 9, 2015 at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas

Committee Members Present: K. Harrison, Chiocco, J. Harrison, Sandlin, Meyers, Anglin

Others Present: JP Adams, County Judge Bob Clinard, Circuit Judge John Scott, Assessor Linda Hambrick, Representative Dan Douglas, Representative Sue Scott, Representative Jim Dotson, Representative Rebecca Petty, County Attorney George Spence

Media: Tom Sissom – Benton County Daily Record

JP K. Harrison called the meeting to order at 6:00 p.m.

Public Comments

None

A. Discussion: Distribution of County Road Taxes

There are approximately six cities in the state of Arkansas that receive larger shares of the county road tax than the rest of the cities, which split the road tax revenue 50/50 with the counties. They are hoping that the legislature will look at repealing that particular law to allow the county to regain that little bit. The committee is looking at several different aspects, and JP Harrison stated that it would be much better if it was addressed at the legislative level.

County Attorney George Spence stated that the City of Rogers portion was done in 1924 and the Bentonville and Siloam Springs portion were done in 1963. JP Harrison stated that as the counties have grown, the cities have gotten sales tax in place for their roads, and he understands that cities grow and need a little extra money to cover roads, but as the cities grow so does the county. More residents and non-residents drive on our rural roads. The committee is looking at getting a more equitable distribution.

Shirley Sandlin stated that Rogers, Bentonville, and Siloam Springs each receive 90% and that cannot be described as equitable—any way you slice it. What the committee is asking of those in Rogers or Bentonville is “share and share alike”.

JP Jay Harrison stated that he agrees that they should share, but he does not believe they are going to receive that whole portion that they are wanting. He believes the cities will fight tooth and nail because they have already done so at the Arkansas Supreme Court. What he would like to see for a start would be shaving off a few percentage points so often for a year – 80/20 for a year or two, or maybe 70/30, and work our way up and maybe it would not be such a burden. The cities may feel it is a burden if we went straight to 50/50.

JP Anglin stated that she understood that the committee was going to seek some outside counsel regarding this matter. JP K. Harrison stated that the Judge is meeting with counsel but thought the committee would like to talk with the legislators to see if they could do it legislatively to change or repeal that section of law. He stated it may easier than a court challenge. If the County Attorney deems there is no court challenge possible, then this would be the way they would need to proceed.

JP Sandlin asked if there is a detail of what percentages the rest of the cities in the states actually pay. JP K. Harrison stated that he does not have this information but he would see about getting it. He stated that he knows there are only a few other cities that are getting more than the 50/50 split, so this law only affects three other cities in the entire state besides the three here in Benton County..

Representative Dan Douglas spoke regarding the County Road Millage Tax. He said they need to look at it from a legislative standpoint. He believes the committee would get great support from the Association of Arkansas Counties, but would get a lot of kick back from the Municipal League and that is where the battle is going to lie. He said it would have to be researched and known exactly which laws would need to be changed, but he felt it would be something that could be looked at.

B. Discussion: Increase Daily Fee Paid to Counties by State to House State Inmates in County Jails – Opposing the Housing of Prisoners in Bowie County, Texas at a Cost of \$36 per day

JP K. Harrison stated that he and Representative Sue Scott have been in discussion about this issue, and the problem with Arkansas law is that the counties are required to house state prisoners, and the state gets to deem what rate they are going to pay. Currently, the state is paying the county \$28.00 per day, with a planned increase to \$30.00, but they are proposing a rate of \$36.00 per day to a county in Texas, which he has heard is going to increase to \$38.00 per day because of medical costs. He said that according to Legislative Audit, the county's average cost per day is \$45.00. The DOC (Department of Corrections) pays almost \$70.00 per day when they house a prisoner. He stated that any way you cut it, the state saves money when it houses prisoners either in the county jails or ships them out of state. He said that state law says the DOC and the State Legislative Audit will work together with the Association of Arkansas Sheriffs to keep or maintain a level of funding that is sufficient to cover the counties' costs, and that never happens and the counties never get funded adequately. Benton County supplemented the State of Arkansas \$1 million last year, Washington County \$1.1 million, and Pulaski County nearly \$2 million. He said they are simply asking the state to keep the gap within reason, and to revisit it every year to see if there needs to be an adjustment. He said that Arkansas law requires the counties to do this, and he feels we are being taken advantage of.

Representative Dan Douglas stated that it is agreed that the funding needs to go up some, adding that if they do increase it by \$2 per day this year from \$28 to \$30, he realizes that is not very much, but it has to be done in small steps. Representative Douglas stated that another thing they have done is increase the funding for county jail reimbursement by \$11.2 million, so the counties should receive their reimbursements in a timelier manner. He said that Governor Hutchinson introduced a whole package of initiatives which included changing the point at which the state would start picking up medical costs for state inmates being held in county jails, adding that the state has only so much to give, in other words, the pie is not big enough for everyone to have as big of a piece as they would like! He assured the committee that the legislators would continue to look at the budget and make it a priority issue.

JP Chiocco asked why the State of Arkansas is paying Texas \$35.00 per day.

Representative Douglas explained that it is an attempt to get the state's prison capacity down. He said they can either build a new \$100 million prison which we cannot afford while still cutting

taxes and more prisons isn't the answer because we would fill them up. He added that it is cheaper to rent the prisoners out to Texas than it is to build a \$100 million jail.

