SUMMARY BUDGET INFORMATION

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DEPARTMENT OF INSPECTOR GENERAL - ADMINISTRATION AND SHARED SERVICES

Employment Summary

	Male	Female	Total	%
White Employees	11	19	30	64 %
Black Employees	2	11	13	28 %
Other Racial Minorities	1	3	4	8 %
Total Minorities			17	36 %
Total Employees			47	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Enterprise Fraud Program Quarterly Report	A.C.A 20-77-2513(c)	N	N	6	Statutory Requirements	0	0.00
Enterprise Fraud Program Quartery Report	ACA 20-77-2513(c)	N	N	6	Statutory Requirements	0	0.00
Office of the Child Welfare Ombudsman Annual Report	ACA 25-43-1007 (a)(5)	Y	Y	6	Statutory Requirements	0	0.00
Office of the Juvenile Ombudsman Annual Report	ACA 25-43-1008 (a)(4)	Y	Y	6	Statutory Requirements	0	0.00
Office of the Medicaid Inspector General	ACA 20-77-2509 (a)	Y	Y	6	Statutory Requirements	0	0.00
Office of the Medicaid Inspector General Annual Report	A.C.A. 20-77-2509(a)	Y	Y	6	Statutory Requirements	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Office of the Medicaid Inspector General Quarterly Report	ACA 20-77-250- (a)	Y	Y	6	Statutory Requirements	0	0.00
Office of the Medicaid Inspector General Quarterly Report	A.C.A. 20-77-2509(a)	Y	Y	6	Statutory Requirements	0	0.00

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation							
		FY26		FY27		FY27		FY28				FY29			
		Actual Expenditures	Pos	Budgeted Expenditures	Pos	Authorized Appropriation	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
BA3	Cash Operations - Medicaid Inspector Gen	195,795	2	200,000	2	345,909	3	237,855	2	237,855	2	237,855	2	237,855	2
BA4	State Operations-Medicaid Inspector Gen	724,767	6	935,468	7	1,153,571	11	1,044,371	8	1,044,371	8	1,044,589	8	1,044,589	8
BA5	Federal Operations-Medicaid InspectorGen	725,217	6	1,270,890	10	1,579,023	11	1,754,324	13	1,754,324	13	1,754,324	13	1,754,324	13
BA6	Enterprise Fraud Prog - State - MIG	0	0	0	0	900,000	0	900,000	0	900,000	0	900,000	0	900,000	0
BA7	Enterprise Fraud Prog - Fed - MIG	0	0	3,600,000	0	3,600,000	0	3,600,000	0	3,600,000	0	3,600,000	0	3,600,000	0
DM9	Juvenile Ombudsman Division	106,675	1	122,934	1	200,030	1	225,030	1	225,030	1	225,030	1	225,030	1
DN1	Child Welfare Ombudsman Division	221,918	2	140,550	1	279,360	2	192,018	1	192,018	1	192,018	1	192,018	1
E63	AFHC Operating	564,137	5	657,102	5	1,225,179	11	854,423	5	854,423	5	854,423	5	854,423	5
E64	AFHC Education Trust	17,788	0	55,000	0	95,000	0	95,000	0	95,000	0	95,000	0	95,000	0
E82	Independent Tax Appeals Commission	1,053,064	8	1,463,927	9	1,610,927	9	1,630,417	9	1,630,417	9	1,630,786	9	1,630,786	9
Z28	Internal Audit Section - Operations	1,871,996	19	3,019,799	21	3,361,799	25	3,639,297	25	3,639,297	25	3,640,035	25	3,640,035	25
Z45	Dept of the Inspector General	870,394	6	5,579,605	5	6,353,103	11	6,012,097	6	6,012,097	6	6,012,097	6	6,012,097	6
Total		6,351,751	55	17,045,275	61	20,703,901	84	20,184,832	70	20,184,832	70	20,186,157	70	20,186,157	70
Funding Sources			%		%				%		%		%		%
Fund Balance	4000005	904,783	12.5	908,082	5.0			1,065,443	5.3	1,065,443	5.3	738,497	3.7	738,497	3.7
General Revenue	4000010	1,101,472	15.2	6,125,170	33.8			6,125,170	30.2	6,125,170	30.2	6,125,170	30.4	6,125,170	30.4
Federal Revenue	4000020	1,015,034	14.0	5,654,400	31.2			5,803,000	28.6	5,803,000	28.6	6,017,000	29.8	6,017,000	29.8
State Central Services	4000035	3,347,200	46.1	4,826,516	26.7			5,796,214	28.6	5,796,214	28.6	5,797,321	28.8	5,797,321	28.8
Inter-agency Fund Transfer	4000316	421,949	5.8	356,550	2.0			335,550	1.7	335,550	1.7	335,550	1.7	335,550	1.7
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	229,395	3.2	0	0.0			10,800	0.1	10,800	0.1	10,800	0.1	10,800	0.1
Transfer from DHS-DYS	4000515	240,000	3.3	240,000	1.3			240,000	1.2	240,000	1.2	240,000	1.2	240,000	1.2
Unfunded Appropriation	4000715	0	0.0	0	0.0			900,000	4.4	900,000	4.4	900,000	4.5	900,000	4.5
Shared Services Transfer	4000760	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		7,259,833	100.0	18,110,718	100.0			20,276,177	100.0	20,276,177	100.0	20,164,338	100.0	20,164,338	100.0
Excess Appropriation/(Funding)		(908,082)		(1,065,443)				(91,345)		(91,345)		21,819		21,819	
Grand Total		6,351,751		17,045,275				20,184,832		20,184,832		20,186,157		20,186,157	

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: BA3 - Cash Operations - Medicaid Inspector Gen

Funding Sources: NMI-OMIG Cash in Treasury

This appropriation was established in FY2016 through a cash fund appropriation request approved by Legislative Council for the operations of the Office of Medicaid Inspector General (OMIG) Payment Integrity Unit.

Funding for this appropriation is derived from a transfer from the Department of Human Services.

Expenditure of appropriation is contingent upon available funding.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $237,855 in each year of the biennium.

The Agency Request includes the following change in each year of the biennium:

- Transfer out of one (1) position and associated Regular Salaries and Personal Services Matching Appropriation BA4 - State Operations – Medicaid Inspector General to support the agency's operational needs.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BA3 - Cash Operations - Medicaid Inspector Gen
Funding Sources: NMI-OMIG Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	129,919	133,767	247,164	161,221	161,221	161,221	161,221
#Positions		**2**	**2**	**3**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	45,682	46,567	75,190	53,079	53,079	53,079	53,079
Operating Expenses	5020002	13,737	11,756	15,645	15,645	15,645	15,645	15,645
Conference & Travel Expenses	5050009	6,457	6,710	6,710	6,710	6,710	6,710	6,710
Professional Fees	5060010	0	1,200	1,200	1,200	1,200	1,200	1,200
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		195,795	200,000	345,909	237,855	237,855	237,855	237,855
Funding Sources								
Fund Balance	4000005	5,088	9,376		9,376	9,376	0	0
Inter-agency Fund Transfer	4000316	198,706	200,000		200,000	200,000	200,000	200,000
Other	4000370	1,377	0		0	0	0	0
Total Funding		205,171	209,376		209,376	209,376	200,000	200,000
Excess Appropriation/(Funding)		(9,376)	(9,376)		28,479	28,479	37,855	37,855
Grand Total		195,795	200,000		237,855	237,855	237,855	237,855

Inter-agency Fund Transfer - Transfers from Department of Human Services.

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: BA4 - State Operations-Medicaid Inspector Gen

Funding Sources: HUA- Miscellaneous Agencies Fund

Act 910 of 2019 transferred the Office of Medicaid Inspector General to the Department of Inspector General. The Office of Medicaid Inspector General was established by Act 1499 of 2013. This act transferred the Program Integrity unit from the Department of Human Services - Division of Medical Services. The Program Integrity unit is federally mandated to comply with federal regulations outlined in 42 CFR Part 455 and 456. The goal of the Program Integrity unit is to ensure payments are consistent with the quality of care being provided, verify that medical services are medically necessary and rendered as billed, payments for services are correct and funds identified for collection are pursued. The Program Integrity unit performs on-site reviews to ensure providers are in compliance with Medicaid policy.

This appropriation is funded 100% through general revenue from the Miscellaneous Agencies Fund.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $1,044,371 in FY28 and $1,044,589 in FY29 and general revenue funding in the amount of $1,180,468 in each year of the biennium.

The Agency Request includes the following changes in each year of the biennium:

- Discontinuation of two (2) positions and associated Regular Salaries and Personal Services Matching, through the elimination of a vacant, unbudgeted positions.
- Transfer in of one (1) position and associated Regular Salaries and Personal Services Matching from Appropriation BA3 - Cash Operations - Medicaid Inspector General to support the agency's operational needs.
- Transfer out of two (2) positions and associated Regular Salaries and Personal Services Matching to Appropriation BA5 - Federal Operations – Medicaid Inspector General to support the agency's operational needs.
- Reallocation of $11,600 from Operating Expenses to Conference and Travel Expenses for travel to attend specialized Medicaid training.

The Executive Recommendation provides for the Agency Request, and the reclassification of four (4) positions.

Appropriation Summary

Appropriation: BA4 - State Operations-Medicaid Inspector Gen
Funding Sources: HUA- Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	476,337	565,236	701,304	635,198	635,198	635,348	635,348
#Positions		**6**	**7**	**11**	**8**	**8**	**8**	**8**
Extra Help	5010001	1,152	2,499	4,999	4,999	4,999	4,999	4,999
#Extra Help		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	176,489	185,449	253,106	210,012	210,012	210,080	210,080
Operating Expenses	5020002	67,485	176,084	187,962	176,362	176,362	176,362	176,362
Conference & Travel Expenses	5050009	3,304	3,400	3,400	15,000	15,000	15,000	15,000
Professional Fees	5060010	0	2,800	2,800	2,800	2,800	2,800	2,800
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		724,767	935,468	1,153,571	1,044,371	1,044,371	1,044,589	1,044,589
Funding Sources								
General Revenue	4000010	862,295	1,090,468		1,180,468	1,180,468	1,180,468	1,180,468
Shared Services Transfer	4000760	(137,528)	(155,000)		(178,000)	(178,000)	(178,000)	(178,000)
Total Funding		724,767	935,468		1,002,468	1,002,468	1,002,468	1,002,468
Excess Appropriation/(Funding)		0	0		41,903	41,903	42,121	42,121
Grand Total		724,767	935,468		1,044,371	1,044,371	1,044,589	1,044,589

Analysis of Budget Request

Appropriation: BA5 - Federal Operations-Medicaid InspectorGen

Funding Sources: FMG-OMIG Federal Operations

The Office of Medicaid Inspector General was established by Act 1499 of 2013. This act transferred the Program Integrity unit section from the Department of Human Services - Division of Medical Services. The Program Integrity unit is federally mandated to comply with federal regulations outlined in 42 CFR Part 455 and 456. The goal of the Program Integrity unit is to ensure payments are consistent with the quality of care being provided, verify that medical services are medically necessary and rendered as billed, payments for services are correct and funds identified for collection are pursued. The Program Integrity unit performs on-site reviews to ensure providers are in compliance with Medicaid policy.

This appropriation is funded 100% through federal revenue provided by the U. S. Department of Health and Human Services, Centers for Medicare and Medicaid Services.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $1,754,324 in each year of the biennium.

The Agency Request includes the following changes in each year of the biennium:

- Transfer in of two (2) positions and associated Regular Salaries and Personal Services Matching from Appropriation BA4 - State Operations – Medicaid Inspector General to support the agency's operational needs.
- Reallocation of $11,200 from Operating Expenses to Conference and Travel Expenses to support travel costs for specialized Medicaid training.

The Executive Recommendation provides for the Agency Request, and the reclassification of four (4) positions.

Appropriation Summary

Appropriation: BA5 - Federal Operations-Medicaid InspectorGen
Funding Sources: FMG-OMIG Federal Operations

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	476,341	791,161	1,009,874	1,139,548	1,139,548	1,139,548	1,139,548
#Positions		**6**	**10**	**11**	**13**	**13**	**13**	**13**
Extra Help	5010001	1,152	2,500	5,001	5,001	5,001	5,001	5,001
#Extra Help		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	176,487	261,140	348,059	393,686	393,686	393,686	393,686
Operating Expenses	5020002	67,485	209,489	209,489	198,289	198,289	198,289	198,289
Conference & Travel Expenses	5050009	3,752	3,800	3,800	15,000	15,000	15,000	15,000
Professional Fees	5060010	0	2,800	2,800	2,800	2,800	2,800	2,800
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		725,217	1,270,890	1,579,023	1,754,324	1,754,324	1,754,324	1,754,324
Funding Sources								
Fund Balance	4000005	8,040	6,938		281,048	281,048	218,724	218,724
Federal Revenue	4000020	724,115	1,700,000		1,870,000	1,870,000	2,057,000	2,057,000
Shared Services Transfer	4000760	0	(155,000)		(178,000)	(178,000)	(178,000)	(178,000)
Total Funding		732,155	1,551,938		1,973,048	1,973,048	2,097,724	2,097,724
Excess Appropriation/(Funding)		(6,938)	(281,048)		(218,724)	(218,724)	(343,400)	(343,400)
Grand Total		725,217	1,270,890		1,754,324	1,754,324	1,754,324	1,754,324

Analysis of Budget Request

Appropriation: BA6 - Enterprise Fraud Prog - State - MIG

Funding Sources: HUA-Miscellaneous Agencies Fund

The Enterprise Fraud Program was created by Act 259 of 2014 to require the Office of Medicaid Inspector General (OMIG) to establish a program focused on using state-of-the-art enterprise fraud detection technology to enhance the detection and prevention of fraud, waste, and abuse in the Arkansas Medicaid Program. The Act requires OMIG to procure, by competitive bid, an enterprise technology solution which uses current industry standards to provide: automated detection and alerting; continuous monitoring of program transactions; identification of fraud, noncompliance, and improper payments, both prospectively and retrospectively; detection of non-transactional fraud such as program eligibility issues and identity theft; use of state of the art analytical techniques; feedback and self-learning capability that allows the technology to adapt to changing schemes and trends; and demonstrated experience hosting sensitive and regulated state data.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $900,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BA6 - Enterprise Fraud Prog - State - MIG
Funding Sources: HUA-Miscellaneous Agencies Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Enterprise Fraud Program - Stat 5900046	0	0	900,000	900,000	900,000	900,000	900,000
Total	0	0	900,000	900,000	900,000	900,000	900,000
Funding Sources							
Unfunded Appropriation 4000715	0	0		900,000	900,000	900,000	900,000
Total Funding	0	0		900,000	900,000	900,000	900,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	0		900,000	900,000	900,000	900,000

Analysis of Budget Request

Appropriation: BA7 - Enterprise Fraud Prog - Fed - MIG

Funding Sources: FMG-OMIG Federal

The Enterprise Fraud Program was created by Act 259 of 2014 to require the Office of Medicaid Inspector General (OMIG) to establish a program focused on using state-of-the-art enterprise fraud detection technology to enhance the detection and prevention of fraud, waste, and abuse in the Arkansas Medicaid Program. The Act requires OMIG to procure, by competitive bid, an enterprise technology solution which uses current industry standards to provide: automated detection and alerting; continuous monitoring of program transactions; identification of fraud, noncompliance, and improper payments, both prospectively and retrospectively; detection of non-transactional fraud such as program eligibility issues and identity theft; use of state of the art analytical techniques; feedback and self-learning capability that allows the technology to adapt to changing schemes and trends; and demonstrated experience hosting sensitive and regulated state data.

This appropriation is funded through federal revenues and is contingent on the Center for Medicare and Medicaid Services (CMS) approving the funding. Federal revenue must comprise a minimum of 80% of the program funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $3,600,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BA7 - Enterprise Fraud Prog - Fed - MIG
Funding Sources: FMG-OMIG Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Enterprise Fraud - Federal	5900046	0	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
Total		0	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
Funding Sources								
Fund Balance	4000005	200,000	200,000		200,000	200,000	200,000	200,000
Federal Revenue	4000020	0	3,600,000		3,600,000	3,600,000	3,600,000	3,600,000
Total Funding		200,000	3,800,000		3,800,000	3,800,000	3,800,000	3,800,000
Excess Appropriation/(Funding)		(200,000)	(200,000)		(200,000)	(200,000)	(200,000)	(200,000)
Grand Total		0	3,600,000		3,600,000	3,600,000	3,600,000	3,600,000

Analysis of Budget Request

Appropriation: DM9 - Juvenile Ombudsman Division

Funding Sources: HSC - Juvenile Ombudsman

The Juvenile Ombudsman (JO) Division was created during the 82nd General Assembly for the purpose of ensuring that children placed within the custody of the Department of Human Services (DHS) - Division of Youth Services are receiving necessary services designed to keep them safe both mentally and physically.

Per Act 825 of 2025, The Juvenile Ombudsman Division was transferred to the Department of Inspector General from the Arkansas Public Defender Commission.

The Juvenile Ombudsman Division is funded by transfers from the Department of Human Services.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $225,030 in each year of the biennium.

