

ARKANSAS REGISTER

Proposed Rule Cover Sheet



Secretary of State
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Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

Proposed Rule DFA.IGS.004. METHOD OF ADMINISTERING THE PREGNANCY HELP ORGANIZATIONS GRANT PROGRAM

Pursuant to the authority vested in the Secretary of the Department of Finance and Administration, by Ark. Code Ann. §§ 25-8-102(a), §§ 25-15-204(c), and Act 125 of the 2024 Fiscal Session, 94th General Assembly, the Secretary of the Department of Finance and Administration, with the approval of the Governor, does hereby promulgate the following Rule.

1. Definitions.

(A) "Certify" means to attest affirmatively, based on information and belief formed after reasonable inquiry, to the truth, accuracy, and completeness, under penalty of perjury.

(B) "Pregnancy Help Organization" means a nonprofit organization or an organization exempt from federal income tax, existing as of January 1, 2024, that: seeks to provide a range of services to individuals facing an unintended pregnancy with the intention of encouraging pregnant women to give birth to their unborn children; promotes infant and maternal wellness and/or reduces infant mortality, by: providing nutritional information and/or nutritional counseling, providing prenatal vitamins, providing a list of prenatal medical care options, providing social, emotional, and/or material support, or providing referrals for WIC and community-based nutritional services, including but not limited to food banks, food pantries, and food distribution centers, and does not perform, prescribe, provide referrals for, or encourage abortion.

(C) "Department" means the Department of Finance and Administration.

(D) "Pregnancy Help Organizations" includes without limitation

- (a) Organizations traditionally known as "crisis pregnancy organizations"
- (b) Maternity homes
- (c) Adoption agencies and
- (d) Social services agencies that provide material support and other assistance to individuals facing an unintended pregnancy to help those individuals give birth to their unborn children.

2. PREGANCY HELP ORGANIZATIONS GRANT PROGRAM

(A) The Department created the Pregnancy Help Organizations Grant Program (the "Program") in order to comply with Act 125 of the 2024 Fiscal Session, 94th General Assembly. The Program will provide grant funding to "Pregnancy Help Organizations."

(B) Any entity seeking grant funding under the Program shall make application to the Department on the form(s) provided by the Department for that purpose.

(C) Any entity seeking grant funding under the Program shall provide a grant plan to the Department on the form(s) provided by the Department for that purpose.

(i) Grant plans shall include the following: a narrative describing the current activities of the entity; a narrative which details the range of services the entity proposes to provide with grant funds and the experience that it has in providing the proposed services; a narrative describing the entity's management and key staff with information concerning their experience in working with individuals facing an unintended pregnancy; and an annual budget with line items specifically detailing the proposed expenditures.

(D) Funding under the Program shall not be disbursed all at once, but in increments in accordance with the plan described in Section (2)(C).

(F) Any entity receiving funding under the Program shall report to the Department on a quarterly basis on the form(s) provided by the Department for that purpose. Failure to provide the quarterly report(s) may result in a delay or refund of funding.

(G) By signing the Program application, grant plan, and reporting forms, the chief executive officer of the entity seeking or receiving grant funds shall certify that the information provided on the form(s) and all documents submitted with the form(s) are true, accurate, and complete under penalty of perjury.

(H) In accordance with Act 125 of the 2024 Fiscal Session, 94th General Assembly, the Program shall only be in effect from July 1, 2024 through June 30, 2025.

Source: Act 125 of the 2024 Fiscal Session, 94th General Assembly.

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH
THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT _____
 BOARD/COMMISSION _____
 BOARD/COMMISSION DIRECTOR _____
 CONTACT PERSON _____
 ADDRESS _____
 PHONE NO. _____ EMAIL _____
 NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING _____

 PRESENTER EMAIL(S) _____

INSTRUCTIONS

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, miller-ricer@blr.arkansas.gov, for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, garritym@blr.arkansas.gov, for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

1. What is the official title of this rule?

2. What is the subject of the proposed rule? _____
3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes No

4. Is this rule being filed for permanent promulgation? Yes No

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, what was the effective date of the emergency rule? _____

On what date does the emergency rule expire? _____

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes No

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes No

If yes, please provide the state statute and/or rule citation.

