



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

April 1, 2021

Senator Jonathan Dismang, Co-Chair
Representative Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following amendment to SB158, the 2021-2022 Appropriation Bill for the Department of Education - Division of Elementary and Secondary Education - Public School Fund.

Please amend SECTION 1. APPROPRIATION – GRANTS AND AID TO LOCAL SCHOOL DISTRICTS AND SPECIAL PROGRAMS and renumber accordingly as follows:

ITEM NO.		FISCAL YEAR
		2021-2022
(17) DEPT OF CORRECTION	6,454,524	8,702,425
(25) ENHANCED SALARY		15,000,000
(39) OE CHARTER FAC FUNDING AID PROGRAM	7,575,000	9,075,000
(42) PUBLIC SCHOOL EMPLOYEE INSURANCE	57,373,600	57,446,400
(63) TEACHER RETIREMENT MATCHING	13,804,003	13,914,003
<u>(XX) TEACHER SALARY EQUALIZATION</u>		25,000,000
TOTAL AMOUNT APPROPRIATED	\$3,068,466,297	<u>\$3,082,396,998</u>

This request will increase appropriation in the Department of Correction line item by \$2,247,901 to transfer general revenue funding to the Department of Corrections School District to support the Riverside Vocational Technical program. It will also increase appropriation in the Public School Employee Insurance and Teacher Retirement Matching line items, \$72,800 and \$110,000 respectively, to transfer general revenue funding for the employer contributions for health insurance and retirement to the respective agencies on behalf of the Correctional School District for

the Riverside Vocational Technical employees, as required by special language.

This request will also replace the Enhanced Salary line item with the Teacher Salary Equalization line item, and increase the appropriation amount by \$10,000,000, for implementation of the Teacher Salary Equalization program.

This request will also increase the OE Charter Facility Funding Aid Program appropriation line by \$1,500,000 due to growth in charter schools.

Please add the following section, renumber the sections accordingly, and amend the emergency clause for this new section to become effective upon passage and approval:

SECTION XX. APPROPRIATION - GRANTS AND AID TO LOCAL SCHOOL DISTRICTS AND SPECIAL PROGRAMS. There is hereby appropriated, to the Department of Education, to be payable from the Division of Elementary and Secondary Education Public School Fund Account, for grants and aid to local school districts and special programs of the Department of Education – Division of Elementary and Secondary Education which shall be supplemental and in addition to those funds appropriated in Section 1 of Act 154 of 2020, the following:

ITEM NO.	FISCAL YEAR 2020-2021
(01) ADDITIONAL PUBLIC SCHOOL EMPLOYEE HEALTH INSURANCE	<u>\$20,000,000</u>

This request will provide sufficient appropriation in the current fiscal year to transfer an additional \$20,000,000 to the Employee Benefits Division for additional health insurance contributions for the public school employees' health insurance program.

Please amend SECTION 13. SPECIAL LANGUAGE. TRANSFER AUTHORITY as follows:

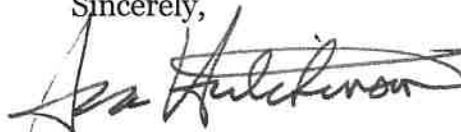
Page 9, line 25, delete "Commissioner" and substitute "Secretary". Page 10, line 3, delete "Commissioner" and substitute "Secretary".

This request will ensure that the transfer authority is applicable to the entirety of the Department of Education, due to transformation. The Department will still be limited to two transfers per fiscal year.

Senator Jonathan Dismang, Co-Chair
Representative Lane Jean, Co-Chair
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I appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson". The signature is written in a cursive style with a large, sweeping initial "A".

Asa Hutchinson