The Agency Request includes the following changes in each year of the biennium:

- Increase in Operating Expenses of $25,000 for the replacement of IT equipment and software subscriptions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DM9 - Juvenile Ombudsman Division
Funding Sources: HSC - Juvenile Ombudsman

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	63,046	64,978	121,531	121,531	121,531	121,531	121,531
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Extra Help	5010001	4,528	4,800	4,800	4,800	4,800	4,800	4,800
#Extra Help		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	31,369	23,213	43,756	43,756	43,756	43,756	43,756
Operating Expenses	5020002	6,044	25,943	25,943	50,943	50,943	50,943	50,943
Conference & Travel Expenses	5050009	1,688	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		106,675	122,934	200,030	225,030	225,030	225,030	225,030
Funding Sources								
Fund Balance	4000005	131,150	236,237		320,303	320,303	319,773	319,773
Transfer from DHS-DYS	4000515	240,000	240,000		240,000	240,000	240,000	240,000
Shared Services Transfer	4000760	(28,238)	(33,000)		(15,500)	(15,500)	(15,500)	(15,500)
Total Funding		342,912	443,237		544,803	544,803	544,273	544,273
Excess Appropriation/(Funding)		(236,237)	(320,303)		(319,773)	(319,773)	(319,243)	(319,243)
Grand Total		106,675	122,934		225,030	225,030	225,030	225,030

Analysis of Budget Request

Appropriation: DN1 - Child Welfare Ombudsman Division

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Inspector General - Child Welfare Ombudsman (CWO) Division was established to work independently from other child welfare agencies, to review issues or concerns related to a court case or investigation to a juvenile. CWO has the duty to renew and recommend changes to laws relevant to the operation of the child welfare system.

Per Act 825 of 2025, The Child Welfare Ombudsman Division was transferred to the Department of Inspector General from the University of Arkansas for Medical Science (UAMS).

Funding for this appropriation is derived from transfers from the Department of Human Services.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $192,018 in each year of the biennium.

The Agency Request includes the following changes in each year of the biennium:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching, through the elimination of a vacant, unbudgeted position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DN1 - Child Welfare Ombudsman Division

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	145,050	79,800	147,360	82,774	82,774	82,774	82,774
#Positions		**2**	**1**	**2**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	47,796	26,250	50,000	27,244	27,244	27,244	27,244
Operating Expenses	5020002	23,425	30,000	55,000	55,000	55,000	55,000	55,000
Conference & Travel Expenses	5050009	5,647	4,500	9,000	9,000	9,000	9,000	9,000
Professional Fees	5060010	0	0	18,000	18,000	18,000	18,000	18,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		221,918	140,550	279,360	192,018	192,018	192,018	192,018
Funding Sources								
Inter-agency Fund Transfer	4000316	223,243	156,550		135,550	135,550	135,550	135,550
Intra-agency Fund Transfer	4000317	13,241	0		0	0	0	0
Shared Services Transfer	4000760	(14,566)	(16,000)		(15,500)	(15,500)	(15,500)	(15,500)
Total Funding		221,918	140,550		120,050	120,050	120,050	120,050
Excess Appropriation/(Funding)		0	0		71,968	71,968	71,968	71,968
Grand Total		221,918	140,550		192,018	192,018	192,018	192,018

Inter-agency Fund Transfer - Transfers of $223,243 from the Department of Human Services and UAMS

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Analysis of Budget Request

Appropriation: E63 - AFHC Operating

Funding Sources: HUA - Miscellaneous Agencies Fund

Act 1785 of 2001, established the Arkansas Fair Housing Act and the Arkansas Fair Housing Commission. Act 910 of 2019 transferred the Commission to the Department of Inspector General.

The Commission consists of seven (7) members, five (5) members in the fields of real estate, homebuilding, mortgage lending, banking, and other related fields. One (1) member appointed by the President Pro tempore of the Senate and one (1) member appointee by the State of the House of Representatives member who has demonstrated active involvement or interest in fair housing issues. Members serve a four-year term.

The Arkansas Fair Housing Commission's mission is to receive, investigate, and/or resolve complaints alleging violations of the Arkansas Fair Housing Act that prohibits discrimination on the basis of race, color, national origin, religion, sex, familial status and disability; to work in conjunction with federal, state, local, public and private entities to prevent or eliminate discriminatory housing practices; and to establish a state wide education and outreach program.

Operations for the Commission are funded from general revenues through the Miscellaneous Agencies Fund and federal reimbursements received from the HUD's Fair Housing Assistance Program (FHAP) and the Fair Housing Initiatives Program (FHIP).

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $854,423 and general revenue funding in the amount of $294,702 in each year of the biennium.

The Agency Request includes the following changes in each year of the biennium:

- Discontinuation of six (6) positions and associated Regular Salaries and Personal Services Matching, through the elimination of a vacant, unbudgeted position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: E63 - AFHC Operating

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	366,506	377,558	637,197	377,558	377,558	377,558	377,558
#Positions		**5**	**5**	**11**	**5**	**5**	**5**	**5**
Extra Help	5010001	0	10,000	40,000	40,000	40,000	40,000	40,000
#Extra Help		**0**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	120,568	127,090	240,503	129,386	129,386	129,386	129,386
Operating Expenses	5020002	60,717	80,758	191,573	191,573	191,573	191,573	191,573
Conference & Travel Expenses	5050009	16,346	56,696	58,000	58,000	58,000	58,000	58,000
Professional Fees	5060010	0	5,000	57,007	57,007	57,007	57,007	57,007
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Public Education	5900046	0	0	899	899	899	899	899
Total		564,137	657,102	1,225,179	854,423	854,423	854,423	854,423
Funding Sources								
Fund Balance	4000005	368	214,196		214,196	214,196	0	0
General Revenue	4000010	239,177	384,702		294,702	294,702	294,702	294,702
Federal Revenue	4000020	290,919	354,400		333,000	333,000	360,000	360,000
Intra-agency Fund Transfer	4000317	320,000	0		0	0	0	0
Other	4000370	570	0		0	0	0	0
Shared Services Transfer	4000760	(72,701)	(82,000)		(77,500)	(77,500)	(77,500)	(77,500)
Total Funding		778,333	871,298		764,398	764,398	577,202	577,202
Excess Appropriation/(Funding)		(214,196)	(214,196)		90,025	90,025	277,221	277,221
Grand Total		564,137	657,102		854,423	854,423	854,423	854,423

Analysis of Budget Request

Appropriation: E64 - AFHC Education Trust

Funding Sources: TFH - Arkansas Fair Housing Commission Trust Fund

The Education - Trust Program was established by Act 1785 of 2001 and provides for the administration and operations of the Commission. Funding is derived from federal revenue and cash funds generated by the receipt of continuing education and training fees, contributions, administrative, and/or civil penalties levied and collected pursuant to Ark. Code Ann. § 16-123-301.

This appropriation provides for a statewide education and outreach program pursuant to Ark. Code Ann. § 16-123-301 et seq. and for the annual educational fair housing conference hosted by the Commission.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $95,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: E64 - AFHC Education Trust

Funding Sources: TFH - Arkansas Fair Housing Commission Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	5,913	35,000	50,000	50,000	50,000	50,000	50,000
Conference & Travel Expenses	5050009	11,875	20,000	45,000	45,000	45,000	45,000	45,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		17,788	55,000	95,000	95,000	95,000	95,000	95,000
Funding Sources								
Fund Balance	4000005	407,876	83,359		28,359	28,359	0	0
Intra-agency Fund Transfer	4000317	(320,000)	0		0	0	0	0
Other	4000370	13,271	0		10,800	10,800	10,800	10,800
Total Funding		101,147	83,359		39,159	39,159	10,800	10,800
Excess Appropriation/(Funding)		(83,359)	(28,359)		55,841	55,841	84,200	84,200
Grand Total		17,788	55,000		95,000	95,000	95,000	95,000

Analysis of Budget Request

Appropriation: E82 - Independent Tax Appeals Commission

Funding Sources: HSC - State Central Services

Act 586 of 2021 established the Independent Tax Appeals Commission within the Department of Inspector General to be an independent agency with tax expertise to resolve disputes between the Department of Finance and Administration and taxpayers before requiring the payments of the amount in issue. By establishing the Tax Appeals Commission as an independent tax tribunal within the executive branch of government, the Commission provides taxpayers with a means of resolving controversies with the Department of Finance and Administration before a neutral body.

This appropriation provides for the operations of the Independent Tax Appeals Commission. This appropriation is funded through State Central Services.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $1,630,417 in FY28 and $1,630,786 in FY29.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: E82 - Independent Tax Appeals Commission
Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	667,653	927,756	912,118	928,556	928,556	928,856	928,856
#Positions		**8**	**9**	**9**	**9**	**9**	**9**	**9**
Personal Services Matching	5010003	223,128	281,677	278,809	281,861	281,861	281,930	281,930
Operating Expenses	5020002	151,576	234,494	400,000	400,000	400,000	400,000	400,000
Conference & Travel Expenses	5050009	10,707	20,000	20,000	20,000	20,000	20,000	20,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		1,053,064	1,463,927	1,610,927	1,630,417	1,630,417	1,630,786	1,630,786
Funding Sources								
Fund Balance	4000005	134,085	0		0	0	0	0
State Central Services	4000035	1,047,200	1,610,927		1,769,917	1,769,917	1,770,286	1,770,286
Other	4000370	2,428	0		0	0	0	0
Shared Services Transfer	4000760	(130,649)	(147,000)		(139,500)	(139,500)	(139,500)	(139,500)
Total Funding		1,053,064	1,463,927		1,630,417	1,630,417	1,630,786	1,630,786
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		1,053,064	1,463,927		1,630,417	1,630,417	1,630,786	1,630,786

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: Z28 - Internal Audit Section - Operations

Funding Sources: HSC - State Central Services

The Internal Audit Section created under the Department of Finance and Administration by Governor's Executive order 99-08 and transferred to the Department of Inspector General by a cabinet-level department transfer under Ark. Code Ann. § 25-43-1002. The Internal Audit Section shall conduct its audits using the suggested standards for the professional practice of internal auditing as adopted by the Institute of Internal Auditors.

This appropriation provides for the operations of the Internal Audit Section. This appropriation is funded through State Central Services.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $3,639,297 in FY28 and $3,640,035 in FY29.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z28 - Internal Audit Section - Operations
Funding Sources: HSC - State Central Services

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,177,825	1,904,156	1,926,800	2,149,347	2,149,347	2,149,947	2,149,947
#Positions		**19**	**21**	**25**	**25**	**25**	**25**	**25**
Personal Services Matching	5010003	450,882	603,130	636,180	691,131	691,131	691,269	691,269
Operating Expenses	5020002	219,886	464,513	702,719	702,719	702,719	702,719	702,719
Conference & Travel Expenses	5050009	23,403	40,000	44,600	44,600	44,600	44,600	44,600
Professional Fees	5060010	0	8,000	51,500	51,500	51,500	51,500	51,500
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		1,871,996	3,019,799	3,361,799	3,639,297	3,639,297	3,640,035	3,640,035
Funding Sources								
Fund Balance	4000005	8,920	146,210		0	0	0	0
State Central Services	4000035	2,300,000	3,215,589		4,026,297	4,026,297	4,027,035	4,027,035
Other	4000370	43,094	0		0	0	0	0
Shared Services Transfer	4000760	(333,808)	(342,000)		(387,000)	(387,000)	(387,000)	(387,000)
Total Funding		2,018,206	3,019,799		3,639,297	3,639,297	3,640,035	3,640,035
Excess Appropriation/(Funding)		(146,210)	0		0	0	0	0
Grand Total		1,871,996	3,019,799		3,639,297	3,639,297	3,640,035	3,640,035

Analysis of Budget Request

Appropriation: Z45 - Dept of the Inspector General

Funding Sources: PAY-Dept of Inspector General Paying

The Department of Inspector General was established under Act 910 of 2019. The Secretary is appointed by the Governor.

This appropriation was created for Shared Services such as Administration, Human Resources, and Legal within the Cabinet. This appropriation is funded by general revenue and shared services transfers.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $6,012,097 and general revenue funding in the amount of $4,650,000 in each year of the biennium.

The Agency request includes the following changes in both years of the biennium:

- Discontinuation of five (5) positions and associated Regular Salaries and Personal Services Matching, through the elimination of a vacant, unbudgeted position.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z45 - Dept of the Inspector General
Funding Sources: PAY-Dept of Inspector General Paying

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	618,067	677,855	976,041	730,935	730,935	730,935	730,935
#Positions		**6**	**5**	**11**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	197,336	193,400	318,712	222,812	222,812	222,812	222,812
Operating Expenses	5020002	51,985	58,350	58,350	58,350	58,350	58,350	58,350
Conference & Travel Expenses	5050009	3,006	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Program Integrity	5900046	0	4,650,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		870,394	5,579,605	6,353,103	6,012,097	6,012,097	6,012,097	6,012,097
Funding Sources								
Fund Balance	4000005	9,256	11,766		12,161	12,161	0	0
General Revenue	4000010	0	4,650,000		4,650,000	4,650,000	4,650,000	4,650,000
Intra-agency Fund Transfer	4000317	(13,241)	0		0	0	0	0
Other	4000370	168,655	0		0	0	0	0
Shared Services Transfer	4000760	717,490	930,000		991,000	991,000	991,000	991,000
Total Funding		882,160	5,591,766		5,653,161	5,653,161	5,641,000	5,641,000
Excess Appropriation/(Funding)		(11,766)	(12,161)		358,936	358,936	371,097	371,097
Grand Total		870,394	5,579,605		6,012,097	6,012,097	6,012,097	6,012,097

DEPARTMENT OF COMMERCE - ADMINISTRATION AND SHARED SERVICES

Employment Summary

	Male	Female	Total	%
White Employees	8	17	25	66 %
Black Employees	1	10	11	29 %
Other Racial Minorities	0	2	2	5 %
Total Minorities			13	34 %
Total Employees			38	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
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N/A	N/A	N	N	0	N/A	0	0.00

Analysis of Budget Request

Appropriation: Z38 - Department of Commerce

Funding Sources: PAY - Shared Services Paying

Ark. Code Ann. § 25-43-104 created the new cabinet-level department for the Department of Commerce and Ark. Code Ann. § 25-43-108 establishes the Secretary of the Department of Commerce. This appropriation provides for personal services and operating expenses for the cabinet-level staff.

Funding for this appropriation consists of a mix of revenue sources transferred from divisions utilizing Shared Services, which includes general, cash, federal, and special revenues.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The agency is requesting appropriation in the amount of $6,699,712 in FY28 and $6,702,784 in FY29.

The agency request includes the following changes in each year of the biennium:

- Discontinuation of thirteen (13) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Transfer out of two (2) positions and associated Regular Salaries and Personal Services Matching to maintain the established realignment and support continued operations of the agency.
  - One (1) position to Department of Commerce - AEDC (0790) appropriation 2SK - State Operations
  - One (1) position to Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund

- Transfer in of seven (7) positions and associated Regular Salaries and Personal Services Matching to maintain the established realignment and support continued operations of the agency.
  - One (1) position from Department of Commerce - AEDC (0790) appropriation 2SK - State Operations
  - Three (3) positions from Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund
  - Three (3) positions from Department of Commerce - DWS (0810) appropriation DH3 - Arkansas Rehabilitation Services

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z38 - Department of Commerce
Funding Sources: PAY - Shared Services Paying

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	3,708,906	4,179,118	4,400,000	4,474,000	4,474,000	4,476,500	4,476,500
#Positions		**49**	**46**	**59**	**51**	**51**	**51**	**51**
Personal Services Matching	5010003	1,310,967	1,315,561	1,502,564	1,425,712	1,425,712	1,426,284	1,426,284
Operating Expenses	5020002	344,240	500,000	500,000	500,000	500,000	500,000	500,000
Conference & Travel Expenses	5050009	15,203	200,000	200,000	200,000	200,000	200,000	200,000
Professional Fees	5060010	0	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	100,000	100,000	0	0	0	0
Total		5,379,316	6,394,679	6,802,564	6,699,712	6,699,712	6,702,784	6,702,784
Funding Sources								
Fund Balance	4000005	1,475,077	2,981,265		2,702,128	2,702,128	2,804,981	2,804,981
Other	4000370	64,728	0		0	0	0	0
Shared Services Transfer	4000760	6,820,776	6,115,542		6,802,565	6,802,565	6,802,565	6,802,565
Total Funding		8,360,581	9,096,807		9,504,693	9,504,693	9,607,546	9,607,546
Excess Appropriation/(Funding)		(2,981,265)	(2,702,128)		(2,804,981)	(2,804,981)	(2,904,762)	(2,904,762)
Grand Total		5,379,316	6,394,679		6,699,712	6,699,712	6,702,784	6,702,784

DEPARTMENT OF COMMERCE - DIVISION OF AERONAUTICS

Employment Summary

	Male	Female	Total	%
White Employees	3	1	4	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
State Aeronautical Chart	N/A	N	N	5,000	Provided as a service to general flying public for safety and informational purposes. Requested by individuals and businesses State and nationwide. (Published biennially)	0	0.00
State Airport Directory	N/A	N	N	5,000	Provides information to the flying public concerning individual Arkansas airports. (Published biennially)	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	FY26		FY27		FY27		FY28				FY29			
	Actual Expenditures	Pos	Budgeted Expenditures	Pos	Authorized Appropriation	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
665 Aeronautics-State Operations	18,839,210	4	16,519,664	5	16,518,370	6	26,520,651	5	26,520,651	5	26,521,021	5	26,521,021	5
666 Aeronautics-Federal Grants	177,270	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0	12,000,000	0
Total	19,016,480	4	28,519,664	5	28,518,370	6	38,520,651	5	38,520,651	5	38,521,021	5	38,521,021	5
Funding Sources		%		%				%		%		%		%
Fund Balance 4000005	28,242,622	55.7	31,669,222	51.6			32,844,649	52.5	32,844,649	52.5	23,985,310	44.7	23,985,310	44.7
Federal Revenue 4000020	177,270	0.3	12,000,000	19.6			12,000,000	19.2	12,000,000	19.2	12,000,000	22.4	12,000,000	22.4
Special Revenue 4000030	22,373,462	44.1	17,800,000	29.0			17,800,000	28.5	17,800,000	28.5	17,800,000	33.2	17,800,000	33.2
Shared Services Transfer 4000760	(107,652)	(0.2)	(104,909)	(0.2)			(138,688)	(0.2)	(138,688)	(0.2)	(138,688)	(0.3)	(138,688)	(0.3)
Total Funds	50,685,702	100.0	61,364,313	100.0			62,505,961	100.0	62,505,961	100.0	53,646,622	100.0	53,646,622	100.0
Excess Appropriation/(Funding)	(31,669,222)		(32,844,649)				(23,985,310)		(23,985,310)		(15,125,601)		(15,125,601)	
Grand Total	19,016,480		28,519,664				38,520,651		38,520,651		38,521,021		38,521,021	

FY27 Budget amount in appropriation 665 - Aeronautics - State Operations exceeds the authorized amount due to salary adjustments made during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 665 - Aeronautics-State Operations

Funding Sources: SDA - Division of Aeronautics Fund

Act 910 of 2019 transferred the Department of Aeronautics, now known as the Division of Aeronautics, to the Department of Commerce. The Division consists of seven (7) members appointed by the Governor and provides for examination, rating, and licensing of airports, landing fields, and air navigation facilities available for the use of aircraft.

