



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

**OFFICE OF THE SECRETARY**  
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August 7, 2020

**C.3**


Senator Bruce Maloch, Co-Chair  
Representative DeAnn Vaught, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: FY21 Appropriation and/or Fund Transfer Request(s)

Dear Co-Chairs:

Please find attached items that were submitted to the Department of Finance and Administration that do not require my approval as Chief Fiscal Officer of the State, but which require approval of the Arkansas Legislative Council.

Sincerely,

  
Larry W. Walther  
Cabinet Secretary

LWW

Attachment(s)



STATE OF ARKANSAS  
ASA HUTCHINSON  
GOVERNOR

August 3, 2020

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

Dear Co-Chairs:

Attached you will find a request from the Arkansas Department of Transportation to transfer funds in the amount of \$795,249.85 from the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund. This will provide the department with funding to expedite pavement preservation projects.

Please accept this letter as my recommendation that this transfer request be reviewed and approved by the Arkansas Legislative Council, as required by Ark. Code Ann. §19-6-832(c).

I appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson".

Asa Hutchinson

cc: Lori H Tudor,  
Director of the Arkansas Department of Transportation

# ARKANSAS STATE HIGHWAY COMMISSION

ROBERT S. MOORE, JR.  
CHAIRMAN  
ARKANSAS CITY



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P.O. Box 2261 • Little Rock, Arkansas 72203-2261  
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[www.ArDOT.gov](http://www.ArDOT.gov) • [www.IDriveArkansas.com](http://www.IDriveArkansas.com)

LORIE H. TUDOR, P.E.  
DIRECTOR

July 16, 2020

The Honorable Asa Hutchinson  
Governor of Arkansas  
State Capitol, Room 250  
500 Woodlane Avenue  
Little Rock, Arkansas 72201

Dear Governor Hutchinson:

Reference is made to Act 1 of the 90<sup>th</sup> General Assembly's Third Extraordinary Session, the Arkansas Highway Improvement Plan of 2016 (hereinafter called the Plan).

Section 13 of the Plan, Arkansas Code 19-6-832 (c) reads as follows:

*In the event revenues to the department are insufficient to fully address the highway construction and maintenance needs of the state, the department may provide a written document to the Governor outlining the reasons that additional funding is needed and requesting that the Governor provide a recommendation to the Legislative Council or the Joint Budget Committee for review and approval of the transfer of funds in the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund.*

The Plan established the Arkansas Highway Transfer Fund which includes funding that can be utilized by the Arkansas Department of Transportation (ARDOT). A breakdown of the funding received in Federal Fiscal Year 2020 is as follows:

Transfer Source	Amount Received
Redirect the \$4 million of the Diesel Tax from General Revenue to the Highway Fund (70/30 split)	\$2,700,000.00
Eliminate the State Central Services Deduction from 1/2 cent sales tax	\$6,500,000.00
Securities Reserve Fund	\$20,000,000.00
COVID-19 Rainy Day Fund	\$20,800,000.00
Total Received	\$50,000,000.00

The Honorable Asa Hutchinson  
July 15, 2020

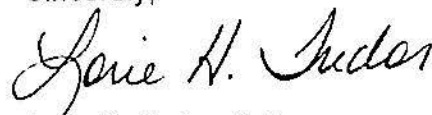
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According to Act 1, ARDOT is now eligible to request 25% of the State Surplus that has been deposited into the Arkansas Highway Transfer Fund in the amount of \$795,249.85. These funds are needed to expedite pavement preservation projects.

The Department respectfully requests your recommendation to the appropriate legislative body to transfer these funds from the Arkansas Highway Transfer Fund to the State Highway and Transportation Fund.

Thank you for your leadership during these challenging times and your work to address our State's highway funding shortfall.

Sincerely,



Lorie H. Tudor, P.E.  
Director

c: Highway Commission  
Deputy Director and Chief Operating Officer  
Deputy Director and Chief Engineer  
Assistant Chiefs  
Fiscal Services  
Governmental Relations Office  
Program Management  
Public Information  
Transportation Planning and Policy