



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

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December 5, 2024

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

RE: FY 25 Restricted Reserve Fund Transfer Recommendation

Dear Co-Chairs:

Pursuant to Act 561 of 2023 (3), as amended, as Chief Fiscal Officer of the State, I am recommending the transfer of the following Restricted Reserve Funds:

1. Department of Finance and Administration – Disbursing Officer – Jobs 4 You Cabot Workforce Training Center in Lonoke County – Various General Discretionary Majority Vote Set-Aside \$2,000,000
2. University of Arkansas –Multi-User Silicon Carbide (MUSiC) Fabrication Facility – Infrastructure Grants Matching Set-Aside \$7,300,000

Sincerely,

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

James L. Hudson
Cabinet Secretary

Attachment(s)



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

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November 26, 2024

Secretary Jim Hudson
 Department of Finance and Administration
 Secretary's Office
 1509 West 7th Street, Suite 401
 PO Box 3278
 Little Rock, AR 72203-3278

Dear Secretary Hudson:

The Department of Finance and Administration respectfully requests \$2,000,000 in funding from the Various General Discretionary Majority Vote Set-Aside, pursuant to the provisions of Act 561 of 2023, Section 18.

The Department will utilize this funding to provide a grant to Arkansas Enterprises for the Developmentally Disabled Inc for additional funding to construct the Jobs 4 You Cabot Workforce Training Center in Lonoke County. Please see the attached Executive Summary dated November 20, 2024 for details.

As always, I appreciate consideration. If there are any questions, please contact Melanie Hazeslip at (501) 682-5229.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alan McVey'.

Alan McVey
 CFO/Chief of Staff

cc: Melanie Hazeslip, OAS Administrator

Jobs 4 You Cabot Workforce Training Center
Executive Summary
November 20, 2024

The Jobs 4 You Cabot Workforce Training Center will be a newly constructed facility for adults with developmental disabilities. The Center will be located on 3.79 acres at 3544 Hwy 367 South, near Cabot in Lonoke County. When the complex opens, 38 new jobs will be created, and the workforce program has the capacity to train up to 60 adults each year who have the opportunity to be placed in meaningful community employment. In addition, an ADA-compliant park will be constructed that includes a ½ mile walking trail, benches, and fitness equipment designed for those with disabilities, including seniors, those with handicaps, and those needing rehabilitation. The park will be open to the public year-round and maintained by Lonoke County. Pinnacle Structure Company in Cabot agreed to donate the metal outdoor pavilion for the park.

Specialists will train those attending the Jobs 4 You center to identify their best skill set and match them to local employers in the community. Jobs 4 You Cabot will serve North Pulaski, Faulkner, Lonoke, Prairie, and White Counties. Transportation is billed through Medicaid and will be offered daily at no cost to and from the homes of those attending the workforce instruction. All adults with disabilities will receive instruction at no cost to them or their families. In addition, a community room in the facility will be available to the community for events, meetings, and civic purposes. The room will accommodate up to 100 people and includes a catering kitchen, seating, and A/V equipment.

The cost of the 10,000 sq. ft. workforce center is \$3.7 million and is designed by Taggart Architects. To date, \$1.5 million has been raised from the Delta Regional Authority, Community Development Block Grant, and Attorney General Settlement Funds. Arkansas Enterprises for the Developmentally Disabled, Inc. (AEDD) purchased the land for \$571,000 and will fund all costs above the lowest construction bid.

DHS estimated that there are over 3,000 adults, ages 18 through 60, who could be eligible to attend the Jobs 4 You program, along with 475 high school seniors representing fifteen public high schools in this five-county region. The workforce center would be the first of its kind in Arkansas and could serve as a pilot project for other regions of the state with a desire to move their population of citizens with developmental disabilities into the workforce. This model for Arkansas is moving adults away from institutions, away from sheltered workshops, and into local communities. Providing workforce-ready employees contributes to the local economy and lessens dependency on state and federal subsidies for those with developmental disabilities.

With the State providing the \$2 million requested by AEDD, construction work can begin in 2025, with the Jobs 4 You Cabot Workforce Center opening in 2026. In addition, two new transitional homes will be constructed in Cabot, which will accommodate 16 adults who are at risk of homelessness. AEDD employees 300 people, serves seventeen counties in Arkansas, and partners with over fifty employers who hire adults graduating from their workforce program.



December 4th, 2024

Jim Hudson, Secretary
Arkansas Department of Finance and Administration
Office of the Secretary
1900 W 7th St
Little Rock, AR 72701

BA 0135
FC BM8
Fund KCCJBM8
UNIV
MPK
12/4/2024

Dear Secretary Hudson:

Pursuant to Act 561 of 2023, as amended, the University of Arkansas requests a funds transfer in the amount of \$7,300,000 from the Infrastructure Grants Matching Set-Aside to complement federal and university infrastructure and capital investment in the Multi-User Silicon Carbide (MUSiC) fabrication facility. A summary of the functions and benefits of the MUSiC facility is attached.

Total project costs for construction and necessary capital equipment for the MUSiC facility is \$99.2 million. The project has already received majority federal funding in the amount of \$19,619,769 from the National Science Foundation and \$35,550,000 from the Department of Defense. Additional funding has also been received from the University of Arkansas in the amount of \$35,683,194 and \$1,000,000 in restricted reserves. This \$7,300,000 request will provide the necessary funding to complete the project.

Thank you for your consideration of this request and please contact me if you have any questions.

Sincerely,

Charles F. Robinson
Chancellor

Multi-User Silicon Carbide (MUSiC) Fabrication Facility

MUSiC will advance the development and commercialization of silicon carbide (SiC) power devices for application in military, consumer, industrial, and healthcare devices. It is also the only SiC lab to fabrication facility in the nation that will be open to multiple users, including industry and other researchers. As a result, MUSiC will both advance semiconductor Research & Development for the nation and be a development site for companies and workers who will support and grow SiC manufacturing capabilities.

This initiative aims to diversify the U.S. supply chain for high-voltage power technologies, laying the foundation for even higher voltage nodes and contributing to the country's technological advancement and economic growth. It will also make Arkansas a destination for students, researchers, industry and a hub for SiC workforce training. The facility will support key activities including SiC epitaxial growth, device design and fabrication, and module packaging. The MUSiC fab facility will serve as a low-volume prototyping environment for SiC devices, ensuring compatibility with larger manufacturing foundries. By addressing technical challenges such as improving device yield, thermal management, and electronic design, MUSiC will enhance the performance and reliability of high voltage SiC devices.

The MUSiC project brings together the University's expertise in design, fabrication, packaging, and application development. The project's outcomes are expected to have a significant impact on sectors requiring advanced power systems, such as defense applications and grid infrastructure, thereby fostering innovation and promoting workforce development in high-tech manufacturing and engineering. Workforce training will include SiC semiconductors, as well as the manufacturing environment in which they are created. The equipment that makes the chips is critical infrastructure to the SiC industry's development.

If granted, this request would represent Arkansas' investment in the development of a robust SiC device ecosystem, with clear pathways to scale up production and transfer technologies to commercial manufacturing partners. State funding is crucial for enabling these advancements, as it will help bridge the gap between research and commercialization, ensuring that Arkansas remains at the forefront of cutting-edge semiconductor technology while contributing to a sustainable and diverse power electronics industry, both in research and workforce development.