This appropriation provides for the division's state operations and is funded entirely by special revenues derived from aviation sales and use taxes, as authorized in Ark. Code Ann. § 19-43-201.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $26,520,651 in FY28 and $26,521,021 in FY29.

The Agency Request includes the following changes in each year of the biennium:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services matching through the elimination of vacant, unbudgeted positions process.

- Increase of $10,000,000 in Airport Grant Funding and Related Expenses line item to align budget with program operations.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 665 - Aeronautics-State Operations
Funding Sources: SDA - Division of Aeronautics Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	319,822	406,958	398,931	407,758	407,758	408,058	408,058
#Positions		**4**	**5**	**6**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	120,427	134,177	140,910	134,364	134,364	134,434	134,434
Operating Expenses	5020002	95,151	165,029	165,029	165,029	165,029	165,029	165,029
Conference & Travel Expenses	5050009	825	50,000	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	26,469	763,500	763,500	763,500	763,500	763,500	763,500
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Airport Grant Funding And Relat	5900046	18,276,516	15,000,000	15,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Total		18,839,210	16,519,664	16,518,370	26,520,651	26,520,651	26,521,021	26,521,021
Funding Sources								
Fund Balance	4000005	28,242,622	31,669,222		32,844,649	32,844,649	23,985,310	23,985,310
Special Revenue	4000030	22,373,462	17,800,000		17,800,000	17,800,000	17,800,000	17,800,000
Shared Services Transfer	4000760	(107,652)	(104,909)		(138,688)	(138,688)	(138,688)	(138,688)
Total Funding		50,508,432	49,364,313		50,505,961	50,505,961	41,646,622	41,646,622
Excess Appropriation/(Funding)		(31,669,222)	(32,844,649)		(23,985,310)	(23,985,310)	(15,125,601)	(15,125,601)
Grand Total		18,839,210	16,519,664		26,520,651	26,520,651	26,521,021	26,521,021

FY27 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2027-2027 Biennium.

Analysis of Budget Request

Appropriation: 666 - Aeronautics-Federal Grants

Funding Sources: FAA - Aeronautics - Federal

The Aeronautics federal grants appropriation authorizes the disbursement of Federal Airport Aid Block Grant funds when funds are approved by the federal government for release to the State of Arkansas.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $12,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 666 - Aeronautics-Federal Grants
Funding Sources: FAA - Aeronautics - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Airport Grant Funding And Relat 5900046	177,270	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Total	177,270	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Funding Sources							
Federal Revenue 4000020	177,270	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000
Total Funding	177,270	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	177,270	12,000,000		12,000,000	12,000,000	12,000,000	12,000,000

DEPARTMENT OF COMMERCE - STATE BANK DEPARTMENT

Employment Summary

	Male	Female	Total	%
White Employees	56	11	67	88 %
Black Employees	2	3	5	7 %
Other Racial Minorities	3	1	4	5 %
Total Minorities			9	12 %
Total Employees			76	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Report of the Bank Commissioner	A.C.A. 23-46-210	N	N	1	Required for the Secretary of the Department of Commerce by Statute. Report is also available on the Agency's website for public information.	0	0.00

Analysis of Budget Request

Appropriation: 051 - State Bank Department-Operations

Funding Sources: SIB - State Bank Department Fund

Act 89 of 1997 created the Arkansas State Bank Department to ensure the safety and soundness of state chartered financial institutions. Act 910 of 2019 transferred the Bank Department to the Department of Commerce.

The Bank Department has statutory responsibility for the examination and regulation of state chartered banks, bank holding companies, trust companies and other entities and is funded entirely by special revenue fees assessed and collected on a semi-annual basis, as authorized in Ark. Code Ann. § 19-43-211. Special revenues are derived from bank department charter fees, assessments, examination fees, industrial loan institutions assessments and examination fees, and various asset forfeiture proceeds.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The agency is requesting appropriation in the amount of $15,607,732 in FY28 and $15,611,051 in FY29.

The Agency Request includes the following changes in each year:

- Increase of $50,000 in Conference and Travel to support travel for programmatic responsibilities.

- Restoration of $350,000 in Capital Outlay to replace data processing equipment and vehicles.

The Executive Recommendation provides for the Agency Request, and the reclassification of one (1) position.

Appropriation Summary

Appropriation: 051 - State Bank Department-Operations
Funding Sources: SIB - State Bank Department Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	8,033,024	9,449,749	8,937,998	9,453,049	9,453,049	9,455,749	9,455,749
#Positions		**84**	**92**	**92**	**92**	**92**	**92**	**92**
Extra Help	5010001	45,259	200,000	200,000	200,000	200,000	200,000	200,000
#Extra Help		**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	2,568,294	3,073,631	2,805,702	3,079,683	3,079,683	3,080,302	3,080,302
Operating Expenses	5020002	1,650,410	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Conference & Travel Expenses	5050009	326,568	375,000	375,000	425,000	425,000	425,000	425,000
Professional Fees	5060010	47,200	100,000	100,000	100,000	100,000	100,000	100,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	172,934	350,000	350,000	350,000	350,000	350,000	350,000
Total		12,843,689	15,548,380	14,768,700	15,607,732	15,607,732	15,611,051	15,611,051
Funding Sources								
Fund Balance	4000005	38,182,870	41,877,362		42,594,850	42,594,850	43,199,932	43,199,932
Special Revenue	4000030	16,651,446	16,500,000		16,500,000	16,500,000	16,500,000	16,500,000
Other	4000370	210,490	60,000		60,000	60,000	60,000	60,000
Shared Services Transfer	4000760	(323,755)	(294,132)		(347,186)	(347,186)	(347,186)	(347,186)
Total Funding		54,721,051	58,143,230		58,807,664	58,807,664	59,412,746	59,412,746
Excess Appropriation/(Funding)		(41,877,362)	(42,594,850)		(43,199,932)	(43,199,932)	(43,801,695)	(43,801,695)
Grand Total		12,843,689	15,548,380		15,607,732	15,607,732	15,611,051	15,611,051

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

DEPARTMENT OF COMMERCE - ARKANSAS ECONOMIC DEVELOPMENT COMMISSION

Employment Summary

	Male	Female	Total	%
White Employees	16	23	39	83 %
Black Employees	1	3	4	9 %
Other Racial Minorities	0	4	4	8 %
Total Minorities			8	17 %
Total Employees			47	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Act 1282 Annual Report	15-4-219	Y	Y	0	Required by Law	0	0.00
Annual Amendment 82 Project Report*	15-4-3224	N	Y	0	Required by Law	0	0.00
Biennial State Board and Commission Report	25-1-106	N	Y	0	Required by Law	0	0.00
Public Roads Improvements Tax Credit Annual Report	15-4-2307(3)	Y	N	0	Required by Law	0	0.00
Quarterly ITP Program Report	Act 218 of 2022	Y	Y	0	Required by Law	0	0.00
Quick Action Closing Report	19-27-287	Y	Y	0	Required by Law	0	0.00

Department Appropriation Summary

Appropriation		Historical Data FY26 Actual Expenditures	Pos	FY27 Budgeted Expenditures	Pos	FY27 Authorized Appropriation	Pos	Agency Request and Executive Recommendation FY28 Agency	Pos	FY28 Executive	Pos	FY29 Agency	Pos	FY29 Executive	Pos
1MZ	Super Projects	5,285,049	0	5,300,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0	6,000,000	0
2SK	State Operations	7,918,418	39	12,613,252	56	12,900,030	57	13,393,411	55	13,393,411	55	13,394,155	55	13,394,155	55
2SQ	Community Assistance-Federal	27,792,075	5	56,510,126	5	56,516,042	5	56,391,128	4	56,391,128	4	56,392,128	4	56,392,128	4
AR7	CDBG - Disaster Recovery	0	0	0	0	8,933,441	0	0	0	0	0	0	0	0	0
CF6	Econ Dev Incentive - Recycle Tax Credit	30,000,000	0	42,000,000	0	42,000,000	0	45,000,000	0	45,000,000	0	45,000,000	0	45,000,000	0
CF9	Econ Dev Incentive - Payroll Rebate	19,269,553	0	37,500,000	0	37,500,000	0	37,500,000	0	37,500,000	0	37,500,000	0	37,500,000	0
DK2	Rural Services-Animal Rescue&Shelter Gr	0	0	22,417	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
DM8	RuralServ-Community Assist Grnt Prog	5,071,771	0	10,000,000	0	10,000,000	0	19,928,228	0	19,928,228	0	19,928,228	0	19,928,228	0
M70	New Markets Performance Program	0	0	0	0	142,266	0	142,266	0	142,266	0	142,266	0	142,266	0
T88	AEDC-Rural Service Div-State Operations	931,040	2	1,146,996	2	1,696,094	2	1,698,018	2	1,698,018	2	1,698,018	2	1,698,018	2
U09	Seed Capital Investment-Cash in Treasury	0	0	962,913	0	1,040,000	0	1,040,000	0	1,040,000	0	1,040,000	0	1,040,000	0
U11	Science & Technology-State Operations	5,655,666	2	12,951,911	4	13,684,137	4	13,581,942	3	13,581,942	3	13,581,942	3	13,581,942	3
U16	Arkansas Acceleration Fund	0	0	903,076	0	5,000,000	0	903,076	0	903,076	0	903,076	0	903,076	0
U22	Fish and Wildlife Conservation Program	670,937	0	850,000	0	850,000	0	850,000	0	850,000	0	850,000	0	850,000	0
U28	Rural Services Conference Cash	72,466	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0	150,000	0
U77	Quick Action Closing	6,574,232	0	75,000,000	0	75,000,000	0	75,000,000	0	75,000,000	0	75,000,000	0	75,000,000	0
X09	Minority and Women-Owned Business Loa	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
X70	Rural Services - Law Enforcement Grants	0	0	0	0	5,000,000	0	0	0	0	0	0	0	0	0
NOT REQUESTED FOR THE BIENNIUM															
AI3	AEDC – ARPA – Broadband	5,822,255	0	0	0	0	0	0	0	0	0	0	0	0	0
AY3	ARP State Broadband Office Operations	74,301	0	0	0	0	0	0	0	0	0	0	0	0	0
BI5	IIJA – Broadband – BEAD	5,797,155	0	0	0	0	0	0	0	0	0	0	0	0	0
CA7	IIJA – Broadband – State Digital Equity Pl	1,553	0	0	0	0	0	0	0	0	0	0	0	0	0
CA9	ARPA – Broadband Infrastructure	31,805,130	0	0	0	0	0	0	0	0	0	0	0	0	0
CE3	Arkansas Site Development Program	7,636,417	0	0	0	0	0	0	0	0	0	0	0	0	0
Z99	EPSCoR	3,103,923	2	0	0	0	0	0	0	0	0	0	0	0	0
Total		163,481,941	50	256,410,691	67	276,962,010	68	272,128,069	64	272,128,069	64	272,129,813	64	272,129,813	64

Funding Sources			%		%			%		%		%		%
Fund Balance	4000005	135,747,205	41.4	164,668,388	50.6		69,220,671	28.7	69,220,671	28.7	28,957,431	14.4	28,957,431	14.4
General Revenue	4000010	18,880,591	5.8	19,213,976	5.9		19,213,976	8.0	19,213,976	8.0	19,213,976	9.6	19,213,976	9.6
Federal Revenue	4000020	74,377,933	22.7	51,510,126	15.8		51,510,126	21.4	51,510,126	21.4	51,510,126	25.7	51,510,126	25.7
Special Revenue	4000030	51,360,212	15.7	79,500,500	24.4		90,030,000	37.4	90,030,000	37.4	90,030,000	44.9	90,030,000	44.9

Funding Sources			%		%			%		%		%		%
Cash Fund	4000045	8,552,938	2.6	932,000	0.3		960,000	0.4	960,000	0.4	960,000	0.5	960,000	0.5
Gen Rev Allot Reserve	4000262	10,000,000	3.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	1,087,031	0.3	5,963,926	1.8		5,869,549	2.4	5,869,549	2.4	5,869,549	2.9	5,869,549	2.9
Unfunded Appropriation	4000715	0	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Restricted Reserve Fund	4000755	25,000,000	7.6	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Shared Services Transfer	4000760	(2,140,630)	(0.7)	(1,457,554)	(0.4)		(2,024,840)	(0.8)	(2,024,840)	(0.8)	(2,024,840)	(1.0)	(2,024,840)	(1.0)
Amendment 82 Bond	4000765	5,285,049	1.6	5,300,000	1.6		6,000,000	2.5	6,000,000	2.5	6,000,000	3.0	6,000,000	3.0
Total Funds		328,150,329	100.0	325,631,362	100.0		240,779,482	100.0	240,779,482	100.0	200,516,242	100.0	200,516,242	100.0
Excess Appropriation/(Funding)		(164,668,388)		(69,220,671)			31,348,587		31,348,587		71,613,571		71,613,571	
Grand Total		163,481,941		256,410,691			272,128,069		272,128,069		272,129,813		272,129,813	

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 1MZ - Super Projects

Funding Sources: TSP - Department of Economic Development Super Projects Fund

The Super Projects Program was established by the Ark. Code Ann. § 15-4-3001 et seq. to provide resources in support of industries that indicate the intention to invest in the State of Arkansas. "Super Project" is defined as a project that requires an investment of over $400,000,000 and that creates at least 400 new jobs by the project sponsor.

Funding comes from the Department of Economic Development Super Projects Fund derived from the general obligation bonds for Economic Development as defined in Amendment 82 which are backed by the full faith and credit of the State of Arkansas.

Continuing level of appropriation is FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $6,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MZ - Super Projects

Funding Sources: TSP - Department of Economic Development Super Projects Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Super Projects	5900046	5,285,049	5,300,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total		5,285,049	5,300,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Funding Sources								
Fund Balance	4000005	3,655,339	3,655,339		3,655,339	3,655,339	3,655,339	3,655,339
Amendment 82 Bond	4000765	5,285,049	5,300,000		6,000,000	6,000,000	6,000,000	6,000,000
Total Funding		8,940,388	8,955,339		9,655,339	9,655,339	9,655,339	9,655,339
Excess Appropriation/(Funding)		(3,655,339)	(3,655,339)		(3,655,339)	(3,655,339)	(3,655,339)	(3,655,339)
Grand Total		5,285,049	5,300,000		6,000,000	6,000,000	6,000,000	6,000,000

Analysis of Budget Request

Appropriation: 2SK - State Operations

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

Act 910 of 2019 transferred the Arkansas Economic Development Commission to the Department of Commerce.

This appropriation provides for the personal services and operating expenses for the agency. In addition, there are three functional groups within this appropriation consisting of: (1) Administration and Finance, (2) Global Business, and (3) Marketing and Communications.

Funding is primarily general revenue.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $13,393,411 in FY28 and $13,394,155 in FY29 and general revenue funding of $11,436,841 in each year of the biennium.

