

ARKANSAS REGISTER

Proposed Rule Cover Sheet



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Name of Department Arkansas Department of the Military

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable Arkansas Military Department

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MARK-UP RULE

NGAR Regulation 2015-02

**Military Family Relief
Trust Fund Operating
Guide and Procedures**

**AR DEPARTMENT OF THE MILITARY
MILITARY DEPARTMENT OF ARKANSAS
~~OFFICE OF~~ OFFICE OF THE ADJUTANT
GENERAL
Camp Joseph T. Robinson
North Little Rock, AR 72189-42-
2200 0104 January/October 2023**

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Headquarters
Military Department of Arkansas Department of the Military
Camp Joseph T. Robinson

Arkansas National Guard Regulation
(NGAR REG 2015-02)

01 January Octo 2015

MILITARY FAMILY RELIEF TRUST FUND OPERATING GUIDE AND PROCEDURES

This regulation is established in accordance with the Arkansas Administrative Procedure Act (Act), Ark. Code Ann. §§ 26-15-201 et seq.:

Official

Major General ~~Mandel Pano~~
The Adjutant General

History Military Family Relief Trust Fund Operating Guide and Procedures filed March 17, 2010

Summary This regulation implements Act No. 1026 of 2005, as amended. It includes changes through the 2015 legislative session, which includes Act No. 402 of 2015

Applicability This regulation applies to all members of the Arkansas National Guard and Reserve Reserve Components of the Armed Forces and the families of these members

Proponent and exception authority. The proponent of this regulation is The Adjutant General of the Arkansas National Guard. The Adjutant General has the authority to approve exceptions or waivers

to this regulation that are consistent with controlling law and regulations

Suggested improvements. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to The Adjutant General

Distribution This publication is available in electronic media. Special distribution of this publication in paper will be made through channels to all levels of command in the Arkansas National Guard

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Introduction

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1-1. Authority

This regulation is created pursuant to authority granted to The Adjutant General by the Arkansas Legislature through the adoption of Act No. 1028 of 2005, Act No. 827 of 2007, and Act No. 402 of 2015 (codified at Ark. Code Ann. §§ 19-5-1127 and 26-51-2506, respectively).

1-2. Purpose

The Military Family Relief Trust Fund was established to provide short term emergency financial assistance in the form of grants to members of the Arkansas National Guard and Reserve Components of the Armed Forces and/or families of these members ~~impacted by a crisis situation~~. This fund provides a valuable means to assist and improve the morale and welfare of members of the Arkansas National Guard and Reserve Components of the Armed Forces.

1-3. Administrative Procedures

Pursuant to Ark. Code Ann. §26-51-2506(h), The Adjutant General of the Arkansas National Guard has the responsibility to promulgate all rules necessary from implementing the grant program of the Military Family Relief Trust Fund. ~~The Adjutant General had designated the Arkansas National Guard Foundation as his designated agent~~, for the overseeing of the operation of the program, and for approving grant applications. Funds are administered through an account maintained by the Arkansas State Treasury. ~~Members may appeal a final decision of the Foundation to deny a grant to the Deputy Adjutant General of the Arkansas National Guard. The Military's Directorate of State Resources will maintain all appropriate administrative files and information concerning the operation and processing of the business of the Fund.~~

1-4. Eligibility

Any current member, or family member, of the Arkansas National Guard or a Reserve Component of the Armed Forces who is a resident of Arkansas is eligible to request assistance. ~~The Arkansas National Guard and Reserves request that the applicant explore all resources (family, community service organizations, churches, etc.) before making application for emergency assistance. The member may be referred to a financial counselor or representative from the State Family Readiness Program office for additional financial counseling based on the recommendation of The Adjutant General, or his or her designee, while reviewing the request. Pursuant to Ark. Code Ann. §26-51-2506(h), eligibility criteria for receiving grants shall include, but not be limited to, the following:~~

- a. The need of the family;
- b. The paygrade of the member of the National Guard and reserve components of the Armed Forces;
- c. The difference between the member's military and civilian pay; or
- d. Any other factors that establish the family's financial hardship.

