

**REPORT OF THE SUBCOMMITTEE ON PERFORMANCE
EVALUATION AND EXPENDITURE REVIEW (PEER)
OF THE
ARKANSAS LEGISLATIVE COUNCIL**

August 21, 2026

Dear Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on Tuesday, August 18, 2026, and after having considered the following items, reports that the Subcommittee's review and/or approval is complete unless otherwise noted.

Items for Approval

A. Various Temporary Appropriation Requests

1. Department of the Military – 39th Infantry Brigade Headquarters Project Match – \$243,000
2. Department of Public Safety – Division of State Police – Troop I CDL Facility Rebuild – \$100,000
3. Department of Public Safety – Division of State Police – Livescans – \$405,000
4. Department of Finance and Administration – Rural Health Transformation Program – \$4,500,000

B. Infrastructure Investment and Jobs Act Appropriation Request

1. Department of Energy and Environment – Division of Environmental Quality – State Energy Program – \$4,215,000

C. Appropriation and/or Fund Transfer Request

1. Department of Education – Division of Elementary and Secondary Education – Minimum Teacher Salary and Raise – \$40,000,000 to Minimum Teacher Salary and Raise from Teacher Salary Equalization in the amount of \$32,000,000 and from School Funding Contingency in the amount of \$8,000,000

D. Restricted Reserve Fund Transfer Request

1. Department of the Military – 39th Infantry Brigade Headquarters Project Match – \$243,000

Items for Review

E. Miscellaneous Federal Grant Appropriation Requests

1. Department of the Military – 39th Infantry Brigade Headquarters Project – \$729,000

2. Department of Commerce – Division of Workforce Services – Office of Skills Development – Manufacturing Apprenticeship – \$35,675,486
3. Department of Finance and Administration – Byrne State Crisis Intervention Program – \$3,210,628
4. Department of Finance and Administration – Byrne State Crisis Intervention Program II – \$1,869,465
5. Department of Finance and Administration – Byrne State Crisis Intervention Program III – \$1,657,242

F. Pay Plan Appropriation Request

1. Department of Health – State Board of Nursing – \$38,920

Reports

G. Emergency Action Reports

1. Department of Agriculture – American Rescue Act Plan – Emergency Action – **Attachment 1**
2. Year –end Adjustments Emergency Actions – **Attachment 2**

H. Semiannual Reports

1. American Rescue Plan Act Report with Hospital Distributions
2. University of Arkansas for Medical Sciences NCI Fund Report

I. Quarterly Reports

1. Department of Human Services Interagency Match Fund Transfer Report
2. Office of Attorney General Cash Settlement Fund Report
3. Division of State Police Asset Forfeiture Expenditures Report
4. Department of Finance and Administration Federal Grants and Applications Report

J. Monthly Reports

1. Surplus Income and Distribution Report
2. Budget Stabilization Trust Fund Report
3. Tobacco Settlement Report
4. State Central Services Fund Report
5. Education Adequacy Fund Report with Quarterly Public School Fund Balance
6. Medicaid Trust Fund Report
7. Infrastructure Investment and Jobs Act Report

Respectfully submitted,

Senator Jonathan Dismang and Representative Jeff Wardlaw, Co –Chair

ALC - Performance Evaluation and Expenditure Review (PEER)
ALC Subcommittee Report for
Emergency Action
July 14, 2026

ATTACHMENT 1

On July 14, 2026 Senator Justin Boyd and Representative Les Eaves, Co-Chairs of the Arkansas Legislative Council, and Senator Jonathan Dismang and Representative Jeff Wardlaw, Co-Chairs of the PEER Subcommittee, received written notification from James Hudson, the Chief Fiscal Officer of the State, requesting emergency approval of a request for American Rescue Plan Act appropriation.

Under Rule 16 of the Rules of the Arkansas Legislative Council, on July 14, 2026 the Co-Chairs of the Arkansas Legislative Council and PEER Subcommittee unanimously determined that emergency approval was necessary to enable agency to perform essential services. As such, the Co-Chairs of the Arkansas Legislative Council and the Co-Chairs of the PEER Subcommittee may act on behalf of the Arkansas Legislative Council regarding the request, and state herein that the request shall be filed as approved and reported to the Arkansas Legislative Council at its next regularly scheduled meeting in accordance with Rule 16.

Below is a summary of the request given emergency approval.

American Rescue Plan Act Appropriation Request
Department of Agriculture - \$89,965,843

Respectfully Submitted,

Senator Justin Boyd, Co-Chair
Arkansas Legislative Council

Representative Les Eaves, Co-Chair
Arkansas Legislative Council

Senator Jonathan Dismang, Co-Chair
PEER Subcommittee

by: B.T.