The agency request includes the following changes in each year:

- Net decrease of two (2) positions, along with associated Regular Salaries and Personal Services Matching from the following position changes:
    - Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.
    - Transfer out two (2) positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
        - One (1) position to Department of Commerce (9902) appropriation Z38 - Shared Services
        - One (1) position to Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund
    - Transfer in one (1) position and associated Regular Salaries and Personal Services Matching from Department of Commerce (9902) appropriation Z38 - Shared Services to better align with the agency's internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SK - State Operations

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	2,989,171	4,354,335	3,967,320	4,282,080	4,282,080	4,282,680	4,282,680
#Positions		**39**	**56**	**57**	**55**	**55**	**55**	**55**
Extra Help	5010001	11,635	50,000	50,000	50,000	50,000	50,000	50,000
#Extra Help		**3**	**6**	**6**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	1,156,947	1,486,981	1,283,186	1,461,807	1,461,807	1,461,951	1,461,951
Operating Expenses	5020002	1,333,999	1,450,650	1,450,650	1,450,650	1,450,650	1,450,650	1,450,650
Conference & Travel Expenses	5050009	89,784	141,486	141,486	141,486	141,486	141,486	141,486
Professional Fees	5060010	1,136,208	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	877,588	877,588	877,588	877,588	877,588
Capital Outlay	5120011	0	0	0	0	0	0	0
Global Business Initiatives	5900046	769,369	900,000	900,000	900,000	900,000	900,000	900,000
Military Affairs Grant Program	5900047	431,305	750,000	750,000	750,000	750,000	750,000	750,000
Industry Training Program	5900049	0	1,714,800	1,714,800	1,714,800	1,714,800	1,714,800	1,714,800
Total		7,918,418	12,613,252	12,900,030	13,393,411	13,393,411	13,394,155	13,394,155
Funding Sources								
Fund Balance	4000005	4,054,409	4,141,923		1,677,124	1,677,124	0	0
General Revenue	4000010	10,310,511	11,314,716		11,436,841	11,436,841	11,436,841	11,436,841
Intra-agency Fund Transfer	4000317	(500,000)	0		0	0	0	0
Other	4000370	41,229	0		0	0	0	0
Shared Services Transfer	4000760	(1,845,808)	(1,166,263)		(1,802,940)	(1,802,940)	(1,802,940)	(1,802,940)
Total Funding		12,060,341	14,290,376		11,311,025	11,311,025	9,633,901	9,633,901
Excess Appropriation/(Funding)		(4,141,923)	(1,677,124)		2,082,386	2,082,386	3,760,254	3,760,254
Grand Total		7,918,418	12,613,252		13,393,411	13,393,411	13,394,155	13,394,155

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 2SQ - Community Assistance-Federal

Funding Sources: FAK - Economic Development - Federal

Appropriation is used to operate the Community Development Block Grant Program at the Arkansas Economic Development Commission. Funding is provided by grants from the US Department of Housing and Urban Development and through repayments of previous loans.

This is a federally funded appropriation.

With the exception of Regular Salaries, continuing level of appropriation is the FY2027 authorized.

The agency is requesting appropriation in the amount of $56,391,128 in FY28 and $56,392,128 in FY29.

The Agency request includes the following change in each year:

- Transfer out one (1) position and associated Regular Salaries and Personal Services Matching to 0810 Division of Workforce Services appropriation DJ7 - Re-employment - Federal to better align with the agency's internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SQ - Community Assistance-Federal
Funding Sources: FAK - Economic Development - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	293,381	382,083	382,165	287,746	287,746	288,746	288,746
#Positions		**5**	**5**	**5**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	117,078	130,841	136,675	106,180	106,180	106,180	106,180
Operating Expenses	5020002	30,692	60,600	60,600	60,600	60,600	60,600	60,600
Conference & Travel Expenses	5050009	6,678	25,000	25,000	25,000	25,000	25,000	25,000
Professional Fees	5060010	39,725	70,000	70,000	70,000	70,000	70,000	70,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	27,304,521	48,261,988	48,261,988	48,261,988	48,261,988	48,261,988	48,261,988
Capital Outlay	5120011	0	0	0	0	0	0	0
Storm Recovery Grants	5900046	0	7,579,614	7,579,614	7,579,614	7,579,614	7,579,614	7,579,614
Total		27,792,075	56,510,126	56,516,042	56,391,128	56,391,128	56,392,128	56,392,128
Funding Sources								
Fund Balance	4000005	5,712,503	6,074,497		6,074,497	6,074,497	6,193,495	6,193,495
Federal Revenue	4000020	27,773,616	51,510,126		51,510,126	51,510,126	51,510,126	51,510,126
Other	4000370	380,453	5,000,000		5,000,000	5,000,000	5,000,000	5,000,000
Total Funding		33,866,572	62,584,623		62,584,623	62,584,623	62,703,621	62,703,621
Excess Appropriation/(Funding)		(6,074,497)	(6,074,497)		(6,193,495)	(6,193,495)	(6,311,493)	(6,311,493)
Grand Total		27,792,075	56,510,126		56,391,128	56,391,128	56,392,128	56,392,128

Analysis of Budget Request

Appropriation: AR7 - CDBG - Disaster Recovery

Funding Sources: FAK - Economic Development - Federal

The Arkansas Economic Development Commission was selected to administer the State of Arkansas Action Plan for Community Development Block Grant (CDBG) Disaster recovery efforts. Grant funds will be used to address long term recovery and restoration of infrastructure, housing and economic revitalization in the most impacted and distressed areas.

Program is federally funded.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to discontinue appropriation in the amount of $8,933,441 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: AR7 - CDBG - Disaster Recovery

Funding Sources: FAK - Economic Development - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
CDBG Disaster Recovery 5900046	0	0	8,933,441	0	0	0	0
Total	0	0	8,933,441	0	0	0	0
Funding Sources							
Unfunded Appropriation 4000715	0	0		0	0	0	0
Total Funding	0	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: CF6 - Econ Dev Incentive - Recycle Tax Credit

Funding Sources: SAE - Economic Development Incentive

The Economic Development Incentive Program - Create Rebate program provides recycling tax credits.

Funding is derived from special revenue that is composed of transfers from general revenues for financial incentive plans and incentive agreements.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $45,000,000 in each year of the biennium.

The Agency request includes the following change in each year:

- Increase of $3,000,000 in Grants and Aid to support the recycle tax credit program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: CF6 - Econ Dev Incentive - Recycle Tax Credit

Funding Sources: SAE - Economic Development Incentive

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	30,000,000	42,000,000	42,000,000	45,000,000	45,000,000	45,000,000	45,000,000
Total	30,000,000	42,000,000	42,000,000	45,000,000	45,000,000	45,000,000	45,000,000
Funding Sources							
Special Revenue 4000030	30,000,000	42,000,000		45,000,000	45,000,000	45,000,000	45,000,000
Total Funding	30,000,000	42,000,000		45,000,000	45,000,000	45,000,000	45,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	30,000,000	42,000,000		45,000,000	45,000,000	45,000,000	45,000,000

Analysis of Budget Request

Appropriation: CF9 - Econ Dev Incentive - Payroll Rebate

Funding Sources: SAE - Economic Development Incentive

The Payroll rebate program provides financial incentives to companies locating a new facility or expanding an existing facility with the State of Arkansas for companies that hire and maintain specified levels of employment, as identified in signed financial agreements with the Department of Commerce - Arkansas Economic Development Commission.

Funding is derived from special revenue that is composed of transfers from general revenues for financial incentive plans and incentive agreements.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $37,500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: CF9 - Econ Dev Incentive - Payroll Rebate

Funding Sources: SAE - Economic Development Incentive

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	19,269,553	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000
Total		19,269,553	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000
Funding Sources								
Fund Balance	4000005	4,599,967	6,690,488		6,690,488	6,690,488	14,190,488	14,190,488
Special Revenue	4000030	21,360,074	37,500,000		45,000,000	45,000,000	45,000,000	45,000,000
Total Funding		25,960,041	44,190,488		51,690,488	51,690,488	59,190,488	59,190,488
Excess Appropriation/(Funding)		(6,690,488)	(6,690,488)		(14,190,488)	(14,190,488)	(21,690,488)	(21,690,488)
Grand Total		19,269,553	37,500,000		37,500,000	37,500,000	37,500,000	37,500,000

Analysis of Budget Request

Appropriation: DK2 - Rural Services-Animal Rescue&Shelter Gr

Funding Sources: TRS - Animal Rescue and Shelter Trust Fund

The Animal Rescue and Shelter Grants is part of the Economic Development Commission Rural Services Division. This appropriation provides for grants to counties or municipalities based on infrastructure needs for animal rescues or shelters.

It is funded by the Animal Rescue and Shelter Trust Fund, which consists of special revenues as specified in Ark. Code Ann. § 27-24-1409(c)(1)(B).

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting to continue appropriation in the amount of $50,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK2 - Rural Services-Animal Rescue&Shelter Gr

Funding Sources: TRS - Animal Rescue and Shelter Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	0	22,417	50,000	50,000	50,000	50,000	50,000
Total		0	22,417	50,000	50,000	50,000	50,000	50,000
Funding Sources								
Fund Balance	4000005	21,779	21,917		0	0	0	0
Special Revenue	4000030	138	500		30,000	30,000	30,000	30,000
Total Funding		21,917	22,417		30,000	30,000	30,000	30,000
Excess Appropriation/(Funding)		(21,917)	0		20,000	20,000	20,000	20,000
Grand Total		0	22,417		50,000	50,000	50,000	50,000

Analysis of Budget Request

Appropriation: DM8 - RuralServ-Community Assist Grnt Prog

Funding Sources: PCG - Community Assitance Paying Fund

The Community Assistance Grant Program is part of the Economic Development Commission Rural Services Division. This appropriation provides for grants to fund cities, counties, and non-profit organizations around the state for eligible community and economic development projects and eligible non-profit organization projects.

The Agency is requesting appropriation in the amount of $19,928,228 in each year of the biennium.

The Agency request includes the following change in each year:

- Increase of $9,928,228 in Community Assistance Grant program line item to support program operations.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DM8 - RuralServ-Community Assist Grnt Prog
Funding Sources: PCG - Community Assitance Paying Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Community Assistance Grant Pr	5900046	5,071,771	10,000,000	10,000,000	19,928,228	19,928,228	19,928,228	19,928,228
Total		5,071,771	10,000,000	10,000,000	19,928,228	19,928,228	19,928,228	19,928,228
Funding Sources								
Fund Balance	4000005	15,000,000	19,928,229		9,928,229	9,928,229	0	0
Gen Rev Allot Reserve	4000262	10,000,000	0		0	0	0	0
Total Funding		25,000,000	19,928,229		9,928,229	9,928,229	0	0
Excess Appropriation/(Funding)		(19,928,229)	(9,928,229)		9,999,999	9,999,999	19,928,228	19,928,228
Grand Total		5,071,771	10,000,000		19,928,228	19,928,228	19,928,228	19,928,228

Analysis of Budget Request

Appropriation: M70 - New Markets Performance Program

Funding Sources: MNM - New Markets Performance Guarantee Fund

Arkansas Economic Development Commission administers the New Market Tax Credit program created by Act 1474 of 2013. The program allows business entities to earn credits against their state premium tax liability based on equity investments in community development entities that are invested in low-income community investments.

Funding is derived from a .5% fee on qualified equity investment or long-term debt security requested by any qualified entity as defined in Ark. Code Ann. § 15-4-3601 et seq.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $142,266 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: M70 - New Markets Performance Program
Funding Sources: MNM - New Markets Performance Guarantee Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	0	0	142,266	142,266	142,266	142,266	142,266
Total	0	0	142,266	142,266	142,266	142,266	142,266
Funding Sources							
Fund Balance 4000005	142,266	142,266		142,266	142,266	0	0
Total Funding	142,266	142,266		142,266	142,266	0	0
Excess Appropriation/(Funding)	(142,266)	(142,266)		0	0	142,266	142,266
Grand Total	0	0		142,266	142,266	142,266	142,266

Analysis of Budget Request

Appropriation: T88 - AEDC-Rural Service Div-State Operations

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

The Arkansas Economic Development Commission - Rural Services Division serves as a single point of contact for all organizations and individuals with a desire to enhance the quality of life for rural citizens. Working under the guidance of the Arkansas Rural Development Commission (ARDC), the Division assists citizens of rural Arkansas by providing rural grant programs and information sharing and educational opportunities through regional forums and the annual Arkansas Rural Development Conference.

This appropriation provides for the personal services and operations of the division and is primarily funded by general revenue.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $1,698,018 and general revenue funding of $1,694,094 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: T88 - AEDC-Rural Service Div-State Operations

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	129,142	147,592	154,934	154,934	154,934	154,934	154,934
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**
Extra Help	5010001	0	0	2,000	2,000	2,000	2,000	2,000
#Extra Help		**0**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	46,429	51,085	63,022	64,946	64,946	64,946	64,946
Operating Expenses	5020002	9,145	35,348	72,038	72,038	72,038	72,038	72,038
Conference & Travel Expenses	5050009	1,825	4,100	4,100	4,100	4,100	4,100	4,100
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	345,253	500,000	500,000	500,000	500,000	500,000	500,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Rural Fire Protection Grants	5900046	399,246	408,871	900,000	900,000	900,000	900,000	900,000
Total		931,040	1,146,996	1,696,094	1,698,018	1,698,018	1,698,018	1,698,018
Funding Sources								
General Revenue	4000010	886,243	757,404		1,694,094	1,694,094	1,694,094	1,694,094
Other	4000370	44,797	389,592		3,924	3,924	3,924	3,924
Total Funding		931,040	1,146,996		1,698,018	1,698,018	1,698,018	1,698,018
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		931,040	1,146,996		1,698,018	1,698,018	1,698,018	1,698,018

Analysis of Budget Request

Appropriation: U09 - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Science & Technology - Cash in Treasury

This Seed Capital Investment Program (SCIP) provides working capital to help support the initial capitalization or expansion of technology-based companies located in Arkansas, in accordance with Ark. Code Ann. § 15-3-101 et seq. Funds are loaned to businesses, with a maximum amount of $500,000 for any one project.

As businesses repay the loans, AEDC deposits the repayments into a cash fund.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $1,040,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U09 - Seed Capital Investment-Cash in Treasury

Funding Sources: NST - Science & Technology - Cash in Treasury

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Investments 5120013	0	962,913	1,040,000	1,040,000	1,040,000	1,040,000	1,040,000
Total	0	962,913	1,040,000	1,040,000	1,040,000	1,040,000	1,040,000
Funding Sources							
Fund Balance 4000005	909,873	941,214		5,301	5,301	0	0
Cash Fund 4000045	31,341	27,000		30,000	30,000	30,000	30,000
Total Funding	941,214	968,214		35,301	35,301	30,000	30,000
Excess Appropriation/(Funding)	(941,214)	(5,301)		1,004,699	1,004,699	1,010,000	1,010,000
Grand Total	0	962,913		1,040,000	1,040,000	1,040,000	1,040,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U11 - Science & Technology-State Operations

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

The Arkansas Economic Development Commission - Division of Science and Technology was created to develop and promote Arkansas' technological resources and to encourage the use of advanced technology in the state's business and agricultural communities. The Division offers a variety of programs emphasizing three areas: project financing, company financing, and technology extension/development.

This appropriation provides for the personal services and operating expenses of the division and is primarily funded by general revenue.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $13,581,942 and general revenue funding of $6,083,041 in each year of the biennium.

The Agency request includes the following change in each year:

- Transfer out one (1) position and associated Regular Salaries and Personal Services Matching to Department of Commerce - DWS (0810) appropriation DJ7 Re-employment-Federal to better align with the agency’s internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U11 - Science & Technology-State Operations

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	112,184	298,862	394,495	299,958	299,958	299,958	299,958
#Positions		**2**	**4**	**4**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	48,604	103,049	147,361	139,703	139,703	139,703	139,703
Operating Expenses	5020002	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	1,789,140	800,000	1,092,653	1,092,653	1,092,653	1,092,653	1,092,653
Capital Outlay	5120011	0	0	0	0	0	0	0
Technology Development	5900046	53,270	150,000	156,975	156,975	156,975	156,975	156,975
Seed Capital Investments	5900047	0	0	292,653	292,653	292,653	292,653	292,653
Arkansas Acceleration Fund Proc	5900048	3,652,468	11,600,000	11,600,000	11,600,000	11,600,000	11,600,000	11,600,000
Total		5,655,666	12,951,911	13,684,137	13,581,942	13,581,942	13,581,942	13,581,942
Funding Sources								
Fund Balance	4000005	13,990,027	15,821,523		10,294,511	10,294,511	3,439,335	3,439,335
General Revenue	4000010	7,683,837	7,141,856		6,083,041	6,083,041	6,083,041	6,083,041
Other	4000370	98,147	574,334		865,625	865,625	865,625	865,625
Shared Services Transfer	4000760	(294,822)	(291,291)		(221,900)	(221,900)	(221,900)	(221,900)
Total Funding		21,477,189	23,246,422		17,021,277	17,021,277	10,166,101	10,166,101
Excess Appropriation/(Funding)		(15,821,523)	(10,294,511)		(3,439,335)	(3,439,335)	3,415,841	3,415,841
Grand Total		5,655,666	12,951,911		13,581,942	13,581,942	13,581,942	13,581,942

Analysis of Budget Request

Appropriation: U16 - Arkansas Acceleration Fund

Funding Sources: MST - Arkansas Acceleration Fund

The Division of Science & Technology uses this appropriation to provide support and assistance for the accelerated growth of knowledge-based and high-technology jobs in the state through funding of the state's initiatives and programs defined under Ark. Code Ann. § 15-3-501 et seq.

