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September 12, 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: FY26 Appropriation and/or Fund Transfer Request(s)

Dear Co-Chairs:

I am forwarding for appropriate action as required by law, the attached Appropriation and/or Fund Transfer Request(s) that have received my approval as Chief Fiscal Officer of the State.

Sincerely,

James L. Hudson

Secretary

Attachment(s)



STATE OF ARKANSAS SARAH HUCKABEE SANDERS GOVERNOR

September 2, 2025

Senator Ben Gilmore, Co-Chair Representative Brian Eaves, Co-Chair Arkansas Legislative Council State Capitol Building Little Rock, AR 72201

Dear Co-Chairs:

Attached you will find a request from the Arkansas Department of Transportation to transfer funds in the amount of \$20,000,000 from the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund. This will provide the department with funding to meet the required state match for Federal Fiscal Year (FFY) 2026 Federal Funds.

Please accept this letter as my recommendation that this transfer request be reviewed and approved by the Arkansas Legislative Council, as required by Ark. Code Ann. §19-6-832(c).

I appreciate your consideration in this matter.

Sincerely,

Sarah Huckabee Sanders Governor of Arkansas

Soul Soul

ARKANSAS STATE HIGHWAY COMMISSION

PHILIP TALDO CHAIRMAN SPRINGDALE

KEITH GIBSON VICE CHAIRMAN FORT SMITH

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August 12, 2025

The Honorable Sarah Huckabee Sanders Governor of Arkansas State Capitol, Room 250 500 Woodlane Ave. Little Rock, Arkansas 72201

Dear Governor Sanders:

Reference is made to Act 1 of the 90th General Assembly's Third Extraordinary Session, the <u>Arkansas Highway Improvement Plan of 2016</u> (hereinafter called the Plan).

The Plan established the Arkansas Highway Transfer Fund which includes funding that can be utilized by the Arkansas Department of Transportation (Department) in State Fiscal Year 2026. By way of this letter, we are requesting the following:

Transfer Source	Amount
Securities Reserve Fund	\$ 20,000,000.00

Section 13 of the Plan, Arkansas Code 19-6-832 (c) reads as follows:

In the event revenues to the department are insufficient to fully address the highway construction and maintenance needs of the state, the department may provide a written document to the Governor outlining the reasons that additional funding is needed and requesting that the Governor provide a recommendation to the Legislative Council or the Joint Budget Committee for review and approval of the transfer of funds in the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund.

The Honorable Sarah Huckabee Sanders August 12, 2025 Page 2

The Department is seeking funding from the Arkansas Highway Transfer Fund to provide the required state match and more efficiently utilize our Federal Fiscal Year (FFY) 2025/2026 Federal funds. Having adequate cash flow from month to month allows the Department to plan and obligate funds in a more effective manner and prevents the Department from having to delay projects due to a lack of state matching funds.

The passage of the Infrastructure Investment and Jobs Act will continue to provide a substantial increase to Arkansas in the amount of Federal funds for transportation projects in Federal Fiscal Year 2026. The additional Federal funds will also require a proportional increase in the required state match.

Therefore, the Department respectfully requests your recommendation to the appropriate legislative body to transfer these funds from the Arkansas Highway Transfer Fund to the State Highway and Transportation Fund.

Thank you for your support of Arkansas' transportation system.

Sincerely,

Jared D. Wiley, P.E.

Director

c: Highway Commission

Chiefs

Assistant Chief – Administration

Assistant Chief Engineer – Program Delivery

Communications

Fiscal Services

Program Management

Bureau of Legislative Research - Billy Parish

DFA – Fiscal and Budget Administrator – Robert Brech

DFA - Office of Budget - Jessica Moore