Representative Sue Scott stated that one thing that she felt really good about that came out of the last session was the fact that DOC has really begun to start helping themselves. She said they are trying to reevaluate whether or not someone really needs to go to the Emergency Room, because Emergency Room costs alone are astronomical and off the chart.

Representative Rebecca Petty stated that Governor Hutchinson is really fighting to make things better in the state. He is trying to conquer the recidivism rate and putting all that he has into it.

Brent Meyers stated that the county jail is way beyond capacity, the county is out of money, and we have no room for misdemeanor offenders in the jail. He said we have human rights that we have to take care of, and the county is in dire straits right now—almost in a crisis.

Representative Douglas stated that he agrees overcrowding is an issue.

Representative Jim Dodson stated that we have to solve the issue by taking one bite at a time, and that the Governor and DOC make the decisions.

JP K. Harrison asked if the \$11.2 million that was added to the budget was just to fund the expenses for the year at the current rate in order to balance the budget.

Representative Douglas stated that the money has been appropriated; the money is there and the county should be getting paid every month.

JP Anglin asked about the timeline of the new programs that are being tried to ease the state prison overcrowding, and expressed concern that if those issues are solved after the county spends millions of dollars for jail expansion, then the county could be stuck with empty jails.

Representative Dodson stated he could not make any predictions, as he is not an expert on the bill, but he is very hopeful that some of the programs will be successful, which would be the best thing for our society.

Representative Douglas said his prediction would be to go ahead with the \$32,000 deal, and make plans for the future with the jail expansion. He said he feels it is very prudent to look toward the future, but he would not get into a huge hurry and go out and build it next week or next month, or start a multimillion dollar expansion project. He stated that they need to revisit Act 570 because it did relieve overcrowding substantially for a while, and we need to make sure we fund our parole system they can be tracked. They are trying to reduce the overcrowding by sending some to Texas, and there are some initiatives for halfway houses to let some of these people out for further educational training so they can get jobs when they get out and not come back. He said that we need to see how these programs play out.

JP Sandlin stated that she understands that even with the \$11 million appropriation, the state is still going to be short around \$9 million in funds it owes the counties. She said she would like to know how much is budgeted and how much is Fund A versus Fund C. She stated that they would really appreciate the state picking up some drug bills after the conviction. She asked if these convicted people were not felons, and the state's responsibility, and shouldn't they start receiving funding the minute they are convicted instead of waiting.

Representative Douglas stated that is what they are planning on doing.

JP Sandlin stated that she calculates that the county loses \$30 per day per prisoner until whenever they are moved.

JP K. Harrison stated that we not only lose \$30 per day when the state does start paying, but we lose \$45 per day after sentencing. He said this is a tough hit when you multiply that by around 200 prisoners, and is not an equitable situation for the county by any means.

JP Adams asked if they have the calculations in place as to where the allocated \$11.4 million is going, since there are 75 counties in the state, and if every county gets the same amount the

counties with 20 state prisoners would receive roughly \$150,000.00 per year for an average per county. He asked if the money was going to be disbursed per prisoner.

JP K. Harrison stated that he has spoken with the Arkansas Sheriff's Association, and they estimate that the \$11.4 million is going to bring the existing fund to \$27.8 million to pay counties to house the prisoners.

Representative Dotson stated that it is Category A Funding, and that K-12 Education was the biggest percentage of that, which equals about 42 cents on the dollar from all general revenue that is coming in. He explained that once Category A is fully funded to 100%, then Category B will begin to be funded. He said that this year there is a B-1 and a C Category, and they will be paid out as the money comes in.

JP K. Harrison said that last year the county received a letter from the DOC stating that they only had enough to fund half and would only pay the county half of what it was owed.

Jim Dotson stated that by putting the reimbursement into the A Category, the county will receive more of that money upfront as we go along. He said on previous years up to this point it had not been Category A funding; in fact, it had not been in any category at all, adding that in previous years the legislature had taken the money out of surplus. He said that Governor Hutchinson has said that this is an ongoing expense and it is an obligation that the state has, so it should be put into Category A.

After further discussion, Representative Dotson asked the committee to see what is working and what isn't, adding that turning the ship will not happen overnight.

JP K. Harrison stated that a resolution would be done and sent to Representative Scott for her files.

The committee expressed thanks to the legislators for coming to the meeting.

Representatives Dotson and Petty said if anyone has something that they are concerned about, to please send them a text message.

Representative Douglas noted that Representative Jana Della Rosa is on the City, County, and Local Affairs Committee, and that having someone on a committee makes for better lines of communication.

C. Discussion: Credit for Attending Law Enforcement Academy for Part-Time Deputies

JP K. Harrison stated that part-time deputies are only allowed to work 20 hours per week but they perform the same job duties as the full time deputies, and are required to do 140 hours of academy time which is the same qualifications as the full-time state-approved certified training officer. He said that when the officers go from part-time to full-time, the academy does not give them credit for their hours, and requires them to take the hours over which does not make sense. He said that paying for half of an academy session would be less expensive for the county than paying for the full academy, and that they are not asking for shortcuts, just for them to be allowed test out at a certain point in the training that they are having to repeat and have already been certified on by the state.

Jim Dotson mentioned HB 1823 which is now Act 1066, but said this would be an Arkansas Law Enforcement Training Academy policy change, and not a state law change.

Pat Adams stated that communication is everything.

Meeting adjourned at 7:44 p.m.