

**9902 – DEPARTMENT OF COMMERCE
FISCAL YEAR 2022
ALC/JBC RECOMMENDATION**

The Department of Commerce is composed of: Aeronautics, Arkansas Wine Producers Council, the Bank, Insurance and State Securities Departments, Development Finance Authority, Waterways Commission, Workforce Services (including Rehabilitation Services and Services for the Blind), and the Economic Development Commission (including Film, Grants Management, International Business, Rural Services, Science and Technology, and Small and Minority Business). Act 271 of 2017, the Arkansas Energy Office was transferred by a Type 2 transfer to the Department of Environmental Quality. **Per Act 910 of 2019 (the Transformation and Efficiencies Act) the Office of Skills Development was transferred to the Department of Commerce and the Arkansas Unpaved Roads program was transferred to the Department of Agriculture.**

TOTAL APPROPRIATION

Appropriation		2019-2020	2020-2021	2021-2022
		Actual	Authorized	Legislative
E25	OSD – Apprenticeship Expansion	\$0	\$0	\$262,500
Z09	Office of Skills Development	\$4,533,482	\$23,502,493	\$23,524,653
Z10	Office of Skills Development Program	\$2,133,978	\$2,441,137	\$2,389,367
Z11	Construction Industry Craft Training Prog.	\$526,649	\$883,062	\$884,524
Z31	Arkansas Wine Center Expenses	\$0	\$1,250,000	\$1,250,000
Z34	Arkansas Wine Producers Council	\$0	\$5,000	\$5,000
Z38	Department of Commerce	\$192,610	\$192,118	\$3,435,963
Total	Commerce – Admin & Shared Services	\$7,386,719	\$28,273,810	\$31,752,007

1MZ	Super Projects	\$5,291,828	\$200,000,000	\$200,000,000
2SK	State Operations	\$8,523,772	\$16,899,882	\$13,279,354
2SQ	Community Assistance-Federal	\$8,551,240	\$36,281,635	\$36,283,462
M70	New Markets Performance Program	\$0	\$875,781	\$875,781
T88	AEDC-Rural Service Div-State Operations	\$822,725	\$1,784,510	\$1,785,590
U08	AR Manufacturing Extension Network-State	\$256,430	\$257,182	\$257,182
U09	Seed Capital Investment-Cash in Treasury	\$0	\$1,540,000	\$1,540,000
U11	Science & Technology-State Operations	\$1,606,822	\$8,283,707	\$13,720,123
U12	New AMS - Cash in Treasury	\$557,154	\$1,052,911	\$1,149,586
U13	Energy Efficiency - Cash in Treasury	\$27,099	\$100,000	\$100,000
U14	AR Manufacturing Extension Network-Fed	\$1,050,728	\$929,293	\$1,062,658
U16	Arkansas Acceleration Fund	\$0	\$30,000,000	\$100,000,000
U17	STEM Education - Cash	\$0	\$40,000	\$40,000
U22	Fish and Wildlife Conservation Program	\$444,230	\$800,000	\$800,000
U28	Rural Services Conference Cash	\$4,535	\$100,000	\$100,000
U34	EPSCOR	\$3,449,333	\$5,002,355	\$5,011,718
U77	Quick Action Closing	\$7,050,000	\$75,000,000	\$75,000,000
X09	Minority and Women-Owned Business Loan	\$0	\$500,000	\$500,000
X70	Rural Services - Law Enforcement Grants	\$50,000	\$5,000,000	\$5,000,000

X90	Career Counseling/Workforce Training Initiative	\$96,317	\$0	\$0
Y99	Commerce - AEDC - CARES Act Programs	\$127,022,524	\$0	\$0
Total	Commerce – Div. Economic Development	\$164,804,737	\$384,447,256	\$456,505,454