Representative Jeff Wardlaw, Co-Chair
PEER Subcommittee

by: B.T.



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE SECRETARY
1509 West Seventh Street, Suite 401
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Phone: (501) 682-2242
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www.arkansas.gov/dfa

July 13, 2026

Sen. Justin Boyd, Co-Chair
Rep. Les Eaves, Co-Chair
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

This is to inform you that there is an item for Legislative Council approval that require your immediate attention. Because of the time-sensitive nature of this item, the Department of Finance and Administration respectfully requests emergency approval.

The item is a grant for the Department of Agriculture to support water, wastewater, and stormwater infrastructure projects across the state. The review of the attached request is required to allow the reimbursement of projects to subgrantees.

I ask that you please institute emergency action procedures for consideration of these matters and sign them out of Committee per Rule 16 of the Rules of the Arkansas Legislative Council.

Sincerely,

James L. Hudson,
Secretary
Department of Finance and Administration

CC: Senator Jonathan Dismang, Co-Chair
Representative Jeff Wardlaw, Co-Chair
PEER Subcommittee

**AMERICAN RESCUE PLAN ACT OF 2021 PROGRAM APPROPRIATION
AND PERSONNEL AUTHORIZATION REQUEST
SECTION 34 OF ACT 168 OF 2026**

FY2027

Agency: Arkansas Department of Agriculture Business Area Code: 9901

Program Title: American Rescue Plan Act of 2021, Water Related Projects, Wastewater and Stormwater Projects, Irrigation Projects

Granting Organization: 117th Congress of the United States CFDA #: 12.027

Effective Date of Authorization: Beginning: 7/1/2026 Ending: 6/30/2027

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information): The Department is requesting \$89,965,843 in appropriation for water, wastewater, and stormwater related projects.

American Rescue Plan Act Program Funding

Func. Area: AAZ1000.9901
Fund Code: FRP9901000

S4 Grant Code: _____
Internal Order/WBS Element: _____

Direct Funding: _____
State: X
Continuation: _____

	Program Funding Amount
Regular Salaries	
Extra Help	
Personal Services Matching	
Operating Expenses	
Conference & Travel Expenses	
Professional Fees	
Capital Outlay	
Data Processing	
Grants and Aid (CI: 04)	
Other: (590:00:39) AZ1H	58,704,725
Other: (590:00:51) AZ1F	28,773,731
Other: (590:00:52) AZ1G	2,487,387
Total	\$ 89,965,843

Anticipated Duration of Federal Funds: 12/31/2026

State Technology Plan Approval Date _____
Items requested for information technology must be in compliance with Technology Plans as submitted.

Positions to be established: (list each position separately)

* unclassified positions only

Org Unit	Pers Area	Pers SubArea	Cost Center	Position Number	Commt. Item	Position Title	Class Code	Grade	Line Item Maximum *

State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.

Approved by:

N. N. N. P. 7/9/2026
Cabinet Secretary/Agency Director Date

[Signature] 7/13/26
Office of Budget Date

Office of Personnel Mgmt Date

NT 7/13/2026

Attachment 2



STATE OF ARKANSAS
**Department of Finance
and Administration**

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August 7, 2026

Senator Jonathan Dismang, Co-Chair
Representative Jeffrey Wardlaw, Co-Chair
Performance Evaluation & Expenditure Review Committee
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

RE: Items Approved on an Emergency Basis

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached items that have received my approval as Chief Fiscal Officer of the State.

Sincerely,

A handwritten signature in black ink, appearing to be "JLH", written over a horizontal line.

James L. Hudson
Cabinet Secretary

JLH

Attachment(s)