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1-5. Funds-Designated Agent

The Adjutant General has designated the Arkansas National Guard Foundation (the Foundation), a non-profit organization organized under the laws of the state of Arkansas and recognized by the United States Internal Revenue Service as a tax exempt organization in accordance with section 501 (c) (3) of the Internal Revenue Code, to serve as his agent for administration of the Military Family Relief Trust Fund. The Foundation will receive grants from the Department of the Military in accordance with the Department's annual budget appropriation and will distribute those funds in accordance with Ark. Code Ann. 26-51-1127 and 26-51-2506, and any additional guidance that the Adjutant General may issue from time to time. The Foundation will develop and publish procedures for accepting grant request, evaluating them in accordance with statutory guidance and making grants consistent with that guidance. If the Foundation denies a grant, there shall be a right of appeal in accordance with guidance below. The Foundation will maintain records of all grant requests and their decisions on those requests. The Foundation will supply the Department of the Military with a copy of their annual audit and will make their records of grants from the Military Family Relief Trust Funds available for review to the Department of the Military.

Administration As mentioned above, the requested financial assistance must be to solve a crisis situation. A crisis is defined as "an event beyond the control of the member or family member that requires assistance that is not available from any other reasonable source." Additionally, the financial assistance should remedy a one-time problem, not an ongoing situation. If an applicant's monthly cost of living notably exceeds their income, no one-time infusion of financial assistance will solve the problem. A large percentage of available funds are designed to provide immediate cash to members/families who are waiting to receive military pay or reimbursements that have been delayed. All payments from the Funds are handled in accordance with Arkansas Code Annotated Section 26-51-2506 et seq.

Examples of situations that could qualify are: Delay in receiving pay or reimbursement from the government; a. Temporary shelter, lodging or rent; b. Emergency utility assistance, i.e. gas, electric, water (not telephone, cable or internet service provider); c. Emergency transportation and vehicle repair; d. Costs incurred for emergency travel due to death of immediate family member; and e. Any special circumstance as deemed appropriate by The Adjutant General. Examples of things that would not typically qualify are: a. Payment for nonessential items or services; b. Payment for ordinary leave or vacation; c. Payment of fines or legal expenses; d. Liquidation or consolidation of debt; e. Assistance with down payment on a home purchase or home improvements; and f. Funds to purchase, rent or lease a vehicle.

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1-6. Application Procedures

The member or family member's first step will normally be to contact the unit First Sergeant or Unit Commander or Full Time Staff at the unit. Personnel may also contact someone in the Rear Detachment or the Family Readiness Office or a local Family Assistance Center to assist in the process. Anyone who can act on the behalf of the member may apply for assistance if they have a properly executed Power-of-Attorney and proof of identification. The Servicemember in need, family member or unit representative on the member's behalf will prepare an application and submit to request assistance. It is preferred that the request be prepared and forwarded to the specific service representative who will verify eligibility. Each service will provide the POCs upon distribution of this information. The service representative will provide the application electronically to the **AR ARNG or Reserve Liaison so that The**

Adjutant General, or his or her designee, can decide on awarding the grant. Executive Director of the Arkansas National Guard Foundation for processing.

The request should contain, as a minimum: a. Description of the circumstances or events that caused the financial emergency; b. The need of the family, if applicable; c. Any other factors that establish the members family's financial hardship; d. The purpose or bills that the grant will be used for; e. The amount requested; f. The difference between the member's military salary and civilian salary; g. Any explanation or attempt to remedy the situation by the Servicemember or the lack of other options or resources (savings account, family assistance, other organizations); and h. Name of the member, names of the family member impacted if applicable, pay grade, unit of assignment, home address, and phone contact numbers. When forwarding the Servicemember's request, a unit representative should include information regarding the Servicemember's standing in the unit/mobilization status, and any additional information reference the Servicemember's situation, especially when a delay in military pay is the cause for financial crisis.

