

Post Office Box 3278 Little Rock, Arkansas 72203-3278 Phone: (501) 682-1941 Fax: (501) 682-1086 www.arkansas.gov/dfa

1509 West Seventh Street, Suite 402

June 6, 2025

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: FY 26 Restricted Reserve Fund Transfer Recommendation

Dear Co-Chairs:

Pursuant to Act 1017 of 2025 (3), as amended, as Chief Fiscal Officer of the State, I am recommending the transfer of the following Restricted Reserve Funds:

- 1. Department of Education Elementary and Secondary Education Children's Educational Freedom Account Set-Aside \$90,000,000
- 2. Department of Commerce Economic Development Commission Economic Stimulus Programs Set-Aside \$25,000,000
- 3. Department of Education School for the Deaf Arkansas School for the Deaf/Blind Set-Aside \$35,000,000
- Secretary of State HVAC System for North Side of Capitol State Capitol HVAC Upgrade Set-Aside \$9,100,000
- 5. Department of Education Elementary and Secondary Education –
 State and Public School Partnership for Share Cost of School Facilities
 Education Facilities Set-Aside \$60,000,000
- Department of Finance and Administration Disbursing Officer Drug Task Force Operations – Various General Discretionary Majority Vote Set-Aside
- 7. Department of Finance and Administration Disbursing Officer –
 Temporary Financial Assistance to UAMS for Angels Program –
 Various General Discretionary Majority Vote Set-Aside \$2,900,000



OFFICE OF THE SECRETARY 1509 West Seventh Street, Suite 401 Post Office Box 3278 Little Rock, Arkansas 72203-3278
Phone: (501) 682-2242
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Sincerely,

James L. Hudson **Cabinet Secretary**

Attachment(s)



Transforming Arkansas to lead the nation in student-focused education

0500 **EDUC**

MRREFAS>MEF0100

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CH

Jacob Oliva

Secretary

April 28, 2025

Stacy Smith

Deputy

Commissioner

State Board of Education

Dr. Sarah Moore

Stuttgart Chair

Dear Secretary Hudson,

Jim Hudson, Secretary

Little Rock, AR 72201

1509 West 7th St

Department of Finance and Administration

Kathy Rollins Springdale Vice-Chair

The Arkansas Department of Education requests \$90,000,000 from the Children's Educational Freedom Account Set-Aside of the Restricted Reserve fund pursuant to Act 1017 of 2025, Section 3(a)(3).

Adrienne Woods Rogers

Dr. Gary Arnold Little Rock

Randy Henderson Blytheville

Lisa Hunter White Hall

Jeff Wood Little Rock

Ken Bragg Sheridan

Leigh Keener Little Rock

Every Arkansas family deserves access to the best possible school options for their children. The Arkansas Children's Educational Freedom Account Program empowers parents to choose a school based on students' individual needs.

This funding will allow the division to fund EFA accounts for the students during the 25-26 school year. General Revenue funds are dispersed at the end of each month based on the revenues received by the state. Without the release of funding the division will be unable to make first quarter payments prior to the start of the school year.

Pending your approval of this request, I ask that you schedule this item for consideration at the next meeting of the Joint Budget Committee for appropriate action as required by law.

O, Arkansas Department of Education



Hugh McDonald

SECRETARY OF COMMERCE

BA: 0790

Fund Center: CE3 Fund: NDE1400 CC: 421727 Commitment Item: 510:00:04

KDR 05/6/25

May 5, 2025

Jim Hudson, Secretary Department of Finance and Administration 1509 W. 7th Street, Suite 401 Little Rock, AR 72201

RE: FY26 Restricted Reserve Fund Transfer Request

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Dear Secretary Hudson:

Pursuant to Act 1017 of 2025, the Arkansas Economic Development Commission (AEDC) requests a funds transfer totaling \$25,000,000 from the Economic Stimulus Programs Set-Aside as authorized in Section 3(a)(8) of Act 1017 of 2025. This funding will be used by the Arkansas Economic Development Commission for Site Infrastructure Grants and Economic Stimulus Activities throughout the state.

Sincerely,

Hugh McDonald

Secretary



COLE JESTER

ARKANSAS SECRETARY OF STATE

May 29, 2025

BA 0063 Fund NSS0700 FC CI5 FA CNST JMOORE 5/29/2025

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

Dear Secretary Hudson:

The Secretary of State's office respectfully requests \$9,100,000 in funding form the State Capitol HVAC Upgrade Set-Aside, pursuant to the provisions in Act I017 of 2025 (3) (10).