Funding is from the Arkansas Acceleration Fund consisting of funds provided by law and grants made by federal governmental agency.

Continuing level of Appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $903,076 in each year of the biennium.

The Agency request includes the following change:

- Decrease of ($4,096,924) in Grants and Aid to align budget with funding.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U16 - Arkansas Acceleration Fund
Funding Sources: MST - Arkansas Acceleration Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	0	903,076	5,000,000	903,076	903,076	903,076	903,076
Total	0	903,076	5,000,000	903,076	903,076	903,076	903,076
Funding Sources							
Fund Balance 4000005	903,076	903,076		0	0	0	0
Total Funding	903,076	903,076		0	0	0	0
Excess Appropriation/(Funding)	(903,076)	0		903,076	903,076	903,076	903,076
Grand Total	0	903,076		903,076	903,076	903,076	903,076

Analysis of Budget Request

Appropriation: U22 - Fish and Wildlife Conservation Program

Funding Sources: NDR - Rural Services - Cash in Treasury

As authorized by Ark. Code Ann. § 6-16-1101 et seq., the Rural Services Division, in collaboration with the Arkansas Game and Fish Commission, provide school education programs for fish and wildlife conservation. The education programs may include without limitation the study of general fish and wildlife conservation issues, hunter education training, fishing education training, boating education training, wildlife habitat development, Project WILD, and the Hooked on Fishing-Not on Drugs Program.

Funding is transferred from the Arkansas Game and Fish Commission. AEDC acts as the disbursing agent to communities for these grants.

Expenditure of appropriation is contingent upon available funding.

With the exception of Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $850,000 in each year of the biennium.

The Agency request includes the following change for each year:
- Restoration of $50,000 in Capital Outlay to replace aging equipment and vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U22 - Fish and Wildlife Conservation Program

Funding Sources: NDR - Rural Services - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	0	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	620,689	800,000	800,000	800,000	800,000	800,000	800,000
Capital Outlay	5120011	50,248	50,000	50,000	50,000	50,000	50,000	50,000
Total		670,937	850,000	850,000	850,000	850,000	850,000	850,000
Funding Sources								
Fund Balance	4000005	215,458	356,032		356,032	356,032	356,032	356,032
Cash Fund	4000045	811,511	850,000		850,000	850,000	850,000	850,000
Total Funding		1,026,969	1,206,032		1,206,032	1,206,032	1,206,032	1,206,032
Excess Appropriation/(Funding)		(356,032)	(356,032)		(356,032)	(356,032)	(356,032)	(356,032)
Grand Total		670,937	850,000		850,000	850,000	850,000	850,000

Analysis of Budget Request

Appropriation: U28 - Rural Services Conference Cash

Funding Sources: NDE - Rural Services - Cash in Treasury

This appropriation is used for Rural Services Division's annual conference and several one-day seminars for local governments. The Annual Rural Development Conference attendance numbers range from 400-650 each year with topic of discussion including finance, community marketing strategies, infrastructure and crime.

Funding comes from cash revenues derived from the annual conference fees.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $150,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U28 - Rural Services Conference Cash
Funding Sources: NDE - Rural Services - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Conference Expenses	5900046	72,466	150,000	150,000	150,000	150,000	150,000	150,000
Total		72,466	150,000	150,000	150,000	150,000	150,000	150,000
Funding Sources								
Fund Balance	4000005	101,800	103,003		8,003	8,003	0	0
Cash Fund	4000045	73,669	55,000		80,000	80,000	80,000	80,000
Total Funding		175,469	158,003		88,003	88,003	80,000	80,000
Excess Appropriation/(Funding)		(103,003)	(8,003)		61,997	61,997	70,000	70,000
Grand Total		72,466	150,000		150,000	150,000	150,000	150,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: U77 - Quick Action Closing

Funding Sources: MQA - Economic Development Incentive Quick Action Closing Fund

The Economic Development Incentive Quick Action Closing Fund, established by Ark. Code Ann. § 19-27-287, is comprised mainly of funding transferred from the General Revenue Allotment Reserve Fund. The fund is utilized by the Arkansas Economic Development Commission for investment incentives to compete with other states to attract new businesses and economic development to the state or to retain existing businesses in the state.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $75,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: U77 - Quick Action Closing

Funding Sources: MQA - Economic Development Incentive Quick Action Closing Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	6,574,232	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000
Total		6,574,232	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000
Funding Sources								
Fund Balance	4000005	84,817,966	103,766,139		28,766,139	28,766,139	0	0
Other	4000370	522,405	0		0	0	0	0
Restricted Reserve Fund	4000755	25,000,000	0		0	0	0	0
Total Funding		110,340,371	103,766,139		28,766,139	28,766,139	0	0
Excess Appropriation/(Funding)		(103,766,139)	(28,766,139)		46,233,861	46,233,861	75,000,000	75,000,000
Grand Total		6,574,232	75,000,000		75,000,000	75,000,000	75,000,000	75,000,000

Analysis of Budget Request

Appropriation: X09 - Minority and Women-Owned Business Loan

Funding Sources: MSB - Minority and Women-Owned Business Loan Mobilization Revolving Fund

First established in Act 230 of 2018, this appropriation was added in conjunction with the passage of the Minority and Women-Owned Business Economic Development Act (Ark. Code Ann. § 15-4-301 et seq.) The program promotes the development of minority and women-owned businesses in the state, increase the ability of these businesses to compete for state contracts, and sustain the economic growth of these businesses in the state.

Funding is from the Minority and Women-Owned Business Loan Mobilization Revolving Fund consisting of unexpended fund balances remaining in the Small Business Loan Fund Account of the 82nd Session General Improvement Fund. Also, in accordance with approved special language, a sum not to exceed of $500,000 may be transferred from the Arkansas Economic Development Commission Fund Account to provide funds for the program.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X09 - Minority and Women-Owned Business Loan

Funding Sources: MSB - Minority and Women-Owned Business Loan Mobilization Revolving Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Minority & Women-Owned Busin 5900046	0	500,000	500,000	500,000	500,000	500,000	500,000
Total	0	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources							
Fund Balance 4000005	1,622,742	2,122,742		1,622,742	1,622,742	1,122,742	1,122,742
Intra-agency Fund Transfer 4000317	500,000	0		0	0	0	0
Total Funding	2,122,742	2,122,742		1,622,742	1,622,742	1,122,742	1,122,742
Excess Appropriation/(Funding)	(2,122,742)	(1,622,742)		(1,122,742)	(1,122,742)	(622,742)	(622,742)
Grand Total	0	500,000		500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: X70 - Rural Services - Law Enforcement Grants

Funding Sources: NDE - Rural Services - Cash in Treasury

This appropriation provides grants to law enforcement agencies and associations for rural communities with populations of less than 3,000. The maximum grant allocation per agency/association is $15,000.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is FY2027 Authorized.

The Agency is requesting to discontinue appropriation in the amount of $5,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X70 - Rural Services - Law Enforcement Grants

Funding Sources: NDE - Rural Services - Cash in Treasury

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	0	0	5,000,000	0	0	0	0
Total	0	0	5,000,000	0	0	0	0
Funding Sources							
Unfunded Appropriation 4000715	0	0		0	0	0	0
Total Funding	0	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	0		0	0	0	0

Expenditure of appropriation is contingent upon available funding.

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Appropriation Summary

Appropriation: AI3 - AEDC – ARPA – Broadband

Funding Sources: FRP - American Rescue Plan

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Personal Services Matching	5010003	3,805	0	0	0	0	0	0
Operating Expenses	5020002	282	0	0	0	0	0	0
Professional Fees	5060010	893,627	0	0	0	0	0	0
Grants and Aid	5100004	4,924,541	0	0	0	0	0	0
Total		5,822,255	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	5,822,255	0		0	0	0	0
Total Funding		5,822,255	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		5,822,255	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: AY3 - ARP State Broadband Office Operations

Funding Sources: FRP - American Rescue Plan

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
AR Rural Connect Program 5900046	74,301	0	0	0	0	0	0
Total	74,301	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	74,301	0		0	0	0	0
Total Funding	74,301	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	74,301	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BI5 - IIJA – Broadband – BEAD

Funding Sources: FII - Infrastructure Investment and Jobs Act

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Broadband Equity Access 5900046	5,797,155	0	0	0	0	0	0
Total	5,797,155	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	5,797,155	0		0	0	0	0
Total Funding	5,797,155	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	5,797,155	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CA7 - IIJA – Broadband – State Digital Equity Planning Grant

Funding Sources: FII - Infrastructure Investment and Jobs Act

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
State Digital Equity Capacity Gra 5900046	1,553	0	0	0	0	0	0
Total	1,553	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	1,553	0		0	0	0	0
Total Funding	1,553	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	1,553	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CA9 - ARPA – Broadband Infrastructure
Funding Sources: FRP - American Rescue Plan

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Broadband Capital Projects 5900046	31,805,130	0	0	0	0	0	0
Total	31,805,130	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	31,805,130	0		0	0	0	0
Total Funding	31,805,130	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	31,805,130	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CE3 - Arkansas Site Development Program

Funding Sources: NDE - Cash in State Treasury - Economic Stimulus

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Site Infrastructure Grants/Econc 5900046	7,636,417	0	0	0	0	0	0
Total	7,636,417	0	0	0	0	0	0
Funding Sources							
Cash Fund 4000045	7,636,417	0		0	0	0	0
Total Funding	7,636,417	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	7,636,417	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Appropriation Summary

Appropriation: Z99 - EPSCoR

Funding Sources: FST - Science & Technology - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
EPSCoR 5900046	3,103,923	0	0	0	0	0	0
Total	3,103,923	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	3,103,923	0		0	0	0	0
Total Funding	3,103,923	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	3,103,923	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

DEPARTMENT OF COMMERCE - STATE INSURANCE DEPARTMENT

Employment Summary

	Male	Female	Total	%
White Employees	39	56	95	75 %
Black Employees	3	24	27	21 %
Other Racial Minorities	3	1	4	4 %
Total Minorities			31	25 %
Total Employees			126	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	A.C.A 23-61-112	Y	N	120	Required for the Governor and provided to others upon request.	0	0.00

Department Appropriation Summary

Appropriation		Historical Data FY26 Actual Expenditures	Pos	FY27 Budgeted Expenditures	Pos	FY27 Authorized Appropriation	Pos	Agency Request and Executive Recommendation FY28 Agency	Pos	FY28 Executive	Pos	FY29 Agency	Pos	FY29 Executive	Pos
1QA	AMAIT - Operations	3,994,907	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0
2SW	Insurance-State Operations	12,289,726	107	16,318,857	124	15,432,746	131	16,352,735	124	16,352,735	124	16,361,604	124	16,361,604	124
2SY	Insurance Fraud Investigation Division	1,263,938	12	1,597,488	13	1,644,515	13	1,652,733	13	1,652,733	13	1,652,733	13	1,652,733	13
2SZ	Prepaid Funeral Benefits Division	382,230	4	442,585	4	467,908	4	471,305	4	471,305	4	471,305	4	471,305	4
2TA	Continuing Education Program	12,605	1	30,498	1	31,184	1	35,087	1	35,087	1	35,087	1	35,087	1
2TB	State Employee Claims	15,720,615	0	15,500,000	0	15,500,000	0	15,500,000	0	15,500,000	0	15,500,000	0	15,500,000	0
2TC	Governmental Bonding Board Operations	231,283	0	1,032,697	0	1,705,000	0	1,705,000	0	1,705,000	0	1,705,000	0	1,705,000	0
2TD	Public Employees Claims Section	1,699,545	18	2,220,492	20	2,148,353	24	2,220,963	20	2,220,963	20	2,221,949	20	2,221,949	20
2TE	Health Information Counseling	653,716	4	1,243,065	5	1,319,945	5	1,329,994	5	1,329,994	5	1,329,994	5	1,329,994	5
2TF	Refunds of Overpayments	12,668,585	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0	11,000,000	0
2TG	Public School Employees Claims	11,804	0	400,000	0	400,000	0	200,000	0	200,000	0	200,000	0	200,000	0
2TH	County Employee Claims	815	0	200,000	0	200,000	0	100,000	0	100,000	0	100,000	0	100,000	0
2TJ	City Employee Claims	10,841	0	400,000	0	400,000	0	200,000	0	200,000	0	200,000	0	200,000	0
2TK	Consumer Info System - Cash	19,894	0	28,005	0	28,005	0	28,005	0	28,005	0	28,005	0	28,005	0
2TN	Prepaid Funeral Contracts Recovery	26,897	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
4HH	Criminal Background Checks-Cash	3,806	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0	25,000	0
56A	Public School Insurance Program	5,453,901	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000	0
BF1	AR Self-Funded Cyber Response Program	139,685	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0
BI2	AID - Senior Medicare Patrol SMP	422,875	2	848,549	3	817,082	3	848,549	3	848,549	3	848,549	3	848,549	3
N41	MIPPA	398,271	2	1,120,186	2	1,286,140	2	1,314,000	2	1,314,000	2	1,314,000	2	1,314,000	2
V46	AR Healthcare Transparency Initiative Datat	2,309,841	0	3,200,000	0	3,200,000	0	3,200,000	0	3,200,000	0	3,200,000	0	3,200,000	0
V98	Funeral Services	476,402	5	666,282	6	612,164	6	666,282	6	666,282	6	666,282	6	666,282	6
Z65	Firefighters Cancer Relief	0	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
NOT REQUESTED FOR THE BIENNIUM															
CG7	AID - Expand Women's Health	203,238	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		58,395,420	154	85,023,704	177	84,968,042	188	85,599,653	177	85,599,653	177	85,609,508	177	85,609,508	177

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	90,632,221	58.2	97,237,543	58.4	81,555,229	54.0	81,555,229	54.0	72,616,148	51.1	72,616,148	51.1
Federal Revenue	4000020	1,696,931	1.1	3,211,800	1.9	3,211,800	2.1	3,211,800	2.1	3,211,800	2.3	3,211,800	2.3
Special Revenue	4000030	56,439,314	36.3	29,596,856	17.8	29,696,856	19.7	29,696,856	19.7	29,796,856	21.0	29,796,856	21.0
Cash Fund	4000045	422,139	0.3	401,500	0.2	401,500	0.3	401,500	0.3	401,500	0.3	401,500	0.3
Inter-agency Fund Transfer	4000316	(25,384,153)	(16.3)	(1,500,000)	(0.9)	(1,500,000)	(1.0)	(1,500,000)	(1.0)	(1,500,000)	(1.1)	(1,500,000)	(1.1)

Funding Sources			%		%			%		%		%		%
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Miscellaneous Revolving	4000350	31,111,753	20.0	27,500,000	16.5		27,500,000	18.2	27,500,000	18.2	27,500,000	19.4	27,500,000	19.4
Other	4000370	1,376,345	0.9	10,709,070	6.4		10,709,070	7.1	10,709,070	7.1	10,709,070	7.5	10,709,070	7.5
Shared Services Transfer	4000760	(661,587)	(0.4)	(577,836)	(0.3)		(667,955)	(0.4)	(667,955)	(0.4)	(667,955)	(0.5)	(667,955)	(0.5)
Total Funds		155,632,963	100.0	166,578,933	100.0		150,906,500	100.0	150,906,500	100.0	142,067,419	100.0	142,067,419	100.0
Excess Appropriation/(Funding)		(97,237,543)		(81,555,229)			(65,306,847)		(65,306,847)		(56,457,911)		(56,457,911)	
Grand Total		58,395,420		85,023,704			85,599,653		85,599,653		85,609,508		85,609,508	

FY27 Budget amounts in Appropriations 2SW – Insurance-State Operations, 2TD – Public Employees Claims Section, BI2 – AID – Senior Medicare Patrol SMP, and V98 – Funeral Services exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 1QA - AMAIT - Operations

Funding Sources: TMI - Arkansas Multi-Agency Insurance Trust Fund

The Arkansas Multi-Agency Insurance Trust Fund Program (AMAIT) was established by Act 1762 of 2003 to reduce the costs of insurance coverage for state agencies by combining their premium dollars in purchasing broader coverage for property and vehicle insurance with higher deductibles. The program is also designed to build a growing reserve to self-insure ever larger deductible amounts allowing further reductions in policy prices. Act 1188 of 2015 included cybersecurity risk insurance premiums and expenses.

Act 779 of 2025 moved the property insurance program to the Department of Shared Administrative Services. The vehicle and cybersecurity insurance programs are managed by the Arkansas Insurance Department.

Funding is derived from premiums collected and investment income.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $10,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1QA - AMAIT - Operations

Funding Sources: TMI - Arkansas Multi-Agency Insurance Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
For Expenses and Claims from / 5900046	3,994,907	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total	3,994,907	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Funding Sources							
Fund Balance 4000005	22,836,829	13,530,304		5,530,304	5,530,304	0	0
Special Revenue 4000030	3,862,408	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000
Inter-agency Fund Transfer 4000316	(9,174,026)	0		0	0	0	0
Total Funding	17,525,211	15,530,304		7,530,304	7,530,304	2,000,000	2,000,000
Excess Appropriation/(Funding)	(13,530,304)	(5,530,304)		2,469,696	2,469,696	8,000,000	8,000,000
Grand Total	3,994,907	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000

FY26 Inter-agency Fund Transfer to 9914 Dept. of Shared Administrative Services appropriation CI8 - Office of Property Risk - Operations, Property Insurance per Act 779 of 2025.