Applicants may be required to provide verifiable proof of the need and other supporting documents. At a minimum, the following items should be needed: a. Military ID Card; b. Leave and Earnings statement and any proof of other family income to show the difference in military pay against civilian pay; and c. Substantiating documents (car repair estimate, rental agreement, utility bill, etc.).

1-7. Type of Assistance Available Emergency Assistance Approval Committee

The Adjutant General will appoint members of the Emergency Assistance Approval Committee to assist the Foundation in evaluating grant requests. The Committee may conduct its proceedings in person, or electronically. Decisions will be made by a majority vote of the committee. Electronic voting is authorized. Recommended members of the committee include:

- a. The State Senior Enlisted Advisor for the member's Service or Component within the State.
- b. A Family Readiness Coordinator
- c. The State Family Programs Director
- d. The State Full Time Support Chaplain
- The Executive Director of the National Guard Association of Arkansas

The amount of assistance will not exceed \$1,500.00 in a 12-month period. Assistance is in the form of a grant. Upon approval, the funds may be paid to the Servicemember or applicant or may be made payable direct to a creditor.

1-8. Application Processing Appeals

Members may appeal a final decision of the Foundation to deny a grant to the Deputy Adjutant General of the Arkansas National Guard. In the event of an appeal the Foundation will provide the Deputy Adjutant General with all documents relating to the grant request and a statement of reasons for their decision to deny the grant. The Deputy Adjutant General may confirm the decision of the Foundation to deny the grant or approve the grant in whole or in part.

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~~Once the application is received by the service representative, the service representative will forward to the AR-ARNG representative, who will forward to The Adjutant General, or his or her designee. The Adjutant General, or his or her designee, will contact the Director of State Resources to arrange for the disbursement of funds or provide the feedback to the service representative. The AR-ARNG Representative will maintain all appropriate records in the administration of this program.~~

1-9. Fund Sources

Pursuant to Ark. Code Ann. §26-51-2506 (c), the Revenue Division of the Department of Finance and Administration includes on Arkansas individual income tax forms a reference to the Military Family Relief Check-off Program where individuals can donate money to the Military Family Relief Trust Fund. Pursuant to Ark. Code Ann. §26-51-2506 (d)(1), the Director of the Department of Finance and Administration may accept any gift, grants, bequests, devises, and donations made to the State of Arkansas for the purpose of funding the Military Family Relief Check-off Program.

1-10. Contact Information

Current members, or family members, of the Arkansas National Guard or a Reserve Component of the Armed Forces may contact ~~501-212-5001 to receive more information about the Military Family Relief Trust Fund and point of contact information for their respective branch of the Arkansas National Guard or Reserve Component. The Arkansas National Guard Foundation at its offices on Camp Joseph T. Robinson by calling 501-758-6422 or through their website at <https://www.angf.us/>.~~

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BLR FINANCIAL IMPACT STATEMENT

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of the Military

DIVISION _____

PERSON COMPLETING THIS STATEMENT Bilenda Harris-Ritter

TELEPHONE NO. (501) 212-5167 **FAX NO.** _____ **EMAIL:** bilenda.harrisritter@arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two (2) copies with the Questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Military Families Relief Trust Fund Operating Guide and Procedures

- 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 an agency is proposing a more costly rule, please state the following:

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 more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and

d) Whether the reason is within the scope of the agency's statutory authority, and if so, please explain.

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

Next Fiscal Year

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

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

Total \$ 0.00

Total \$ 0.00

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

Current Fiscal Year

Next Fiscal Year

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

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

Total \$ 0.00

Total \$ 0.00

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

Current Fiscal Year

Next Fiscal Year

\$ 0.00

\$ 0.00

6. What is the total estimated cost by fiscal year to state, county, and 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

\$ 0.00

\$ 0.00

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.