THE PERFORMANCE FUND/PAY PLAN HOLDING ACCOUNT TRANSFERS
FOR FY26 - YEAR-END EMERGENCY APPROVAL

<u>BUSINESS</u> <u>AREA</u>	<u>AGENCY</u>	<u>FISCAL</u> <u>YEAR</u>	<u>PERFORMANCE</u> <u>FUND</u>	<u>PAY PLAN</u> <u>HOLDING</u> <u>ACCOUNT</u>	<u>DATE OF</u> <u>TRANSFER</u>	<u>AMOUNT OF</u> <u>APPROPRIATION</u> <u>TRANSFER</u>	<u>EMERGENCY</u> <u>APPROVED</u> <u>BY CFO</u>	<u>PENDING</u> <u>JBC - PEER</u> <u>REVIEW</u>	<u>REASON</u> <u>FOR TRANSFER</u>
0203	DLL - State Board of Accountancy	26		X	6/23/26	\$ 1,000.00	X	X	Additional appropriation in Regular Salaries to cover appropriation shortfall during last pay period of FY2026.
0280	ADH - State Board of Optometry	26		X	6/23/26	\$ 500.00	X	X	Additional appropriation in Regular Salaries to cover appropriation shortfall during last pay period of FY2026.
0328	DOC - Sentencing Commission	26		X	6/23/26	\$ 300.00	X	X	Additional appropriation in Regular Salaries to cover appropriation shortfall during last pay period of FY2026.
0023	Administrative Office of the Courts	26		X	6/23/26	\$ 4,020.00	X	X	Additional appropriation in Personal Services Matching to cover appropriation shortfall during last pay period of FY2026.
0900	APDHT - Parks	26		X	6/24/26	\$ 10,000.00	X	X	Additional appropriation in Regular Salaries to cover appropriation shortfall during last pay period of FY2026.
0960	DPS - State Police	26	\$1,300,000.00		6/30/26		X	X	For release of Performance Funds to support salary and match needs as a result of Act 499 of 2025 and other salary adjustments.
			\$1,300,000.00			\$ 15,820.00			



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June 29, 2026

Sen. Ben Gilmore, Co-Chair
Rep. Les Eaves, Co-Chair
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

This is to inform you that I have approved on an emergency basis a Various Temporary Appropriation Transfer request in the amount of \$215,000 for the DF&A Disbursing Officer – Marketing and Redistribution appropriation. The item will be presented at the next scheduled meeting of Performance Evaluation and Expenditure Review Committee for appropriate action as required by law.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Hudson'.

Jim Hudson
Secretary
Department of Finance and Administration

CC: Senator Jonathan Dismang, Co-Chair
Representative Jeff Wardlaw, Co-Chair
Performance Evaluation and Expenditure Review (PEER) Subcommittee

JH:ds



**STATE OF ARKANSAS
DEPARTMENT OF FINANCE AND ADMINISTRATION**

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1509 West Seventh Street, 2nd Floor
Post Office Box 3278
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www.dfa.arkansas.gov

June 24, 2026

Andy Babbitt, State Controller
Department of Finance and Administration
1509 W 7th Street, Suite 201
Little Rock, AR 72201

Dear Secretary Hudson:

The Department of Finance and Administration – Disbursing Officer requests an emergency transfer of \$215,000 in appropriation from Various Temporary Appropriation, pursuant to Act 1006 of 2025, Section 32. Funding for this request is derived from net proceeds from property sold through the Marketing and Redistribution Program.

This transfer is necessary to distribute the remaining FY 2026 Marketing and Redistribution proceeds to state agencies.

This appropriation is requested in the line item listed below.

Business Area:	0620
Funds Center:	071
Fund:	MPH0200
Commitment Item:	590:00:25

Please contact Melanie Hazeslip (501) 682-5229 if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Andy Babbitt', is written over a horizontal line.

Andy Babbitt
State Controller

AB:ds



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**Department of Finance
and Administration**

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June 30, 2026

Sen. Ben Gilmore, Co-Chair
Rep. Les Eaves, Co-Chair
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

This is to inform you that I have approved on an emergency basis a Various Temporary Appropriation Transfer request in the amount of \$40,000 for the DF&A Disbursing Officer – Agricultural Marketing Grants appropriation. This item will be presented at the next scheduled meeting of the Performance Evaluation and Expenditure Review Committee for appropriate action as required by law.

Sincerely,

A handwritten signature in blue ink, appearing to read 'JL Hudson'.

James L. Hudson
Secretary

CC: Senator Jonathan Dismang, Co-Chair
Representative Jeff Wardlaw, Co-Chair
Performance Evaluation and Expenditure Review (PEER) Subcommittee

JH:ds



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June 24, 2026

Andy Babbitt, State Controller
Department of Finance and Administration
1509 W 7th Street, Suite 201
Little Rock, AR 72201

Dear Secretary Hudson:

The Department of Finance and Administration – Disbursing Officer requests an emergency transfer of \$40,000 in appropriation from Various Temporary Appropriation, pursuant to Act 1006 of 2025, Section 32. Funding for this request is derived from net proceeds from fees collected from grocery store wine permits.

This transfer is necessary to distribute the fiscal year 2026 Native Wine Incentive Grants.

This appropriation is requested in the line item listed below.

Business Area: 0620
Funds Center: 2DV
Fund: MGA0000
Commitment Item: 590:00:46

Please contact Melanie Hazeslip (501) 682-5229 if you have any questions.

Sincerely,


Andy Babbitt
State Controller