The Secretary of State will utilize this funding for the HVAC system at the Northside of the Capitol. The appropriation's account funding is:

Fund Center- C15 Fund-NSS0700

Sincerely,

Kevin Niehaus Chief of Staff



Arkansas Department of Education

Four Capitol Mall • Little Rock, Arkansas • 72201-1030 • (501) 682-4475 • Fax (501) 682-1079

Sarah Huckabee Sanders Governor Jacob Oliva Secretary

May 8, 2025

0513 EDUC CH

Jim Hudson, Secretary Department of Finance and Administration 1509 West 7th St Little Rock, AR 72201

Dear Secretary Hudson,

The Arkansas School for the Deaf respectfully requests \$35,000,000 from the Restricted Reserve Fund Set-Aside, pursuant to Act 1017 of 2025, Section 3(a)(9). This funding will be utilized for costs associated with a new facility that will house classrooms for students who are deaf or hard of hearing and students who are blind or visually impaired. The facility will include a cafeteria, as well as fine arts and other common spaces large enough for all students. The new structure will replace facilities on the campus that date back more than a century.

Sincerely

Greg Rogers

CFO, Arkansas Department of Education



Division of Elementary and Secondary Education

Transforming Arkansas to lead the nation in student-focused education

Jacob Oliva Secretary May 8, 2025

0500 EDUC MRREDFS>EFP0000 CAR/CH

Stacy Smith

Deputy Commissioner Jim Hudson, Secretary Department of Finance and Administration 1509 West 7th St Little Rock, AR 72201

State Board of Education

Education

Dr. Sarah Moore

Stuttgart Chair

Kathy Rollins
Springdale
Vice-Chair

Adrienne Woods Rogers

Dr. Gary Arnold *Little Rock*

Randy Henderson Blytheville

Lisa Hunter White Hall

Jeff Wood Little Rock

Ken Bragg Sheridan

Leigh Keener Little Rock Dear Secretary Hudson,

Arkansas public school districts support the education of over 473,000 students each year. It is the state's responsibility to provide students with education facilities suitable for teaching. Studies have found significant correlation between poor structural conditions and low student achievement.

The Arkansas Department of Education requests \$60,000,000 from the Education Facilities Set Aside of the Restricted Reserve fund pursuant to Act 561 of 2023, Section 3 for the Division of Elementary and Secondary Education Facilities Partnership Program.

The program is a financial partnership between the state and public school districts to share the cost of school facilities construction and major renovations. Every two years, school districts have the opportunity to apply for state financial participation for projects that support their facilities master plan. This funding will allow the division to partner with multiple districts across the state and provide for new schools, additions to existing schools, conversions of existing space, and renovations such as replacements of roofs, HVAC, electrical, plumbing or structural system.

Pending your approval of this request, I ask that you schedule this item for consideration at the next meeting of the Joint Budget Committee for appropriate action as required by law.

Greg Rogers

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CFO, Arkansas Department of Education



OFFICE OF THE SECRETARY

1509 West Seventh Street, Suite 401 Post Office Box 3278 Little Rock, Arkansas 72203-3278 Phone: (501) 682-2242 Fax: (501) 682-1029 www.arkansas.gov/dfa

> 0620 FC: CE5 NDP1000 DS

May 29, 2025

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 \$4,000,000 in funding from the Various General Discretionary Majority Vote Set-Aside of the Restricted Reserve Fund, Act 1017 of 2025 Section 3 (4)(A) for Fiscal Year 2026.

The Department will utilize this funding for grants for the Drug Task Force operations. Allocations will be determined by the Office of the Prosecutor and the Drug Director, who will work directly with Prosecutors and Drug Task Force commanders to determine need and allocate accordingly.

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

Sincerely,

Alan McVey

DFA Chief of Staff/Chief Financial Officer

Cc: Melanie Hazeslip, OAS Administrator



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> 0620 FC: New NDP1700 (New) DS

May 29, 2025

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 \$2,900,000 in funding from the Various General Discretionary Majority Vote Set-Aside of the Restricted Reserve Fund, Act 1017 of 2025 Section 3 (4)(A) for Fiscal Year 2026.

The Department will utilize this funding to provide temporary financial assistance to the University of Arkansas for Medical Sciences for the Angels Programs, which use technology-based platforms to support the medical care of Arkansas residents who may have a high-risk pregnancy, are at risk of a stroke, or some other serious medical condition. UAMS's receipt of the full funding amount will be conditioned upon the Department and UAMS identifying changes to the Angels Programs to achieve greater financial sustainability.

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

Sincerely,

Alan McVey

DFA Chief of Staff/Chief Financial Officer

Cc: Melanie Hazeslip, OAS Administrator