LEGAL NOTICE

LEGAL NOTICE

In accordance with the provisions of Arkansas Code Annotated 25-15-204 and published in the Arkansas Democrat Gazette September 9 -11, 2022, NOTICE is hereby given that The Adjutant General of Arkansas (TAG) Major General Kendall Penn has submitted proposed rules to the Secretary of State to be posted on its website for thirty (30) days for the Arkansas National Guard Military Family Relief Trust Fund available to Arkansas National Guard and Reserve Component members of the Armed Forces.

A PUBLIC HEARING WILL BE HELD SEPTEMBER 13, 2022, FROM 10AM to 10:30 AM AT JOINT FORCE HEADQUARTERS, BUILDING 6000 (OTAG CONFERENCE ROOM), CAMP JOSEPH T. ROBINSON, NORTH LITTLE ROCK, 72199.

Written comments shall be accepted until Noon October 10, 2022, including at the public hearing. Send written comments to Rulemaking, Office of the Adjutant General, Building 6000, Camp Joseph T. Robinson, North Little Rock, 72199

All comments submitted in writing shall become public property once received by TAG and are subject to the Arkansas Freedom of Information Act.

STATEMENT OF REASON

Statement Setting Forth the Reason for
Proposed Amendment to Existing Rule (2022)

The reason for the amendment to the Arkansas National Guard Military Family Relief Trust Fund Operating Guide and Procedures (MFRTF) is to add the Arkansas National Guard Foundation as The Adjutant General's designee to administer grants under this program. The amendment creates an Emergency Assistance Approval Committee to assist in reviewing grants, clarifies the approval levels for grants, provides the appeal process, modifies examples of what can be paid with grants and increases the amount of the grants that can be awarded. The changes will not have a fiscal impact but will expand utilization of funds currently provided through a checkoff program set forth in A.C.A. § 19-5-1127 and A.C.A. § 26-51-2506.

EXECUTIVE SUMMARY



ASA HUTCHINSON
GOVERNOR

ARKANSAS DEPARTMENT OF THE MILITARY
OFFICE OF THE ADJUTANT GENERAL
CAMP JOSEPH T. ROBINSON
NORTH LITTLE ROCK, ARKANSAS 72199-9600



KENDALL W. PENN
MAJOR GENERAL
THE ADJUTANT GENERAL

Proposed Rule amendment regarding the Arkansas National Guard Military Family Relief Trust Fund Operating Guide and Procedures

July 29, 2022

PURPOSE

The Arkansas Department of the Military seeks Governor Hutchinson's review of proposed amendments to the Arkansas National Guard Military Family Relief Trust Fund Operating Guide and Procedures (MFRTF).

BACKGROUND

The MFRTF was established to provide short term emergency financial assistance with grants to members of the Arkansas National Guard and Reserve Components of the Armed Forces of the United States and their families when in crisis situations. The funding for this program is as set forth in A.C.A. § 19-5-1127 and through the MFRTF check off program set forth in A.C.A. § 26-51-2506.

KEY POINTS

The proposed rule:

Designates the Arkansas National Guard Foundation (Foundation) to administer grants under this program

Creates an Emergency Assistance Approval Committee to assist reviewing grants

Clarifies the approval levels for grants

Provides the appeal process

Modifies examples of items that can be paid

Increases the amount that can be awarded

DISCUSSION

This rule incorporates specifics on receipt, processing, and approval or disapproval of grant applications. It establishes that funds are administered through an interest-bearing bank account maintained by the TAG designee. It creates an emergency assistance approval committee to assist in review of applications, increases the limit for awards from \$1,500 to \$2,500 in a 12-month period and creates an appeal process to the Deputy Adjutant General.

RECOMMENDATION

We recommend the amendments to the MFRTF be approved as proposed.