



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

**OFFICE OF THE SECRETARY**

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June 3, 2022

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, maintaining the 2.1% deduction for the State Central Services Fund for Fiscal Year 2023 is my recommendation, effective July 1, 2022.

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 2023 fiscal year.

The Department will continue to monitor revenues to assess if the deduction can be lowered to 2% during the 2023 fiscal year.

I would appreciate your approval of this request.

Sincerely,

Larry W. Walther  
Cabinet Secretary