Analysis of Budget Request

Appropriation: 2SW - Insurance-State Operations

Funding Sources: TSI - State Insurance Department Trust Fund

Ark. Code Ann. § 23-61-101 et seq. established the State Insurance Department to serve and protect the public interest through insurer solvency and market conduct regulation, and fraud protection and deterrence. Act 910 of 2019 transferred the Insurance Department to the Department of Commerce.

This appropriation provides for the division's state operations and is funded by special revenues that are authorized in Ark. Code Ann. § 19-26-217. Revenues are derived from: additional fees assessed or imposed upon insurers, insurance agents, brokers, professional bail bond companies, and other licensees or registrants; health maintenance organization fees; professional employer organization biennial license fees; and employer service assurance organization affidavit fees.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $16,352,735 in FY28 and $16,361,604 in FY29.

The Agency request includes the following changes in each year of the biennium:

- Discontinuation of seven (7) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Restoration of $150,000 in Capital Outlay to replace aging equipment and vehicles.

The Executive Recommendation provides for the Agency Request, and the reclassification of three (3) positions.

Appropriation Summary

Appropriation: 2SW - Insurance-State Operations

Funding Sources: TSI - State Insurance Department Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	6,811,390	8,915,855	8,187,821	8,915,855	8,915,855	8,923,055	8,923,055
#Positions		**107**	**124**	**131**	**124**	**124**	**124**	**124**
Extra Help	5010001	56,345	140,000	140,000	140,000	140,000	140,000	140,000
#Extra Help		**6**	**19**	**19**	**19**	**19**	**19**	**19**
Personal Services Matching	5010003	2,584,775	3,056,728	2,871,151	3,063,106	3,063,106	3,064,775	3,064,775
Overtime	5010006	0	0	27,500	27,500	27,500	27,500	27,500
Operating Expenses	5020002	1,498,267	2,250,674	2,250,674	2,250,674	2,250,674	2,250,674	2,250,674
Conference & Travel Expenses	5050009	54,879	188,000	188,000	188,000	188,000	188,000	188,000
Professional Fees	5060010	76,459	161,600	161,600	161,600	161,600	161,600	161,600
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	1,285	0	0	0	0	0	0
Capital Outlay	5120011	3,408	150,000	150,000	150,000	150,000	150,000	150,000
Professional Services	5900043	753,183	956,000	956,000	956,000	956,000	956,000	956,000
AHIM EXPENSES	5900046	449,735	500,000	500,000	500,000	500,000	500,000	500,000
Total		12,289,726	16,318,857	15,432,746	16,352,735	16,352,735	16,361,604	16,361,604
Funding Sources								
Fund Balance	4000005	17,949,442	47,125,726		46,229,033	46,229,033	45,208,343	45,208,343
Special Revenue	4000030	43,786,911	17,500,000		17,500,000	17,500,000	17,500,000	17,500,000
Inter-agency Fund Transfer	4000316	(1,500,000)	(1,500,000)		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Intra-agency Fund Transfer	4000317	(159,314)	0		0	0	0	0
Shared Services Transfer	4000760	(661,587)	(577,836)		(667,955)	(667,955)	(667,955)	(667,955)
Total Funding		59,415,452	62,547,890		61,561,078	61,561,078	60,540,388	60,540,388
Excess Appropriation/(Funding)		(47,125,726)	(46,229,033)		(45,208,343)	(45,208,343)	(44,178,784)	(44,178,784)
Grand Total		12,289,726	16,318,857		16,352,735	16,352,735	16,361,604	16,361,604

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Inter-agency transfer is to the State Central Services Fund for expenses related to the online insurance verification system established under the Arkansas Online Insurance Verification System Act.

Analysis of Budget Request

Appropriation: 2SY - Insurance Fraud Investigation Division

Funding Sources: TIF - State Insurance Department Criminal Investigation Division Trust Fund

Ark. Code Ann. § 23-100-101 et seq. provides for the funding of the Insurance Fraud Investigation Division in the State Insurance Department to investigate suspected cases of fraud over a broad range of activities in the insurance industry in Arkansas.

Funding comes from revenues derived from the Division's annual antifraud assessment and any penalties from licensed insurers.

With the exception of Personal Services Matching and Capital Outlay, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $1,652,733 in each year of the biennium.

The Agency request includes the following changes in each year of the biennium:

- Restoration of $60,000 in Capital Outlay to replace aging equipment and vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SY - Insurance Fraud Investigation Division

Funding Sources: TIF - State Insurance Department Criminal Investigation Division Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	803,941	953,724	989,458	989,458	989,458	989,458	989,458
#Positions		**12**	**13**	**13**	**13**	**13**	**13**	**13**
Personal Services Matching	5010003	295,861	324,129	335,422	343,640	343,640	343,640	343,640
Operating Expenses	5020002	161,896	220,635	220,635	220,635	220,635	220,635	220,635
Conference & Travel Expenses	5050009	2,240	35,000	35,000	35,000	35,000	35,000	35,000
Professional Fees	5060010	0	4,000	4,000	4,000	4,000	4,000	4,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	60,000	60,000	60,000	60,000	60,000	60,000
Total		1,263,938	1,597,488	1,644,515	1,652,733	1,652,733	1,652,733	1,652,733
Funding Sources								
Fund Balance	4000005	4,157,461	4,610,744		3,363,256	3,363,256	2,060,523	2,060,523
Special Revenue	4000030	1,717,221	350,000		350,000	350,000	350,000	350,000
Total Funding		5,874,682	4,960,744		3,713,256	3,713,256	2,410,523	2,410,523
Excess Appropriation/(Funding)		(4,610,744)	(3,363,256)		(2,060,523)	(2,060,523)	(757,790)	(757,790)
Grand Total		1,263,938	1,597,488		1,652,733	1,652,733	1,652,733	1,652,733

Analysis of Budget Request

Appropriation: 2SZ - Prepaid Funeral Benefits Division

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

Ark. Code Ann. § 23-40-107 et seq. provides for the administration and regulation of the sale of prepaid funeral benefit plans in the State of Arkansas and established the Division of Prepaid Funeral Benefits within the State Insurance Department for this purpose.

Funding consists of investment income, grants, refunds, gifts, annual report fees, and all license fees paid.

With the exception of Personal Services Matching and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $471,305 in each year of the biennium.

The Agency request includes the following change in each year of the biennium:
- Restoration of $30,000 in Capital Outlay to replace aging equipment and vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SZ - Prepaid Funeral Benefits Division

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	267,782	276,163	290,809	290,809	290,809	290,809	290,809
#Positions		**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	101,254	95,722	106,399	109,796	109,796	109,796	109,796
Operating Expenses	5020002	13,194	36,700	36,700	36,700	36,700	36,700	36,700
Conference & Travel Expenses	5050009	0	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	30,000	30,000	30,000	30,000	30,000	30,000
Total		382,230	442,585	467,908	471,305	471,305	471,305	471,305
Funding Sources								
Fund Balance	4000005	731,183	621,873		429,288	429,288	207,983	207,983
Special Revenue	4000030	272,920	250,000		250,000	250,000	250,000	250,000
Total Funding		1,004,103	871,873		679,288	679,288	457,983	457,983
Excess Appropriation/(Funding)		(621,873)	(429,288)		(207,983)	(207,983)	13,322	13,322
Grand Total		382,230	442,585		471,305	471,305	471,305	471,305

Analysis of Budget Request

Appropriation: 2TA - Continuing Education Program

Funding Sources: TIE - Insurance Continuing Education Trust Fund

Ark. Code Ann. § 23-64-301 et seq. requires, unless exempted by law, an insurance producer licensed in Arkansas to complete and report within the biennial period continuing education courses necessary to continue their license. The Insurance Department's Continuing Education Program ensures that requirement and maintains continuing education records which are required for agent license renewals.

Funding is provided from the certification filing fees, as authorized in Ark. Code Ann. § 23-64-307.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount $35,087 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TA - Continuing Education Program

Funding Sources: TIE - Insurance Continuing Education Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	10,402	21,543	25,268	25,268	25,268	25,268	25,268
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	2,203	8,955	5,916	9,819	9,819	9,819	9,819
Total		12,605	30,498	31,184	35,087	35,087	35,087	35,087
Funding Sources								
Fund Balance	4000005	2,928,108	3,073,161		3,042,663	3,042,663	3,007,576	3,007,576
Other	4000370	157,658	0		0	0	0	0
Total Funding		3,085,766	3,073,161		3,042,663	3,042,663	3,007,576	3,007,576
Excess Appropriation/(Funding)		(3,073,161)	(3,042,663)		(3,007,576)	(3,007,576)	(2,972,489)	(2,972,489)
Grand Total		12,605	30,498		35,087	35,087	35,087	35,087

Analysis of Budget Request

Appropriation: 2TB - State Employee Claims

Funding Sources: TUW - Workers' Compensation Revolving Fund

The Insurance Department's State Employee Claims appropriation provides for the payments of state employee claims.

This appropriation is funded by the Workers' Compensation Revolving Fund derived from employer workers' compensation benefits as authorized in Ark. Code Ann. § 19-26-230.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $15,500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TB - State Employee Claims
Funding Sources: TUW - Workers' Compensation Revolving Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Claims	5110015	15,720,615	15,500,000	15,500,000	15,500,000	15,500,000	15,500,000	15,500,000
Total		15,720,615	15,500,000	15,500,000	15,500,000	15,500,000	15,500,000	15,500,000
Funding Sources								
Fund Balance	4000005	14,463,376	17,505,728		17,505,728	17,505,728	17,505,728	17,505,728
Miscellaneous Revolving	4000350	18,509,457	15,500,000		15,500,000	15,500,000	15,500,000	15,500,000
Other	4000370	253,510	0		0	0	0	0
Total Funding		33,226,343	33,005,728		33,005,728	33,005,728	33,005,728	33,005,728
Excess Appropriation/(Funding)		(17,505,728)	(17,505,728)		(17,505,728)	(17,505,728)	(17,505,728)	(17,505,728)
Grand Total		15,720,615	15,500,000		15,500,000	15,500,000	15,500,000	15,500,000

Analysis of Budget Request

Appropriation: 2TC - Governmental Bonding Board Operations

Funding Sources: TFB - Self-Insured Fidelity Bond Trust Fund

The Governmental Bonding Board is responsible for the development and administration of the Self-Insured Fidelity Bond Program for officials and public employees of counties, municipalities, public schools, and the State of Arkansas, as authorized by Ark. Code Ann. § 21-2-705. The Self-Insured Fidelity Bond Program provides the fidelity bond coverage which covers actual losses sustained by a participating governmental entity through fraudulent act(s) committed by any governmental official or employee.

This appropriation provides for the operating expenses of the Governmental Bonding Board.

Funding comes from the Self Insured Fidelity Bond Trust Fund, Ark. Code Ann. § 21-2-711, and is derived from bond premiums withheld from the County Aid, Municipal Aid, and Public School funds and from premiums transferred from the fund accounts of State agencies.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $1,705,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TC - Governmental Bonding Board Operations
Funding Sources: TFB - Self-Insured Fidelity Bond Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	446	5,000	5,000	5,000	5,000	5,000	5,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	0	150,000	150,000	150,000	150,000	150,000	150,000
Claims	5110015	230,837	827,697	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Professional Services	5900043	0	50,000	50,000	50,000	50,000	50,000	50,000
Total		231,283	1,032,697	1,705,000	1,705,000	1,705,000	1,705,000	1,705,000
Funding Sources								
Fund Balance	4000005	703,803	532,697		0	0	0	0
Other	4000370	60,177	500,000		500,000	500,000	500,000	500,000
Total Funding		763,980	1,032,697		500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)		(532,697)	0		1,205,000	1,205,000	1,205,000	1,205,000
Grand Total		231,283	1,032,697		1,705,000	1,705,000	1,705,000	1,705,000

Analysis of Budget Request

Appropriation: 2TD - Public Employees Claims Section

Funding Sources: HUA - Miscellaneous Agencies Fund

The Public Employees Claims Division, as authorized by Ark. Code Ann. § 21-5-605, is responsible for the administration of public employee workers' compensation claims in the State of Arkansas.

This appropriation is funded by transfers from the Public School Fund, the County Aid Fund, the Municipal Aid Fund, and various treasury fund accounts of state agencies to the Miscellaneous Agencies Fund for workers' compensation claims administered by the Public Employees Claims Division, Ark. Code Ann. § 11-9-307.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $2,220,963 in FY28 and $2,221,949 in FY29.

The Agency request includes the following change in each year of the biennium:

- Discontinuation of four (4) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TD - Public Employees Claims Section
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,020,793	1,249,421	1,186,551	1,249,426	1,249,426	1,250,226	1,250,226
#Positions		**18**	**20**	**24**	**20**	**20**	**20**	**20**
Personal Services Matching	5010003	415,082	448,140	438,871	448,606	448,606	448,792	448,792
Operating Expenses	5020002	240,702	498,631	498,631	498,631	498,631	498,631	498,631
Conference & Travel Expenses	5050009	22,968	24,300	24,300	24,300	24,300	24,300	24,300
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		1,699,545	2,220,492	2,148,353	2,220,963	2,220,963	2,221,949	2,221,949
Funding Sources								
Fund Balance	4000005	27,535	22,285		238,649	238,649	554,542	554,542
Special Revenue	4000030	1,694,295	2,436,856		2,536,856	2,536,856	2,636,856	2,636,856
Total Funding		1,721,830	2,459,141		2,775,505	2,775,505	3,191,398	3,191,398
Excess Appropriation/(Funding)		(22,285)	(238,649)		(554,542)	(554,542)	(969,449)	(969,449)
Grand Total		1,699,545	2,220,492		2,220,963	2,220,963	2,221,949	2,221,949

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 2TE - Health Information Counseling

Funding Sources: FID - Insurance Department - Federal

The Insurance Department's Senior Health Insurance Information Counseling Program is to help Arkansans save money and make informed decisions about Medicare. The program also provides consultations for Medicare beneficiaries and caregivers about Medicare, MEDICAP policies, Medicare Advantage, Medicare Part D and Long-term care insurance.

Funding is 100% federal.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $1,329,994 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TE - Health Information Counseling
Funding Sources: FID - Insurance Department - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	191,303	276,109	318,851	318,851	318,851	318,851	318,851
#Positions		**4**	**5**	**5**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	95,888	102,997	137,135	147,184	147,184	147,184	147,184
Operating Expenses	5020002	82,357	317,407	317,407	317,407	317,407	317,407	317,407
Conference & Travel Expenses	5050009	2,822	20,000	20,000	20,000	20,000	20,000	20,000
Professional Fees	5060010	272,530	471,552	471,552	471,552	471,552	471,552	471,552
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	8,816	55,000	55,000	55,000	55,000	55,000	55,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		653,716	1,243,065	1,319,945	1,329,994	1,329,994	1,329,994	1,329,994
Funding Sources								
Fund Balance	4000005	4,012	1,631		1,631	1,631	0	0
Federal Revenue	4000020	651,335	1,243,065		1,243,065	1,243,065	1,243,065	1,243,065
Total Funding		655,347	1,244,696		1,244,696	1,244,696	1,243,065	1,243,065
Excess Appropriation/(Funding)		(1,631)	(1,631)		85,298	85,298	86,929	86,929
Grand Total		653,716	1,243,065		1,329,994	1,329,994	1,329,994	1,329,994

Analysis of Budget Request

Appropriation: 2TF - Refunds of Overpayments

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Refunds of Overpayments appropriation is used to return premium taxes paid to this state in error and to return amounts that are overpaid. Funding comes from the Miscellaneous Revolving Fund derived from overpayments of premium taxes, licenses and other fees.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $11,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TF - Refunds of Overpayments
Funding Sources: MTA - Miscellaneous Revolving Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Refunds/Reimbursements	5110014	12,668,585	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Total		12,668,585	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Funding Sources								
Fund Balance	4000005	811,903	732,174		732,174	732,174	732,174	732,174
Miscellaneous Revolving	4000350	12,588,856	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000
Total Funding		13,400,759	11,732,174		11,732,174	11,732,174	11,732,174	11,732,174
Excess Appropriation/(Funding)		(732,174)	(732,174)		(732,174)	(732,174)	(732,174)	(732,174)
Grand Total		12,668,585	11,000,000		11,000,000	11,000,000	11,000,000	11,000,000

Analysis of Budget Request

Appropriation: 2TG - Public School Employees Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's Public School Employees Claims appropriation provides for the payments of public school employees claims. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $200,000 in each year of the biennium.

The Agency request includes the following change in each year of the biennium:

- Decrease of ($200,000) in Claims to better align budget levels with projected expenditures while ensuring sufficient authority is available for unforeseen claims.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TG - Public School Employees Claims
Funding Sources: MTA - Miscellaneous Revolving Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Claims	5110015	11,804	400,000	400,000	200,000	200,000	200,000	200,000
Total		11,804	400,000	400,000	200,000	200,000	200,000	200,000
Funding Sources								
Fund Balance	4000005	438,702	440,338		440,338	440,338	640,338	640,338
Miscellaneous Revolving	4000350	13,440	400,000		400,000	400,000	400,000	400,000
Total Funding		452,142	840,338		840,338	840,338	1,040,338	1,040,338
Excess Appropriation/(Funding)		(440,338)	(440,338)		(640,338)	(640,338)	(840,338)	(840,338)
Grand Total		11,804	400,000		200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: 2TH - County Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's County Employees Claims appropriation provides for the payments of county employees claims. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $100,000 in each year of the biennium.

