



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

**OFFICE OF THE SECRETARY**  
1509 West Seventh Street, Suite 401  
Post Office Box 3278  
Little Rock, Arkansas 72203-3278  
Phone: (501) 682-2242  
Fax: (501) 682-1029  
[www.arkansas.gov/dfa](http://www.arkansas.gov/dfa)

June 4, 2021

Senator Terry Rice, Chair  
Representative Jeff Wardlaw, Chair  
Arkansas Legislative Council  
State Capitol  
Little Rock, AR 72201

Dear Co-Chairs:

Pursuant to Ark. Code Ann. §19-5-202, I am recommending to maintain the 2.1% deduction for the State Central Services Fund for Fiscal Year 2022, effective July 1, 2021.

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 2022 fiscal year.

The Department will continue to monitor revenues to assess if the deduction can be lowered to 2% during the 2022 fiscal year.

I would appreciate your approval of this request.

Sincerely,

A handwritten signature in cursive script that reads 'Larry W. Walther'.  
Larry W. Walther  
Cabinet Secretary