

INTERIM STUDY PROPOSAL 2011-192

REQUESTING THAT THE ARKANSAS LEGISLATIVE COUNCIL FOR THE EIGHTY-EIGHTH GENERAL ASSEMBLY REFER TO THE SENATE AGRICULTURE, FORESTRY, AND ECONOMIC DEVELOPMENT COMMITTEE A STUDY REGARDING THE REASONS FOR THE FORESTRY COMMISSION'S BUDGET CRISIS, THE ALTERNATIVE SOLUTIONS AVAILABLE TO AND CONSIDERED BY THE COMMISSION, THE SOURCES AND HISTORY OF THE COMMISSION'S FUNDING, OTHER SOURCES OF FUNDING SOUGHT AND USED BY THE COMMISSION, CHANGES TO THE EXISTING FUNDING SOURCES THAT WERE CONSIDERED BY THE COMMISSION, THE COMMISSION'S MANAGEMENT OF ITS FUNDS, THE COMMISSION'S DECISION AS TO WHICH EMPLOYEES TO LAY OFF, THE TIMELINE OF THE COMMISSION'S FUNDING ISSUES AND ITS DECISION TO LAY OFF EMPLOYEES, AND THE REASONS THAT THE CURRENT FISCAL ISSUES WERE NOT RESOLVED SOONER.

WHEREAS, the Forestry Commission relies on revenues from the severance tax on timber and the proceeds derived from the sale of tree seedlings and timber in the state; and

WHEREAS, revenues from the severance tax on timber and the sale of seedlings and timber have declined because of a decreased demand for timber products; and

WHEREAS, the commission's funding has decreased over the years as a result of the decreased revenue; and

WHEREAS, the commission has used money from a forest management trust fund and federal grants to supplement its revenues in the declining economy; and

WHEREAS, the commission has announced its decision to cut four million dollars (\$4,000,000) from its budget for this fiscal year; and

1 WHEREAS, thirty-six (36) commission employees, including administrative
2 personnel, foresters, forest rangers, and mechanics, will be laid off in
3 January 2012 as a result of these budget cuts; and
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5 WHEREAS, it is extremely rare for state employees to be laid off,
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7 NOW THEREFORE,

8 BE IT PROPOSED BY THE ARKANSAS LEGISLATIVE COUNCIL OF THE EIGHTY-EIGHTH
9 GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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11 THAT the Arkansas Legislative Council refer to the Senate Agriculture,
12 Forestry, and Economic Development Committee a study of the reasons for the
13 Forestry Commission's budget crisis, the alternative solutions available to
14 and considered by the commission, the sources and history of the commission's
15 funding, other sources of funding sought and used by the commission, changes
16 to existing funding sources that were considered by the commission, the
17 commission's management of its funds, the commission's decision as to which
18 employees to lay off, the timeline of the commission's funding issues and its
19 decision to lay off employees, and the reasons that the current fiscal issues
20 were not resolved sooner.
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22 Respectfully submitted,
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26 Senator Missy Irvin

27 District 10
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32 By: JLL/JLL
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