

STATE OF ARKANSAS
MIKE BEEBE
GOVERNOR

February 25, 2014

Senator Larry Teague, Co-Chair
Representative Duncan Baird, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following amendments to SB107, the Annual Operations Appropriation Bill for the Arkansas Economic Development Commission.

Please amend the following section as provided below:

SECTION 2. APPROPRIATION – STATE OPERATIONS. There is hereby appropriated, to the Economic Development Commission, to be payable from the Arkansas Economic Development Commission Fund Account, for personal services, operating expenses, grants and aid, and state matching funds of the Economic Development Commission – State Operations for the fiscal year ending June 30, 2015, the following:

ITEM NO.	FISCAL YEAR
(01) REGULAR SALARIES	2014-2015 \$4,768,725
(02) PERSONAL SERVICES MATCHING	1,437,587
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	1,550,204
(B) CONF. & TRAVEL	141,486
(C) PROF. FEES	1,465,000
(D) CAP.OUTLAY	100,000
(E) DATA PROC.	0
(04) ECONOMIC INFRASTRUCTURE/REGIONALISM GRANTS	1,000,000
(05) FAR EAST TRADE/IND RECRUITMENT	150,000
(06) INDUSTRY TRAINING PROGRAM	1,000,000 16,000,000
(07) FOR STATE MATCHING OF FEDERAL FUNDS	228,500
TOTAL AMOUNT APPROPRIATED	11,841,502 26,841,502

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Please amend Section 14 as follows:

SECTION 14. SPECIAL LANGUAGE – NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL OR TEMPORARY LAW. INDUSTRY TRAINING PROGRAM EXPENSES. The Arkansas Economic Development Commission (AEDC) may utilize Industry Training Program (ITP) appropriation and funds for personal services, operating expenses, grants and aid, capital acquisition, and other appropriate purposes to provide industry-specific training opportunities. AEDC shall submit a quarterly report of industry training activities to the Governor and the Legislative Council or Joint Budget Committee. In addition to training expenses, funds made available to support the appropriation for ~~Industry Training Program (ITP)~~ herein may be used to acquire capital equipment necessary to enhance the capabilities of the Arkansas Industry Training Programs and for expenses necessary to assist in carrying on the Existing Worker Training Program. When not in use in an AITP managed course of training, the equipment purchased under this provision shall be stored at a location to be determined by the Executive Director of AEDC.

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

I also respectfully request the following addition to HB1094, the Annual Operations Appropriation Bill for the Department of Workforce Services. Please add the following new special language section:

SECTION . SPECIAL LANGUAGE – NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL OR TEMPORARY LAW. TRAINING TRUST FUND TRANSFER. Immediately upon the effective date of this act, the Chief Fiscal Officer of the State shall transfer on his or her books and those of the State Treasurer and Auditor of State the sum of two million five hundred thousand dollars (\$2,500,000) from the Department of Workforce Services Training Trust Fund to the Arkansas Economic Development Commission Fund Account.

Lastly, I request the following amendment to HB1149, the Miscellaneous Grants and Expenses Appropriation Bill for the Department of Finance and Administration – Disbursing Officer. Please amend the following special language section:

SECTION 79. SPECIAL LANGUAGE – NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL OR TEMPORARY LAW. WORK FORCE 2000 DISTRIBUTION. After the amounts to be made available various technical institutes or comprehensive lifelong learning centers have been determined as set out in Arkansas Code 26-51-205(d)(2)(A) and 26-51-205(d)(2)(B), such documents as may be necessary shall be processed so that funds may be transferred from the Work Force 2000 Development Fund to the State Treasury fund or fund account from which the

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technical institute or comprehensive lifelong learning center draws its general revenue support. Such funds as may be transferred shall not exceed 6.309% of the total funds available fund the Work Force 2000 Development Fund during each fiscal year.

In the event that a technical college, community college or educational institution which receives support from the Work Force 2000 Development Fund as determined by law transfers from the Arkansas Technical College and Community College System for which Work Force 2000 Development Fund monies are determined by law, then the actual amount of support from the Work Force 2000 Development Fund in the preceding fiscal year for such educational institution shall be made available irrespective of any other provision of law which sets out maximum levels of support from such fund.

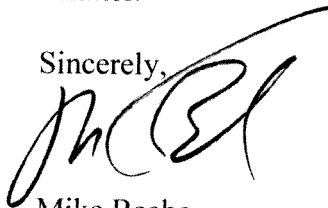
The Arkansas Higher Education Coordinating Board shall submit a report for review to the Arkansas Economic Development Commission prior to July 1, 2014 of the proposed distribution of the increase in the amount of funds in the Work Force 2000 Development Fund as set out in Arkansas Code 26-51-205(d)(2)(C) in excess of those amounts collected and distributed prior to June 30, 2014. The funds distributed under Arkansas Code 26-51-205(d)(2)(C) in excess of those amounts collected and distributed prior to June 30, 2014 shall be used only for the operation, support, and improvement of occupational, vocational, technical, and workforce development programs. The distributions of funds under Arkansas Code 26-51-205(d)(2)(C) in excess of those amounts collected and distributed prior to June 30, 2014 shall not apply to proceeds allocated to schools, colleges and educational institutions under Arkansas Code 26-51-205(d)(2)(A) and 26-51-(d)(2)(B).

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

These changes will provide funding, appropriation and business input for my proposed industry training initiatives. Funding will be provided from Rainy Day Funds, reallocation of my balanced budget recommendations for technical colleges and two-year institutions of higher education, and through fund transfers from various sources.

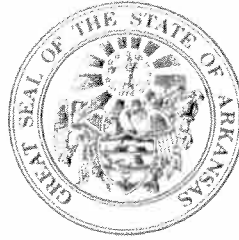
I appreciate your consideration in this matter.

Sincerely,



Mike Beebe

MB:brs:ald



STATE OF ARKANSAS
MIKE BEEBE
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Joint Budget Committee
Arkansas General Assembly
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Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following addition to HB1093, the Annual Operations Appropriation Bill for the Department of Career Education:

Please add the following section and renumber accordingly:

SECTION 22. APPROPRIATION – CAREER COACHES PROGRAM. There is hereby appropriated, to the Department of Career Education, to be payable from the Department of Career Education Public School Fund Account, for personal services, operating expenses, and Career Coaches grants and aid by the Department of Career Education – Career Coaches Program for the fiscal year ending June 30, 2015, the following:

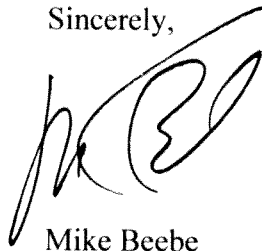
ITEM NO.	FISCAL YEAR 2014-2015
(01) REGULAR SALARIES	\$105,000
(02) PERSONAL SERVICES MATCHING	37,000
(03) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	50,000
(B) CONF. & TRAVEL	15,000
(C) PROF. FEES	0
(D) CAP. OUTLAY	0
(04) CAREER COACHES GRANTS AND AID	800,000
TOTAL AMOUNT APPROPRIATED	<u>\$1,007,000</u>

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This request will allow the Department to continue the Career Coaches Program. This program is designed to motivate and support Arkansas students to achieve their college and career planning goals.

I appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "MB", with a large, sweeping flourish extending from the top right of the signature.

Mike Beebe

MB:brs:cr