



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

April 18, 2016

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 amendment to SB43, the 2016-2017 Operations Appropriation Bill for the Arkansas Economic Development Commission:

Please delete the full text of SECTION 1 – REGULAR SALARIES.

Please delete the full text of SECTION 2 – REGULAR SALARIES – DIVISION OF SCIENCE AND TECHNOLOGY.

Please delete the full text of SECTION 3 – REGULAR SALARIES – DIVISION OF RURAL SERVICES.

Please insert the following:

SECTION 1. REGULAR SALARIES. There is hereby established for the Arkansas Economic Development Commission for the 2016-2017 fiscal year, the following maximum number of regular employees.

Item Class No. Code Title	Maximum No. of Employees	Maximum Amount	Fiscal Year 2016-2017
		Salary Rate	

(1)	<u>U055U</u>	<u>AEDC DIRECTOR</u>	1	\$139,706
(2)	<u>U105U</u>	<u>AEDC DEP DIR FINANCE & ADMIN</u>	1	\$119,839
(3)	<u>U059U</u>	<u>AEDC DEPUTY DIRECTOR</u>	1	\$119,839
(4)	<u>U063U</u>	<u>ASTA DIRECTOR</u>	1	\$107,553
(5)	<u>U099U</u>	<u>DIRECTOR OF RURAL SERVICES</u>	1	\$90,200
(6)	<u>N180N</u>	<u>AEDC ARKANSAS ENERGY OFFICE</u>		
		<u>DIRECTOR</u>	1	<u>GRADE N908</u>
(7)	<u>N062N</u>	<u>AEDC BUSINESS DEVELOPMENT DIV DIR</u>	1	<u>GRADE N908</u>
(8)	<u>N061N</u>	<u>AEDC BUSINESS FINANCE DIRECTOR</u>	1	<u>GRADE N908</u>
(9)	<u>N059N</u>	<u>AEDC TRAINING DIVISION DIRECTOR</u>	1	<u>GRADE N908</u>
(10)	<u>N085N</u>	<u>AEDC DIR TECH & ENTREPRENEURSHIP</u>	1	<u>GRADE N907</u>
(11)	<u>N084N</u>	<u>AEDC MRKT & COMMUNICATIONS DIR</u>	1	<u>GRADE N907</u>
(12)	<u>N083N</u>	<u>AEDC STRATEGIC PLANNING DIRECTOR</u>	1	<u>GRADE N907</u>
(13)	<u>N186N</u>	<u>ASTA DEPUTY DIRECTOR</u>	1	<u>GRADE N907</u>
(14)	<u>G033N</u>	<u>ASTA AMS DIRECTOR</u>	1	<u>GRADE N906</u>
(15)	<u>N094N</u>	<u>ASTA EPSCOR DIRECTOR</u>	1	<u>GRADE N906</u>
(16)	<u>N196N</u>	<u>MILITARY AFFAIRS DIRECTOR</u>	1	<u>GRADE N903</u>
(17)	<u>G034N</u>	<u>ASTA ASST DIR. SALES AND MARKETING</u>	1	<u>GRADE N903</u>
(18)	<u>G030N</u>	<u>ASTA ASST DIR. OF STEM EDUCATION</u>	1	<u>GRADE N902</u>
(19)	<u>B018N</u>	<u>ASTA FIELD ENGINEER</u>	7	<u>GRADE N902</u>
(20)	<u>A002N</u>	<u>ASTA ASSISTANT DIRECTOR OF FINANCE</u>	1	<u>GRADE N901</u>
(21)	<u>B015N</u>	<u>ASTA ASSISTANT DIRECTOR OF</u>		
		<u>RESEARCH</u>	1	<u>GRADE N901</u>
(22)	<u>G035N</u>	<u>ASTA SALES AND MARKETING</u>		
		<u>SPECIALIST</u>	1	<u>GRADE N901</u>
(23)	<u>G245C</u>	<u>AEDC DIR OF COMM DEV &</u>		
		<u>IMPROVEMENT</u>	1	<u>GRADE C128</u>
(24)	<u>G014C</u>	<u>AEDC DIR OF COMMUNITY</u>		
		<u>DEVELOPMENT</u>	1	<u>GRADE C128</u>
(25)	<u>P002C</u>	<u>AEDC DIRECTOR FILM COMMISSION</u>	1	<u>GRADE C128</u>
(26)	<u>G013C</u>	<u>AEDC MANAGER OF STRATEGIC ENERGY</u>		
		<u>DEV</u>	1	<u>GRADE C128</u>
(27)	<u>G015C</u>	<u>AEDC SMALL/MINORITY BUSINESS DIR</u>	1	<u>GRADE C128</u>
(28)	<u>D007C</u>	<u>INFORMATION SYSTEMS MANAGER</u>	2	<u>GRADE C128</u>
(29)	<u>A014C</u>	<u>FISCAL DIVISION MANAGER</u>	1	<u>GRADE C127</u>
(30)	<u>G048C</u>	<u>AEDC STRATEGIC PLANNING ASST DIR</u>	1	<u>GRADE C126</u>
(31)	<u>B016C</u>	<u>ASTA ASSISTANT DIRECTOR EPSCOR</u>	1	<u>GRADE C126</u>
(32)	<u>R006C</u>	<u>HUMAN RESOURCES ADMINISTRATOR</u>	1	<u>GRADE C126</u>
(33)	<u>G062C</u>	<u>AEDC PROJECT CONSULTANT</u>	39	<u>GRADE C125</u>
(34)	<u>G076C</u>	<u>ADMINISTRATIVE SERVICES MANAGER</u>	2	<u>GRADE C124</u>
(35)	<u>D029C</u>	<u>SENIOR GIS ANALYST</u>	1	<u>GRADE C124</u>
(36)	<u>R013C</u>	<u>AGENCY HUMAN RESOURCES MANAGER</u>	1	<u>GRADE C123</u>
(37)	<u>P004C</u>	<u>PUBLIC INFORMATION MANAGER</u>	1	<u>GRADE C123</u>

