



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

March 9, 2017

Senator Larry Teague, 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 amendments to SB106, the 2017-2018 Operations Appropriation Bill for Arkansas Economic Development Commission:

Please amend SECTION 5. APPROPRIATION- STATE OPERATIONS as follows:

ITEM NO.		FISCAL YEAR 2017-2018
(11)	SMALL BUSINESS INNOVATIVE RESEARCH MATCHING GRANT	2,000,000
	TOTAL AMOUNT APPROPRIATED	\$14,600,840 \$16,600,840

This request for additional appropriation allows the Arkansas Economic Development Commission to implement the Small Business Innovative Research Matching Grants Program. This program helps foster technology based research growth in an under represented area, and is funded from general revenue.

Please amend SECTION 23. APPROPRIATION- DIVISION OF SCIENCE AND TECHNOLOGY-ARKANSAS ACCELERATION FUND as follows:

ITEM NO.		FISCAL YEAR 2017-2018
(01)	ACCELERATION GRANTS & INCENTIVES	\$18,700,000 \$30,000,000
	TOTAL AMOUNT APPROPRIATED	\$18,700,000 \$30,000,000

This appropriation increase request allows Arkansas Economic Development Commission to carry out all duties it's prescribed by the Arkansas Acceleration Fund Act of 2011. This funding consists of federal grants and incentives.

Please add a new section and renumber accordingly.

SECTION 31. APPROPRIATION-ARKANSAS ECONOMIC DEVELOPMENT COMMISSION- RURAL SERVICES-FISH AND WILDLIFE CONSERVATION EDUCATION PROGRAM. There is hereby appropriated, to the Rural Services Division of the Arkansas Economic Development Commission, to be payable from the cash fund deposited in the State Treasury as determined by the Chief Fiscal Officer of the State, for the Fish and Wildlife Conservation Education Program of the Arkansas Economic Development Commission for the fiscal year ending June 30, 2018, the following:

ITEM NO.	FISCAL YEAR 2017-2018
(01) FISH AND WILDLIFE CONSERVATION EDUCATION GRANT	\$800,000
TOTAL AMOUNT APPROPRIATED	\$800,000

This request will eliminate the need for the Arkansas Economic Development Commission to submit a PEER request every fiscal year. This grant is awarded annually by the Game and Fish Commission.

Please add a new section and renumber accordingly.

SECTION 54. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER OF FUNDS. In the event that revenue is available for transfer to and in support of Arkansas Acceleration Fund Act, the Executive Director of the Arkansas Economic Development Commission shall certify to the Chief Fiscal Officer of the State the amount needed for transfer from either the Arkansas Economic Development Commission Fund Account or the Miscellaneous Agencies Fund Account. Upon the approval of the Chief Fiscal Officer of the State, the amount certified shall be transferred. The Chief Fiscal Officer of the State shall initiate the necessary transfer documents to reflect all such transfers upon the fiscal records of the State Auditor, the State Treasurer and the Chief Fiscal Officer of the State.

The provisions of this section shall be in effect from July 1, 2017 through June 30, 2018.

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This language allows for additional sources of funds to be transferred in support of the Acceleration Program.

Please add a new section and renumber accordingly.

SECTION 55. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY FORWARD – MILITARY AFFAIRS GRANT PROGRAM. Any unexpended balance of funds for the Military Affairs Grant Program in the Arkansas Economic Development Commission Fund Account which remain at the close of each state fiscal year shall be carried forward to the next state fiscal year to be used for the same intent and purposes as set forth in law. Any carry forward of unexpended balance of funding as authorized herein, may be carried forward under the following conditions: (1) Prior to June 30, 2018 the Agency shall by written statement set forth its reason(s) for the need to carry forward said funding to the Department of Finance and Administration Office of Budget; (2) The Department of Finance and Administration Office of Budget shall report to the Arkansas Legislative Council all amounts carried forward by the September Arkansas Legislative Council or Joint Budget Committee meeting which report shall include the name of the Agency, Board, Commission or Institution and the amount of the funding carried forward, the program name or line item, the funding source of that appropriation and a copy of the written request set forth in (1) above; (3) Each Agency, Board, Commission or Institution shall provide a written report to the Arkansas Legislative Council or Joint Budget Committee containing all information set forth in item (2) above, along with a written statement as to the current status of the project, contract, purpose etc. for which the carry forward was originally requested no later than thirty (30) days prior to the time the Agency, Board, Commission or Institution presents its budget request to the Arkansas Legislative Council/Joint Budget Committee; and (4) Thereupon, the Department of Finance and Administration shall include all information obtained in item (3) above in the budget manuals and/or a statement of non-compliance by the Agency, Board, Commission or Institution.

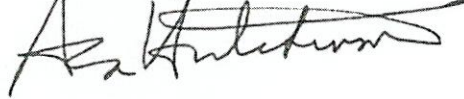
The provisions of this section shall be in effect only from July 1, 2017 through June 30, 2018.

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This language allows any unexpended balance of funds for the Military Affairs Grant to carry over into the next fiscal year and be used for the same intent and purpose.

I appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson". The signature is fluid and cursive, with a prominent initial "A" and a long, sweeping underline.

Asa Hutchinson

AH:db:maw