FUNDING SOURCES

Administration & Shared Services		2019-2020 Actual	%
Fund Balance	4000005	\$23,917,704	60.04
General Revenue	4000010	\$3,381,654	8.49
Special Revenue	4000030	\$1,177,747	2.96
Other	4000370	\$1,301	0.00
Transfer From DWS	4000527	\$2,500,000	6.28
Workforce 2000	4000740	\$8,663,723	21.75
Shared Services Transfer	4000760	\$192,610	0.48
Total Funds		\$39,834,739	100.00
Excess Appropriation/(Funding)		(\$32,448,020)	
Grand Total		\$7,386,719	

Division of Economic Development		2019-2020 Actual	%
Fund Balance	4000005	\$97,786,651	37.27
General Revenue	4000010	\$11,300,177	4.31
Federal Revenue	4000020	\$140,170,142	53.42
Cash Fund	4000045	\$177,119	0.07
Inter-agency Fund Transfer	4000316	\$3,494,230	1.33
Other	4000370	\$1,154,665	0.44
Transfers / Adjustments	4000683	(\$2,514,078)	-0.96
Restricted Reserve Fund	4000755	\$5,700,000	2.17
Shared Services Transfer	4000760	(\$192,610)	-0.07
Amendment 82 Bond	4000765	\$5,291,828	2.02
Total Funds		\$262,400,643	100.00
Excess Appropriation/(Funding)		(\$97,595,906)	
Grand Total		\$164,804,737	

CHANGE LEVEL REQUESTS – Administration & Shared Services

Office of Skills Development - Apprenticeship Expansion (Appropriation E25)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$0	\$75,000	\$75,000
5010003	Personal Services Matching	\$0	\$18,750	\$18,750
5050009	Conference & Travel Expenses	\$0	\$4,750	\$4,750
5060010	Professional Fees	\$0	\$164,000	\$164,000
Total		\$0	\$262,500	\$262,500

- New appropriation

Office of Skills Development (Appropriation Z09)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$173,777	\$189,846	\$16,069
5010003	Personal Services Matching	\$53,716	\$59,807	\$6,091
Total		\$227,493	\$249,653	\$22,160

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

Office of Skills Development Program (Appropriation Z10)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$508,528	\$471,871	(\$36,657)
5010003	Personal Services Matching	\$153,230	\$146,117	(\$7,113)
5020002	Operating Expenses	\$151,000	\$143,000	(\$8,000)
Total		\$812,758	\$760,988	(\$51,770)

- Decrease due to reallocation of one position to Administration and Shared Services.

Construction Industry Craft Training Program (Appropriation Z11)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$47,887	\$48,487	\$600
5010003	Personal Services Matching	\$15,675	\$16,537	\$862
Total		\$63,562	\$65,024	\$1,462

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

Department of Commerce (Appropriation Z38)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$153,000	\$2,415,692	\$2,262,692
5010003	Personal Services Matching	\$39,118	\$748,271	\$709,153
5020002	Operating Expenses	\$0	\$272,000	\$272,000
Total		\$192,118	\$3,435,963	\$3,243,845

- Increase due to reallocation of 34 positions from different divisions into Administration and Shared Services.

CHANGE LEVEL REQUESTS – Division of Economic Development**State Operations (Appropriation 2SK)**

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$5,150,588	\$4,221,696	(\$928,892)
5010003	Personal Services Matching	\$1,571,270	\$1,308,134	(\$263,136)
5020002	Operating Expenses	\$1,548,238	\$1,348,238	(\$200,000)
5900048	Small Business Innovative Research	\$2,000,000	\$0	(\$2,000,000)
5900050	For State Matching of Federal Funds	\$228,500	\$0	(\$228,500)

Total	\$10,498,596	\$6,878,068	(\$3,620,528)
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- Decrease in Regular Salaries, Personal Services Matching and Operating Expenses due to transfer of 18 positions to Administrative and Shared Services.
- Decrease in Small Business Innovative Research due to reallocation to the Arkansas Acceleration Fund Program in the Division of Science and Technology.
- Discontinuation of State Matching of Federal Funds due to transfer of the Energy Office to the Department of Energy and Environment – Division of Environmental Quality in the 2017-2019 biennium.

