



STATE OF ARKANSAS
**Department of Finance
and Administration**

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June 3, 2020

Senator Cecile Bledsoe, Chair
Representative Jeff Wardlaw, Chair
Arkansas Legislative Council
State Capitol
Little Rock, AR 72201

Dear Co-Chairs:

Pursuant to A.C.A. §19-5-202, I am recommending continuation of the 2.1% deduction for the State Central Services Fund for Fiscal Year 2021, effective July 1, 2020.

Current projections of income and expenditures for the State Central Services Fund indicate that the current deduction of 2.1% on both general and special revenues will provide sufficient funding for agencies operating from the Fund.

This deduction for the State Central Services Fund has been included in the general revenues available for distribution to state agencies under the current Official Forecast of General Revenue for the 2021 fiscal year.

The Department will continue to monitor revenues to assess if the deduction can be lowered to 2% during the 2021 fiscal year.

I would appreciate your approval of this request.

Sincerely,


Larry W. Walther
Director

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