The Agency request includes the following change in each year of the biennium:

- Decrease of ($100,000) in Claims to better align budget levels with projected expenditures while ensuring sufficient authority is available for unforeseen claims.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TH - County Employee Claims
Funding Sources: MTA - Miscellaneous Revolving Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Claims	5110015	815	200,000	200,000	100,000	100,000	100,000	100,000
Total		815	200,000	200,000	100,000	100,000	100,000	100,000
Funding Sources								
Fund Balance	4000005	22,962	22,147		22,147	22,147	122,147	122,147
Miscellaneous Revolving	4000350	0	200,000		200,000	200,000	200,000	200,000
Total Funding		22,962	222,147		222,147	222,147	322,147	322,147
Excess Appropriation/(Funding)		(22,147)	(22,147)		(122,147)	(122,147)	(222,147)	(222,147)
Grand Total		815	200,000		100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 2TJ - City Employee Claims

Funding Sources: MTA - Miscellaneous Revolving Fund

The Insurance Department's City Employees Claims appropriation provides for the payments of city employees claims. Funding comes from the Miscellaneous Revolving Fund derived from employer workers' compensation benefits contribution.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $200,000 in each year of the biennium.

The Agency request includes the following change in each year of the biennium:

- Decrease of ($200,000) in Claims to better align budget levels with projected expenditures while ensuring sufficient authority is available for unforeseen claims.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TJ - City Employee Claims
Funding Sources: MTA - Miscellaneous Revolving Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Claims	5110015	10,841	400,000	400,000	200,000	200,000	200,000	200,000
Total		10,841	400,000	400,000	200,000	200,000	200,000	200,000
Funding Sources								
Fund Balance	4000005	257,022	246,181		246,181	246,181	446,181	446,181
Miscellaneous Revolving	4000350	0	400,000		400,000	400,000	400,000	400,000
Total Funding		257,022	646,181		646,181	646,181	846,181	846,181
Excess Appropriation/(Funding)		(246,181)	(246,181)		(446,181)	(446,181)	(646,181)	(646,181)
Grand Total		10,841	400,000		200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: 2TK - Consumer Info System - Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

The Consumer Information System is used to dispense information to the public concerning the various policy types, coverages, and purchasing options offered by the insurance industry. Funding comes from investment income earned on a previous $100 annual assessment levied on each licensed insurer, as authorized by Ark. Code Ann. § 23-63-108, but was repealed in the 2001-2003 Biennium.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $28,005 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TK - Consumer Info System - Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	760	5,005	5,005	5,005	5,005	5,005	5,005
Conference & Travel Expenses	5050009	19,134	23,000	23,000	23,000	23,000	23,000	23,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		19,894	28,005	28,005	28,005	28,005	28,005	28,005
Funding Sources								
Fund Balance	4000005	56,884	59,302		32,797	32,797	6,292	6,292
Cash Fund	4000045	22,312	1,500		1,500	1,500	1,500	1,500
Total Funding		79,196	60,802		34,297	34,297	7,792	7,792
Excess Appropriation/(Funding)		(59,302)	(32,797)		(6,292)	(6,292)	20,213	20,213
Grand Total		19,894	28,005		28,005	28,005	28,005	28,005

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 2TN - Prepaid Funeral Contracts Recovery

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

Act 1043 of 2001 established the Prepaid Funeral Contracts Recovery Program to reimburse purchasers of pre-need funeral contracts who suffer financial loss due to impairment, insolvency, business interruption, or improper inactivity of a licensed prepaid funeral organization.

Funding comes from one-time fees of no less than $5 per contract, up to a maximum set by the State Insurance Commissioner, deposited into the State Insurance Department Prepaid Trust Fund. A portion of these collections may be transferred to the Prepaid Funeral Contracts Recovery Program Fund to pay expenses and claims incurred, as determined by the State Insurance Commissioner.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TN - Prepaid Funeral Contracts Recovery

Funding Sources: TIP - State Insurance Department Prepaid Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Expenses & Claims Funeral Cont	5900046	26,897	500,000	500,000	500,000	500,000	500,000	500,000
Total		26,897	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources								
Fund Balance	4000005	988,714	1,026,820		586,820	586,820	146,820	146,820
Special Revenue	4000030	65,003	60,000		60,000	60,000	60,000	60,000
Total Funding		1,053,717	1,086,820		646,820	646,820	206,820	206,820
Excess Appropriation/(Funding)		(1,026,820)	(586,820)		(146,820)	(146,820)	293,180	293,180
Grand Total		26,897	500,000		500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: 4HH - Criminal Background Checks-Cash

Funding Sources: NDD - Insurance Department - Cash in Treasury

This appropriation provides for criminal background checks for first-time license applicants. Funding is cash revenues derived from a $22 fee charge and is used to obtain criminal background data from the Arkansas State Police.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $25,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 4HH - Criminal Background Checks-Cash
Funding Sources: NDD - Insurance Department - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	3,806	25,000	25,000	25,000	25,000	25,000	25,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		3,806	25,000	25,000	25,000	25,000	25,000	25,000
Funding Sources								
Fund Balance	4000005	28,694	33,033		8,033	8,033	0	0
Cash Fund	4000045	8,145	0		0	0	0	0
Total Funding		36,839	33,033		8,033	8,033	0	0
Excess Appropriation/(Funding)		(33,033)	(8,033)		16,967	16,967	25,000	25,000
Grand Total		3,806	25,000		25,000	25,000	25,000	25,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: 56A - Public School Insurance Program

Funding Sources: TPS - Public School Insurance Trust Fund

Act 738 of 2007 combined the School Motor Vehicle Operations Program and the Public Elementary and Secondary School Insurance Operations Program into the Public School Motor Vehicle Insurance Program to more efficiently and more economically provide coverage for vehicles of participating public school districts, education service cooperatives, and open-enrollment public charter schools.

Act 779 of 2025 moved the property insurance program to the Department of Shared Administrative Services. This act also amended Ark Code Ann. § 6-20-1503 to include a cybersecurity risk insurance program for public elementary and secondary schools. The vehicle and cybersecurity insurance programs are managed by the Arkansas Insurance Department.

Funding is derived from insurance premiums paid by participating entities.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount $8,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 56A - Public School Insurance Program
Funding Sources: TPS - Public School Insurance Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Expenses and Claims	5900046	5,453,901	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total		5,453,901	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Funding Sources								
Fund Balance	4000005	22,046,163	5,250,405		1,050,405	1,050,405	0	0
Special Revenue	4000030	3,368,270	3,800,000		3,800,000	3,800,000	3,800,000	3,800,000
Inter-agency Fund Transfer	4000316	(14,710,127)	0		0	0	0	0
Total Funding		10,704,306	9,050,405		4,850,405	4,850,405	3,800,000	3,800,000
Excess Appropriation/(Funding)		(5,250,405)	(1,050,405)		3,149,595	3,149,595	4,200,000	4,200,000
Grand Total		5,453,901	8,000,000		8,000,000	8,000,000	8,000,000	8,000,000

FY26 Inter-Agency Fund Transfer to 9914 Dept. of Shared Administrative Services appropriation CI8 - Office of Property Risk - Operations, Property Insurance per Act 779 of 2025.

Analysis of Budget Request

Appropriation: BF1 - AR Self-Funded Cyber Response Program

Funding Sources: TCB - Arkansas Self-Funded Cyber Response Program Trust Fund

The Arkansas Cyber Response Program and the Arkansas Cyber Response Board was created by Act 846 of 2023 to provide coverage for cybersecurity incidents and risks, damages, or losses caused by a cyberattack that are committed against a participating governmental entity.

The Arkansas Cyber Response Board is funded by revenues derived from premiums collected, restitution, investment income, grants, gifts, and refunds per Ark. Code Ann. §19-26-332.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $10,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BF1 - AR Self-Funded Cyber Response Program

Funding Sources: TCB - Arkansas Self-Funded Cyber Response Program Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Expenses of the AR Cyber Respc 5900046	139,685	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total	139,685	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Funding Sources							
Fund Balance 4000005	788,358	1,548,673		1,548,673	1,548,673	1,548,673	1,548,673
Other 4000370	900,000	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000
Total Funding	1,688,358	11,548,673		11,548,673	11,548,673	11,548,673	11,548,673
Excess Appropriation/(Funding)	(1,548,673)	(1,548,673)		(1,548,673)	(1,548,673)	(1,548,673)	(1,548,673)
Grand Total	139,685	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000

Analysis of Budget Request

Appropriation: BI2 - AID - Senior Medicare Patrol SMP

Funding Sources: FID - AID - Senior Medicare Patrol

This appropriation was established through the authority of the Miscellaneous Federal Grant Act and was approved by Arkansas Legislative Council in FY23. The Senior Medicare Patrol program's mission is to empower and assist Medicare beneficiaries to prevent, detect, and report health care fraud through outreach, counseling, and education. This grant was transferred from Department of Human Services to Arkansas Insurance Department beginning in FY24.

This program is 100% federally funded.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $848,549 in each year of the biennium.

The Agency request includes the following change in each year of the biennium:

- Reallocation of $100,000 from Operating Expenses to Professional Fees to utilize funding for marketing and outreach campaigns.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BI2 - AID - Senior Medicare Patrol SMP
Funding Sources: FID - AID - Senior Medicare Patrol

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	105,584	156,486	131,177	156,486	156,486	156,486	156,486
#Positions		**2**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	48,093	60,049	53,891	60,049	60,049	60,049	60,049
Operating Expenses	5020002	100,774	394,432	394,432	294,432	294,432	294,432	294,432
Conference & Travel Expenses	5050009	610	9,582	9,582	9,582	9,582	9,582	9,582
Professional Fees	5060010	85,681	0	0	100,000	100,000	100,000	100,000
Promotional Items	5090028	3,044	36,000	36,000	36,000	36,000	36,000	36,000
Grants and Aid	5100004	79,089	192,000	192,000	192,000	192,000	192,000	192,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		422,875	848,549	817,082	848,549	848,549	848,549	848,549
Funding Sources								
Fund Balance	4000005	8,226	15,116		15,116	15,116	15,116	15,116
Federal Revenue	4000020	429,765	848,549		848,549	848,549	848,549	848,549
Total Funding		437,991	863,665		863,665	863,665	863,665	863,665
Excess Appropriation/(Funding)		(15,116)	(15,116)		(15,116)	(15,116)	(15,116)	(15,116)
Grand Total		422,875	848,549		848,549	848,549	848,549	848,549

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: N41 - MIPPA

Funding Sources: FID - Insurance Department - Federal

The Medicare Improvements for Patients and Providers Act (MIPPA) Program provides application assistance to people likely to be eligible for low income subsidy program (LIS), the Medicare Part D Prescription Drug Program, and outreach aimed at preventing disease and promoting wellness.

Funding is 100% federal.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $1,314,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: N41 - MIPPA

Funding Sources: FID - Insurance Department - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	105,898	115,887	235,183	235,183	235,183	235,183	235,183
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	34,949	43,347	90,005	117,865	117,865	117,865	117,865
Operating Expenses	5020002	48,720	266,229	266,229	266,229	266,229	266,229	266,229
Conference & Travel Expenses	5050009	0	47,630	47,630	47,630	47,630	47,630	47,630
Professional Fees	5060010	186,900	541,802	541,802	541,802	541,802	541,802	541,802
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	21,804	105,291	105,291	105,291	105,291	105,291	105,291
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		398,271	1,120,186	1,286,140	1,314,000	1,314,000	1,314,000	1,314,000
Funding Sources								
Fund Balance	4000005	16,369	30,691		30,691	30,691	0	0
Federal Revenue	4000020	412,593	1,120,186		1,120,186	1,120,186	1,120,186	1,120,186
Total Funding		428,962	1,150,877		1,150,877	1,150,877	1,120,186	1,120,186
Excess Appropriation/(Funding)		(30,691)	(30,691)		163,123	163,123	193,814	193,814
Grand Total		398,271	1,120,186		1,314,000	1,314,000	1,314,000	1,314,000

Analysis of Budget Request

Appropriation: V46 - AR Healthcare Transparency Initiative Database

Funding Sources: THT - Arkansas Healthcare Transparency Initiative Fund

The Arkansas Healthcare Transparency Initiative was established, Ark. Code Ann. § 23-61-904, with the purpose to create a database, including ongoing all-payer claims database projects funded through the State Insurance Department that receives and stores data from a submitting entity relating to medical, dental, and pharmaceutical and other insurance claims information, unique identifiers, and geographic and demographic information for covered individuals.

Funding comes from the Arkansas Healthcare Transparency Initiative Fund consisting of penalties imposed on entities who fail to submit data as requested by the Department and any investment income.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $3,200,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V46 - AR Healthcare Transparency Initiative Database

Funding Sources: THT - Arkansas Healthcare Transparency Initiative Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Healthcare Transparency Initiati 5900046	2,309,841	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Total	2,309,841	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Funding Sources							
Fund Balance 4000005	891,953	413,712		413,712	413,712	413,712	413,712
Special Revenue 4000030	1,672,286	3,200,000		3,200,000	3,200,000	3,200,000	3,200,000
Intra-agency Fund Transfer 4000317	159,314	0		0	0	0	0
Total Funding	2,723,553	3,613,712		3,613,712	3,613,712	3,613,712	3,613,712
Excess Appropriation/(Funding)	(413,712)	(413,712)		(413,712)	(413,712)	(413,712)	(413,712)
Grand Total	2,309,841	3,200,000		3,200,000	3,200,000	3,200,000	3,200,000

Analysis of Budget Request

Appropriation: V98 - Funeral Services

Funding Sources: NBS - Insurance Department - Cash in Treasury

Act 788 of 2017 transferred the Arkansas Cemetery Board, State Board of Embalmers and Funeral Directors, and Burial Association Board to the State Insurance Department and merged the boards together as the State Board of Embalmers, Funeral Directors, Cemeteries, and Burial Services. The Board consists of nine (9) members, including the Insurance Commissioner, appointed by the Governor.

This appropriation provides for the personal services and operating expenses of the board. Funding comes from cash revenues derived from licenses, renewal fees, and annual permit costs pertaining to burial associations, cemetery maintenance, embalmers and funeral directors.

Expenditure of appropriation is contingent upon available funding.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $666,282 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V98 - Funeral Services

Funding Sources: NBS - Insurance Department - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	318,297	369,630	326,284	369,630	369,630	369,630	369,630
#Positions		**5**	**6**	**6**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	118,963	133,238	122,466	133,238	133,238	133,238	133,238
Operating Expenses	5020002	33,774	100,000	100,000	100,000	100,000	100,000	100,000
Conference & Travel Expenses	5050009	5,368	5,464	5,464	5,464	5,464	5,464	5,464
Professional Fees	5060010	0	2,950	2,950	2,950	2,950	2,950	2,950
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Loans	5120029	0	55,000	55,000	55,000	55,000	55,000	55,000
Total		476,402	666,282	612,164	666,282	666,282	666,282	666,282
Funding Sources								
Fund Balance	4000005	438,592	353,872		87,590	87,590	0	0
Cash Fund	4000045	391,682	400,000		400,000	400,000	400,000	400,000
Total Funding		830,274	753,872		487,590	487,590	400,000	400,000
Excess Appropriation/(Funding)		(353,872)	(87,590)		178,692	178,692	266,282	266,282
Grand Total		476,402	666,282		666,282	666,282	666,282	666,282

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Expenditure of appropriation is contingent on available funding.

