



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

**E**  
**OFFICE OF BUDGET**  
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August 1, 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 Shared Administrative Services – Division of Building  
Authority– Various General Discretionary Majority Vote Set-Aside  
\$100,000
2. Department of Human Services – Division of Aging and Behavioral  
Health – Various General Discretionary Majority Vote Set-Aside  
\$2,000,000

Sincerely,

A handwritten signature in black ink, appearing to read 'J. L. Hudson', is written over a horizontal line.

James L. Hudson  
Cabinet Secretary

Attachment(s)



**E.1**

Department of Shared Administrative Services  
Governor Sarah Huckabee Sanders  
Secretary Leslie Fiskien

July 28, 2025

0615  
T77A  
MWJ0301  
ADMN  
CTM

Secretary Jim Hudson  
Department of Finance and Administration  
Office of the Secretary  
1509 West Seventh Street, Suite 401  
Little Rock, AR 72201

Dear Secretary Hudson,

The Department of Shared Administrative Services – Division of Building Authority (DBA) respectfully requests \$100,000 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.

Arkansas Rehabilitation Services operated a residential vocation rehabilitation center on the Army Navy Hospital property until 2019. The vocational training included automotive painting and other trade skills that involved hazardous materials. A significant number of barrels and containers with hazardous materials were left behind. While the State received a \$2.75M grant to update security and provide fire protection, the grant does not include hazardous material cleanup costs. In fact, the State initially requested for the grant to be allowed to be utilized for that purpose, and the federal government expressly denied the inclusion.

Hazardous materials include paint, gasoline, oil, anti-freeze, industrial cleaners, and other chemicals associated with formal operations at the site. The condition is poor and poses a risk to the thermal water resources of the Hot Springs National Park. The State has consulted with several private environmental removal companies, and it is difficult to predict a precise cost for removal and disposal until the materials are sampled and tested. The maximum cost estimate at this time is approximately \$100K and the Department will use these funds for the cleanup.

Sincerely,

A handwritten signature in black ink, appearing to read "James Caldwell", is written over a horizontal line.

James Caldwell, Chief Fiscal Officer  
Arkansas Department of Shared Administrative Services



**Office of the Secretary**

P.O. Box 1437, Slot S201, Little Rock, AR 72203-1437  
P: 501.682.8650 F: 501.682.6836 TDD: 501.682.8820

FA: HHS  
AM

July 30, 2025

Jim Hudson, Secretary  
Arkansas Department of Finance and Administration  
1509 West 7<sup>th</sup> Street, Room 401  
Little Rock, Arkansas 72201

Dear Secretary Hudson:

On behalf of the Department of Human Services (DHS) and the Division of Aging, Adult, and Behavioral Health Services (DAABHS), I respectfully request a release of Restricted Reserve Funds pursuant to Section 3 Subsection 4a of Act 1017 of 2025 of the 95th General Assembly in the amount of \$2,000,000 for Senior Citizens Centers to assist in their mission to provide food for persons aged 60 and older within the established service area.

DHS is requesting funds in the amount of \$2,000,000 to cover food costs of the Senior Citizen Centers recognizing the hardship caused by systemic food insecurity among the elderly population in Arkansas. Amounts for the various Senior Citizen Centers would be distributed to the local Area Agencies on Aging (AAA), then passed through in its entirety to the centers based on their standard funding formula determined by population served.

Funds shall be utilized for food cost only. Funds may not be utilized for administrative purposes, including, but not limited to lobbying, consultant fees, salaries, or other related expenses.

Business Area: 0710  
Fund: PWE2300  
Fund Center: 898  
Cost Center: 417169  
Commitment Item: 510:00:04

Thank you for your assistance. If you need additional information, please contact Renee Ikard, DHS CFO, at 501-682-8985.

Sincerely,

A handwritten signature in cursive script that reads 'Janet Mann'.

Janet Mann, Secretary-Designate  
Arkansas Department of Human Services

JM:sri