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes No

If yes, please list the rules being repealed.

If no, please explain.

8. Is this a new rule? Yes No

Does this repeal an existing rule? Yes No

If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes No

If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?
Yes No

If yes, please provide the year of the act(s) and act number(s).

11. What is the reason for this proposed rule? Why is it necessary?

12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

13. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: _____

Time: _____

Place: _____

Please be sure to advise Bureau Staff if this information changes for any reason.

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. _____

15. What is the proposed effective date for this rule? _____

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

19. Is the rule expected to be controversial? Yes No

If yes, please explain.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT _____
BOARD/COMMISSION _____
PERSON COMPLETING THIS STATEMENT _____
TELEPHONE NO. _____ **EMAIL** _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE _____

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes No

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
Yes No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If no, please explain:

- (a) how the additional benefits of the more costly rule justify its additional cost;

- (b) the reason for adoption of the more costly rule;

- (c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

- (d) whether the reason for adoption of the more costly rule is within the scope of the agency’s statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:
 - (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

Proposed Rule: Pregnancy Help Organizations Grant

The Department of Finance and Administration, Office of Intergovernmental Services (DFA/IGS), follows the Administrative Procedure Act (APA) to adopt, amend, or repeal a rule. DFA/IGS values public comments on proposed rules. Comments may be submitted to igsclearinghouse@dfa.arkansas.gov. The public comment period for the proposed rule is from September 15, 2024, through October 15, 2024.

If DFA/IGS receives comments on this proposed rule, a Public Comment Summary with all comments and responses will be published on the DFA/IGS web page after the comment period ends.

The DFA/IGS is repealing the Method of Administering the Pregnancy Help Organizations Grant Program Rule and is proposing the promulgation of a rule to effectively allow for distribution of funds to Pregnancy Help Organizations in accordance with Act 125 of the 2024 Fiscal Session, 94th General Assembly. A full copy of the proposed rule may be accessed at the following website: [Intergovernmental Services – Arkansas Department of Finance and Administration](#). The proposed effective date of the rule is November 15, 2024.

DEPARTMENT OF FINANCE and ADMINISTRATION

OFFICE OF INTERGOVERNMENTAL SERVICES

Executive Summary

Pregnancy Help Organizations

Grant Program Rule

Proposed Rule Regarding Method of Administering the Pregnancy Help Organizations Grant Program

June 27, 2024

PURPOSE

The Arkansas Department of Finance and Administration is seeking Governor Sarah Sander's review of the proposed rule to administer the Pregnancy Help Organizations Grant program.

BACKGROUND

Pursuant to the authority vested in the Secretary of the Department of Finance and Administration (DFA) by Ark. Code Ann. §§ 25-8-102(a) and Act 125 of the 2024 Fiscal Session, 94th General Assembly, the Secretary of the Department of Finance and Administration, with the approval of the Governor, will administer the Pregnancy Help Organizations Grant program by making sub-grants to organizations that provide services to pregnant women with the purpose of encouraging them to give birth to their unborn.

KEY POINTS

The proposed rule:

- Defines the meaning of Pregnancy Help Organizations in reference to organizations eligible to receive grant funds.
- Establishes requirement for applicants to submit a grant plan to DFA for approval prior to receiving a sub-grant.
- The approved grant plan will govern the organization's use of its sub-grant.

DISCUSSION

Pregnancy help organizations preserve public peace, health, and safety by providing a range of services to individuals facing unintended pregnancies. These pregnancy help organizations have been underfunded. This grant program will allow centers in need to apply for grant funding to assist with serving pregnant women.

RECOMMENDATION

DFA recommends that the proposed rule be approved as proposed by DFA.