(38) <u>A052C</u>	<u>ACCOUNTING COORDINATOR</u>	<u>1</u>	<u>GRADE C121</u>
(39) <u>D054C</u>	<u>COMPUTER SUPPORT COORDINATOR</u>	<u>1</u>	<u>GRADE C121</u>
(40) <u>R014C</u>	<u>PERSONNEL MANAGER</u>	<u>1</u>	<u>GRADE C121</u>
(41) <u>D052C</u>	<u>SOFTWARE SUPPORT ANALYST</u>	<u>1</u>	<u>GRADE C121</u>
(42) <u>G248C</u>	<u>ENERGY PROGRAM COORDINATOR</u>	<u>1</u>	<u>GRADE C120</u>
(43) <u>G126C</u>	<u>FINANCE PROGRAM COORDINATOR</u>	<u>1</u>	<u>GRADE C120</u>
(44) <u>G148C</u>	<u>ENERGY PROGRAM MANAGER</u>	<u>2</u>	<u>GRADE C119</u>
(45) <u>G147C</u>	<u>GRANTS COORDINATOR</u>	<u>1</u>	<u>GRADE C119</u>
(46) <u>Co10C</u>	<u>EXECUTIVE ASSISTANT TO THE</u> <u>DIRECTOR</u>	<u>2</u>	<u>GRADE C118</u>
(47) <u>A074C</u>	<u>FISCAL SUPPORT SUPERVISOR</u>	<u>1</u>	<u>GRADE C118</u>
(48) <u>A082C</u>	<u>ACCOUNTANT II</u>	<u>4</u>	<u>GRADE C117</u>
(49) <u>R027C</u>	<u>BUDGET SPECIALIST</u>	<u>1</u>	<u>GRADE C117</u>
(50) <u>G180C</u>	<u>GRANTS ANALYST</u>	<u>5</u>	<u>GRADE C117</u>
(51) <u>R025C</u>	<u>HUMAN RESOURCES ANALYST</u>	<u>1</u>	<u>GRADE C117</u>
(52) <u>Bo76C</u>	<u>RESEARCH PROJECT ANALYST</u>	<u>2</u>	<u>GRADE C117</u>
(53) <u>P027C</u>	<u>PUBLIC INFORMATION SPECIALIST</u>	<u>2</u>	<u>GRADE C116</u>
(54) <u>Co37C</u>	<u>ADMINISTRATIVE ANALYST</u>	<u>2</u>	<u>GRADE C115</u>
(55) <u>R033C</u>	<u>BENEFITS ANALYST</u>	<u>1</u>	<u>GRADE C115</u>
(56) <u>Co56C</u>	<u>ADMINISTRATIVE SPECIALIST III</u>	<u>7</u>	<u>GRADE C112</u>
(57) <u>A098C</u>	<u>FISCAL SUPPORT SPECIALIST</u>	<u>1</u>	<u>GRADE C112</u>
	<u>MAX. NO. OF EMPLOYEES</u>	<u>121</u>	

SECTION 2. EXTRA HELP. There is hereby authorized, for the Arkansas Economic Development Commission for the 2016-2017 fiscal year, the following maximum number of part-time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: six (6) temporary or part-time employees, when needed, at rates of pay not to exceed those provided in the Uniform Classification and Compensation Act, or its successor, or this act for the appropriate classification.