Community Assistance-Federal (Appropriation 2SQ)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010003	Personal Services Matching	\$104,947	\$106,774	\$1,827
Total		\$104,947	\$106,774	\$1,827

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

AEDC-Rural Service Division -State Operations (Appropriation T88)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010003	Personal Services Matching	\$51,438	\$52,518	\$1,080
Total		\$51,438	\$52,518	\$1,080

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

Science & Technology-State Operations (Appropriation U11)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$795,733	\$438,905	(\$356,828)
5010003	Personal Services Matching	\$245,693	\$138,937	(\$106,756)
5900048	Arkansas Acceleration Fund Program	\$6,500,000	\$12,400,000	\$5,900,000
Total		\$7,541,426	\$12,977,842	\$5,436,416

- Decrease in Regular Salaries and Personal Services Matching due to transfer of 5 positions to Administrative and Shared Services.
- Increase in Arkansas Acceleration Fund Program due to reallocation from the Small Business Innovative Research appropriation and reallocation within the Arkansas Acceleration Fund appropriation.

New AMS - Cash in Treasury (Appropriation U12)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$272,222	\$345,712	\$73,490
5010003	Personal Services Matching	\$81,859	\$105,044	\$23,185
Total		\$354,081	\$450,756	\$96,675

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

AR Manufacturing Extension Network-Fed (Appropriation U14)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$272,213	\$307,784	\$35,571
5010003	Personal Services Matching	\$81,796	\$93,470	\$11,674
5100004	Grants and Aid	\$240,000	\$275,000	\$35,000
5900046	Field Services	\$325,000	\$376,120	\$51,120
Total		\$919,009	\$1,052,374	\$133,365

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.
- Increases in Grants and Aid and Field Services due to increase of federal funding awarded to the program.

Arkansas Acceleration Fund (Appropriation U16)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5100004	Grants and Aid	\$30,000,000	\$100,000,000	\$70,000,000
Total		\$30,000,000	\$100,000,000	\$70,000,000

- Increase due to Legislative Recommendation to provide sufficient appropriation in the event the State receives funding to meet goal of fostering high-tech, high-skills and high-paying companies in Arkansas and support elevated research conducted by the Arkansas Research Alliance.

EPSCOR (Appropriation U34)

Commitment Item		2020-2021	2021-2022	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$225,284	\$231,545	\$6,261
5010003	Personal Services Matching	\$67,071	\$70,173	\$3,102
Total		\$292,355	\$301,718	\$9,363

- Increase in Regular Salaries and Personal Services Matching due to Career Service, Merit, etc. adjustments.

POSITIONS

Total Authorized Positions FY2020: 121 (Office of the Secretary - 1, Office of Skills Development - 12, AEDC - 108)

Total Authorized Positions FY2021: 131 (Office of the Secretary - 35, Office of Skills Development - 12, AEDC - 84)

Increase / (Decrease): 10

Extra Help Positions FY2022: 23 (Office of Skills Development - 16, AEDC - 7)

SPECIAL LANGUAGE REVISIONS

- **Funding Transfer** – Language deleted. Required AEDC to transfer \$100K annually from the Skills Development Fund to the Dept. of Career Education Fund for expenses and reimbursement costs for non-legislative Task Force on Workforce Education Excellence members.
- **Shared Services** – Language modified to continue cabinet level department position transfer authority for another fiscal year.
- **Fund Balance Transfer** – Language deleted. Authorized AEDC to transfer available deposits from the Client Services Arkansas Manufacturing Extension Network Federal account to the Cash account.
- **Carry Forward -Arkansas Acceleration Fund Program** - New language allows any unexpended balance of funds in the State Operations appropriation for this program, to be carried forward and used for the same purposes in the next state fiscal year, with a report of these transfers to be included in budget manuals presented to the General Assembly.