Please amend SECTION 6. APPROPRIATION – STATE OPERATIONS as follows:

ITEM NO.	FISCAL YEAR	
		2016-2017
(01) REGULAR SALARIES	\$4,780,069	\$4,474,533
<u>EXTRA HELP</u>		\$30,000
(02) PERSONAL SERVICES MATCHING	1,493,043	1,393,733
(03) MAINT. & GEN. OPERATION		

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(C) PROF. FEES	1,465,000	2,215,000
<u>(08) MILITARY AFFAIRS GRANT PROGRAM</u>		750,000
TOTAL AMOUNT APPROPRIATED	<u>\$22,219,015</u>	<u>\$23,344,169</u>

Please amend SECTION 16. APPROPRIATION – DIVISION OF SCIENCE AND TECHNOLOGY – STATE OPERATIONS as follows:

ITEM NO.	FISCAL YEAR	
	2016	2017
(01) REGULAR SALARIES	\$724,118	584,717
(03) PERSONAL SERVICES MATCHING	232,845	181,041
TOTAL AMOUNT APPROPRIATED	<u>\$8,474,547</u>	<u>\$8,283,342</u>

Please amend SECTION 26. APPROPRIATION – RURAL SERVICES DIVISION – STATE OPERATIONS as follows:

ITEM NO.	FISCAL YEAR	
	2016	2017
(01) REGULAR SALARIES	\$237,427	\$138,249
(03) PERSONAL SERVICES MATCHING	78,704	41,616
TOTAL AMOUNT APPROPRIATED	<u>\$1,394,269</u>	<u>\$1,258,003</u>

Please insert the following section and renumber accordingly:

SECTION 52. SPECIAL LANGUAGE – PROMOTIONAL ITEMS. The Chief Fiscal Officer of the State shall establish, upon request from the Arkansas Economic Development Commission, a special appropriation line item to be used in the acquisition of promotional items. When the Arkansas Economic Development Commission wishes to transfer from its operating expenses to promotional items, the request shall be forwarded to the Chief Fiscal Officer of the State for processing after prior approval by the Arkansas Legislative Council or Joint Budget Committee. Determining the maximum number of employees and the maximum amount of appropriation and general revenue funding for a state agency each fiscal year is the prerogative of the General Assembly. This is usually accomplished by delineating such maximums in the appropriation act(s) for a state agency and the general revenue allocations authorized for each fund and fund account by amendment to the Revenue Stabilization Law. Further, the General Assembly has determined that the Arkansas Economic

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Development Commission may operate more efficiently if some flexibility is provided to the Arkansas Economic Development Commission authorizing broad powers under this Section. Therefore, it is both necessary and appropriate that the General Assembly maintain oversight by requiring prior approval of the Legislative Council or Joint Budget Committee as provided by this Section. The requirement of approval by the Legislative Council or Joint Budget Committee is not a severable part of this Section. If the requirement of approval by the Legislative Council or Joint Budget Committee is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.
The provisions of this Section shall be in effect only from July 1, 2016 through June 30, 2017.

This request integrates the salary sections of the Arkansas Economic Development Commission (AEDC), the AEDC Division of Science and Technology, and the AEDC Division of Rural Services. The proposed integration reflects AEDC's removal of fifteen (15) salaried positions that are duplicative or unnecessary. The request also includes six (6) Extra Help positions for the start of an agency internship program. Also included are the additional amounts necessary for AEDC to increase marketing efforts both domestically and internationally, and an additional grants appropriation in order to carry out Governor Hutchinson's Military Affairs initiative. Lastly is special language that allows AEDC to purchase promotional items.

These amendments reflect the efficiencies that resulted from the Type II Transfer during the 90th Session. Further, they are part of a broader effort to realize savings and efficiencies in state government.

I appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson", with a long horizontal flourish extending to the right.

Asa Hutchinson

AH:db:jmb