Analysis of Budget Request

Appropriation: Z65 - Firefighters Cancer Relief

Funding Sources: TFC - Arkansas Firefighter Cancer Relief Network Trust Fund

Ark Code Ann. § 21-5-110 created the Arkansas Firefighter Cancer Relief Network Trust Fund to fund relief for firefighters who are diagnosed with cancer and participating in a firefighter cancer relief network created and governed by the Arkansas Association of Fire Chiefs, the Arkansas Professional Fire Fighters Association, and the Arkansas State Firefighters Association. Funding comes from donations.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $250,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z65 - Firefighters Cancer Relief

Funding Sources: TFC - Arkansas Firefighter Cancer Relief Network Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	0	250,000	250,000	250,000	250,000	250,000	250,000
Total	0	250,000	250,000	250,000	250,000	250,000	250,000
Funding Sources							
Fund Balance 4000005	35,930	40,930		0	0	0	0
Other 4000370	5,000	209,070		209,070	209,070	209,070	209,070
Total Funding	40,930	250,000		209,070	209,070	209,070	209,070
Excess Appropriation/(Funding)	(40,930)	0		40,930	40,930	40,930	40,930
Grand Total	0	250,000		250,000	250,000	250,000	250,000

Appropriation Summary

Appropriation: CG7 - AID - Expand Women's Health
Funding Sources: FII - Infrastructure Investment and Jobs Act

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses 5020002	6,702	0	0	0	0	0	0
Grants and Aid 5100004	196,536	0	0	0	0	0	0
Total	203,238	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	203,238	0		0	0	0	0
Total Funding	203,238	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	203,238	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

DEPARTMENT OF COMMERCE - STATE SECURITIES DEPARTMENT

Employment Summary

	Male	Female	Total	%
White Employees	17	7	24	67 %
Black Employees	1	8	9	25 %
Other Racial Minorities	2	1	3	8 %
Total Minorities			12	33 %
Total Employees			36	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	None	N	N	0	None	0	0.00

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation							
		FY26		FY27		FY27		FY28				FY29			
		Actual Expenditures	Pos	Budgeted Expenditures	Pos	Authorized Appropriation	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
027	State Operations	4,265,152	34	5,368,115	41	4,486,527	41	5,447,115	41	5,447,115	41	5,449,452	41	5,449,452	41
1MV	Investor Education	294,047	0	316,000	0	316,000	0	566,000	0	566,000	0	566,000	0	566,000	0
C67	Refunds and Reimbursements	4,475	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
Total		4,563,674	34	5,734,115	41	4,852,527	41	6,063,115	41	6,063,115	41	6,065,452	41	6,065,452	41
Funding Sources			%		%				%		%		%		%
Fund Balance	4000005	4,958,935	52.9	4,818,827	45.1			4,943,631	45.9	4,943,631	45.9	4,715,792	46.2	4,715,792	44.7
Special Revenue	4000030	7,193,538	76.7	8,940,000	83.7			8,940,000	82.9	8,940,000	82.9	8,590,000	84.2	8,940,000	84.7
Cash Fund	4000045	4,475	0.0	50,000	0.5			50,000	0.5	50,000	0.5	50,000	0.5	50,000	0.5
Transfer to General Revenue	4000635	(2,630,165)	(28.0)	(3,000,000)	(28.1)			(3,000,000)	(27.8)	(3,000,000)	(27.8)	(3,000,000)	(29.4)	(3,000,000)	(28.4)
Shared Services Transfer	4000760	(144,282)	(1.5)	(131,081)	(1.2)			(154,724)	(1.4)	(154,724)	(1.4)	(154,724)	(1.5)	(154,724)	(1.5)
Total Funds		9,382,501	100.0	10,677,746	100.0			10,778,907	100.0	10,778,907	100.0	10,201,068	100.0	10,551,068	100.0
Excess Appropriation/(Funding)		(4,818,827)		(4,943,631)				(4,715,792)		(4,715,792)		(4,135,616)		(4,485,616)	
Grand Total		4,563,674		5,734,115				6,063,115		6,063,115		6,065,452		6,065,452	

FY27 Budget amount in appropriation 027 - State Operations exceeds the authorized amount due to salary and matching adjustments made during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 027 - State Operations

Funding Sources: SDH - State Securities Department Fund

The Arkansas Securities Department was created by Act 254 of 1959 - the Arkansas Securities Act for implementing rules and regulation regarding investments in securities. Act 910 of 2019 transferred the Securities Department to the Department of Commerce.

This appropriation provides for the state operations of the Securities Department. Funding for this appropriation comes from special revenues consisting of filing fees, application fees, and renewal registration for broker-dealers, agents, and investment advisers, as authorized by Ark. Code Ann. § 19-43-261.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The agency is requesting appropriation in the amount $5,447,115 in FY28 and $5,449,452 in FY29.

The Agency request includes the following change in each year of the biennium:

- Increase of $75,000 in Operating Expenses to support additional annual accreditation fees from the Conference of State Bank Supervisors.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 027 - State Operations
Funding Sources: SDH - State Securities Department Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	2,651,928	3,388,172	2,767,558	3,388,172	3,388,172	3,390,072	3,390,072
#Positions		**34**	**41**	**41**	**41**	**41**	**41**	**41**
Extra Help	5010001	29,519	50,000	50,000	50,000	50,000	50,000	50,000
#Extra Help		**3**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	933,287	1,213,959	952,985	1,217,959	1,217,959	1,218,396	1,218,396
Operating Expenses	5020002	584,056	600,000	600,000	675,000	675,000	675,000	675,000
Conference & Travel Expenses	5050009	51,523	75,000	75,000	75,000	75,000	75,000	75,000
Professional Fees	5060010	0	20,984	20,984	20,984	20,984	20,984	20,984
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Examination Travel	5900046	14,839	20,000	20,000	20,000	20,000	20,000	20,000
Total		4,265,152	5,368,115	4,486,527	5,447,115	5,447,115	5,449,452	5,449,452
Funding Sources								
Fund Balance	4000005	4,482,588	4,486,527		4,427,331	4,427,331	4,265,492	4,265,492
Special Revenue	4000030	7,043,538	8,440,000		8,440,000	8,440,000	8,440,000	8,440,000
Transfer to General Revenue	4000635	(2,630,165)	(3,000,000)		(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
Shared Services Transfer	4000760	(144,282)	(131,081)		(154,724)	(154,724)	(154,724)	(154,724)
Total Funding		8,751,679	9,795,446		9,712,607	9,712,607	9,550,768	9,550,768
Excess Appropriation/(Funding)		(4,486,527)	(4,427,331)		(4,265,492)	(4,265,492)	(4,101,316)	(4,101,316)
Grand Total		4,265,152	5,368,115		5,447,115	5,447,115	5,449,452	5,449,452

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 1MV - Investor Education

Funding Sources: SIE - Investor Education Fund

The Securities Department's Investor Education Program, as authorized by Ark. Code Ann. § 23-42-213, is designed to work in conjunction with various non-profit economic education, religious, civic, and community groups to provide economic and financial education primarily to junior high through first year college students and senior citizen groups and to inform the investing public of investment schemes and unlawful, fraudulent conduct.

The program is funded by fines and penalties collected under Ark. Code Ann. § 23-42-209 and § 23-42-308 levied by the Department. Fines collected in excess of one hundred fifty thousand dollars ($150,000) in any one (1) fiscal year shall be deposited as general revenues.

Continuing level of appropriation is the FY2027 authorized.

The agency is requesting appropriation in the amount of $566,000 in each year of the biennium.

The Agency request includes the following change in each year of the biennium:
- Increase of $250,000 in Grants and Aid to support the Investor Education Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1MV - Investor Education
Funding Sources: SIE - Investor Education Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	18,753	36,000	36,000	36,000	36,000	36,000	36,000
Conference & Travel Expenses	5050009	8,965	10,000	10,000	10,000	10,000	10,000	10,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	16,329	20,000	20,000	20,000	20,000	20,000	20,000
Grants and Aid	5100004	250,000	250,000	250,000	500,000	500,000	500,000	500,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		294,047	316,000	316,000	566,000	566,000	566,000	566,000
Funding Sources								
Fund Balance	4000005	476,347	332,300		516,300	516,300	450,300	450,300
Special Revenue	4000030	150,000	500,000		500,000	500,000	150,000	500,000
Total Funding		626,347	832,300		1,016,300	1,016,300	600,300	950,300
Excess Appropriation/(Funding)		(332,300)	(516,300)		(450,300)	(450,300)	(34,300)	(384,300)
Grand Total		294,047	316,000		566,000	566,000	566,000	566,000

Analysis of Budget Request

Appropriation: C67 - Refunds and Reimbursements

Funding Sources: 153 - Securities Department - Cash in Bank

The Securities Department's Refunds and Reimbursements appropriation is a cash in bank account that is used for refunding filing fees.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The agency is requesting to continue appropriation in the amount of $50,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C67 - Refunds and Reimbursements
Funding Sources: 153 - Securities Department - Cash in Bank

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	4,475	50,000	50,000	50,000	50,000	50,000	50,000
Total	4,475	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources							
Cash Fund 4000045	4,475	50,000		50,000	50,000	50,000	50,000
Total Funding	4,475	50,000		50,000	50,000	50,000	50,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	4,475	50,000		50,000	50,000	50,000	50,000

Expenditure of appropriation is contingent upon available funding.

DEPARTMENT OF COMMERCE - ARKANSAS WATERWAYS COMMISSION

Employment Summary

	Male	Female	Total	%
White Employees	1	0	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Biennial Report	A.C.A §15-23-204	Y	Y	3	To inform state elected officials, colleagues and other interested parties on activities, goals and accomplishments of the Arkansas Waterways Commission. The Commission will also make the report available in PDF format on its website waterways.arkansas.gov.	0	0.00

Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	FY26		FY27		FY27		FY28				FY29			
	Actual Expenditures	Pos	Budgeted Expenditures	Pos	Authorized Appropriation	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
085 Arkansas Waterways Commission	191,951	2	292,486	2	335,324	3	308,192	2	308,192	2	308,192	2	308,192	2
M63 Waterway Development Grants	2,608,202	0	3,348,217	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
X68 Arkansas River Navigation System	1,782,227	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
Total	4,582,380	2	5,640,703	2	7,335,324	3	7,308,192	2	7,308,192	2	7,308,192	2	7,308,192	2
Funding Sources		%		%				%		%		%		%
Fund Balance 4000005	9,041,509	71.4	8,073,106	69.2			6,033,165	62.6	6,033,165	62.6	3,316,441	48.0	3,316,441	48.0
General Revenue 4000010	274,195	2.2	255,001	2.2			255,001	2.6	255,001	2.6	255,001	3.7	255,001	3.7
Ad Valorem Tax 4000060	3,394,727	26.8	3,398,217	29.1			3,398,217	35.3	3,398,217	35.3	3,398,217	49.1	3,398,217	49.1
Other 4000370	662	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Shared Services Transfer 4000760	(55,607)	(0.4)	(52,456)	(0.4)			(55,475)	(0.6)	(55,475)	(0.6)	(55,475)	(0.8)	(55,475)	(0.8)
Total Funds	12,655,486	100.0	11,673,868	100.0			9,630,908	100.0	9,630,908	100.0	6,914,184	100.0	6,914,184	100.0
Excess Appropriation/(Funding)	(8,073,106)		(6,033,165)				(2,322,716)		(2,322,716)		394,008		394,008	
Grand Total	4,582,380		5,640,703				7,308,192		7,308,192		7,308,192		7,308,192	

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Waterways Commission, established by Act 242 of 1967, supports the development of the navigable waterways of Arkansas. Act 910 of 2019 transferred the Commission to the Department of Commerce.

The Arkansas Waterways Commission is comprised of seven (7) members; five (5) members represent the five (5) navigable rivers in Arkansas and two (2) members are "at-large." These members are appointed by the Governor, with the advice and consent of the Senate. Each commissioner serves a seven (7) year term and terms are staggered. The five (5) representing the river basin areas are chosen from lists of three (3) and are recommended through organized associations as qualified persons who have demonstrated experience and interest in river development.

This appropriation is funded by general revenue and $50,000 of taxes and penalties collected from water transportation companies under Ark. Code Ann. § 26-26-1616(d).

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $308,192 and general revenue funding of $255,001 in each year of the biennium.

The Agency Request includes the following change in each year:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services matching through the elimination of vacant, unbudgeted positions process.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 085 - Arkansas Waterways Commission

Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	124,806	149,550	171,883	149,550	149,550	149,550	149,550
#Positions		**2**	**2**	**3**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	51,611	59,057	63,856	59,057	59,057	59,057	59,057
Operating Expenses	5020002	14,354	73,173	88,879	88,879	88,879	88,879	88,879
Conference & Travel Expenses	5050009	1,180	8,151	8,151	8,151	8,151	8,151	8,151
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
State's Contributions	5900021	0	2,555	2,555	2,555	2,555	2,555	2,555
Total		191,951	292,486	335,324	308,192	308,192	308,192	308,192
Funding Sources								
Fund Balance	4000005	12,642	89,941		50,000	50,000	0	0
General Revenue	4000010	274,195	255,001		255,001	255,001	255,001	255,001
Ad Valorem Tax	4000060	50,000	50,000		50,000	50,000	50,000	50,000
Other	4000370	662	0		0	0	0	0
Shared Services Transfer	4000760	(55,607)	(52,456)		(55,475)	(55,475)	(55,475)	(55,475)
Total Funding		281,892	342,486		299,526	299,526	249,526	249,526
Excess Appropriation/(Funding)		(89,941)	(50,000)		8,666	8,666	58,666	58,666
Grand Total		191,951	292,486		308,192	308,192	308,192	308,192

Analysis of Budget Request

Appropriation: M63 - Waterway Development Grants

Funding Sources: MPW - AR Port, Intermodal, and Waterway Dev. Grant Prog. Fund

Pursuant to Ark. Code Ann. § 15-23-205, the Arkansas Waterways Commission can provide financial assistance to port authorities and intermodal authorities for port development projects. These projects include without limitation, construction, improvement, facility rehabilitation, expansion of a public port facility, and a maritime-related industrial park infrastructure development.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $5,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: M63 - Waterway Development Grants

Funding Sources: MPW - AR Port, Intermodal, and Waterway Dev. Grant Prog. Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	2,608,202	3,348,217	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		2,608,202	3,348,217	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources								
Fund Balance	4000005	4,231,699	4,968,224		4,968,224	4,968,224	3,316,441	3,316,441
Ad Valorem Tax	4000060	3,344,727	3,348,217		3,348,217	3,348,217	3,348,217	3,348,217
Total Funding		7,576,426	8,316,441		8,316,441	8,316,441	6,664,658	6,664,658
Excess Appropriation/(Funding)		(4,968,224)	(4,968,224)		(3,316,441)	(3,316,441)	(1,664,658)	(1,664,658)
Grand Total		2,608,202	3,348,217		5,000,000	5,000,000	5,000,000	5,000,000

Analysis of Budget Request

Appropriation: X68 - Arkansas River Navigation System

Funding Sources: MRN - Arkansas River Navigation System Fund

Ark. Code Ann. § 19-27-318 established the Arkansas River Navigation System Fund to develop, improve, and expand river transportation resources within the portion of the McClellan-Kerr Arkansas River Navigation System located in the State of Arkansas.

Act 881 of 2023 initiated the shift of revenue collections and program activity to the Arkansas Port, Intermodal, and Waterway Development Grant Program Fund under M63-Waterway Development Grants

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $2,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X68 - Arkansas River Navigation System

Funding Sources: MRN - Arkansas River Navigation System Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Arkansas River Navigation Syste 5900046	1,782,227	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	1,782,227	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources							
Fund Balance 4000005	4,797,168	3,014,941		1,014,941	1,014,941	0	0
Total Funding	4,797,168	3,014,941		1,014,941	1,014,941	0	0
Excess Appropriation/(Funding)	(3,014,941)	(1,014,941)		985,059	985,059	2,000,000	2,000,000
Grand Total	1,782,227	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000

DEPARTMENT OF COMMERCE - DIVISION OF WORKFORCE SERVICES

Employment Summary

	Male	Female	Total	%
White Employees	111	216	327	49 %
Black Employees	61	243	304	46 %
Other Racial Minorities	15	15	30	5 %
Total Minorities			334	51 %
Total Employees			661	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Comprehensive Annual Program Report to the Arkansas Legislature	A.C.A. § 20-76-106	Y	Y	10	Arkansas Act 817 of 2011 required this comprehensive TANF Program Report, as required by A.C.A. § 20-76-106. This requirement replaced the various legislatively mandate reports and consolidated all of the prior reporting requirements.	0	0.00
Department of Workforce Services Annual Report	A.C.A. § 11-10-306 (e)	Y	N	50	To meet the requirements of A.C.A. § 11-10-306 (e) and to have sufficient copies for interested parties.	0	0.00
Extended Unemployment Benefits to Legislative Council	A.C.A. § 11-10-543	N	Y	10	To meet the requirments of A.C.A. 11-10-503 (j)	0	0.00

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Uses of the Special Fund	A.C.A. § 19-5-984	N	Y	10	To meet the requirments of A.C.A. 19-5-984	0	0.00

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation							
		FY26		FY27		FY27		FY28				FY29			
		Actual Expenditures	Pos	Budgeted Expenditures	Pos	Authorized Appropriation	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
2RF	Annual Assessments	22,000	0	26,000	0	26,000	0	26,000	0	26,000	0	26,000	0	26,000	0
2SC	Excess Unemploy Benefits/Expenses	129,862	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0
2SD	Operations	1,270,022	8	500,000	0	63,610,021	1	12,500,000	0	12,500,000	0	12,500,000	0	12,500,000	0
2SE	Workforce Innovation and Opportunity Act	11,615,097	0	11,804,978	0	30,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0	20,000,000	0
2SF	UI Trust Fund Loan Interest	112,355	0	3,000,001	0	3,000,001	0	5,000,001	0	5,000,001	0	5,000,001	0	5,000,001	0
35Q	DWS Training Trust Fund	2,892	0	2,500,000	6	2,500,000	0	2,500,000	0	2,500,000	0	2,500,000	0	2,500,000	0
35R	DWS Unemployment Insurance Fund	7,808,908	0	13,803,820	50	16,000,000	25	6,000,000	24	6,000,000	24	6,000,000	24	6,000,000	24
4KQ	New Hire Registry	99,341	1	250,000	1	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
C27	Unemployment Benefits & Expenses - Cash	211,741	0	1,000,001	0	1,000,001	0	1,000,001	0	1,000,001	0	1,000,001	0	1,000,001	0
C28	Federal Employees Benefit-Cash	5,741,688	0	7,500,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0	200,000,000	0
C29	U I Benefits - Taxable Employers - Cash	64,000,157	0	100,000,000	0	500,000,000	0	500,000,000	0	500,000,000	0	500,000,000	0	500,000,000	0
C30	U I Benefits-Reimb Employers - Cash	0	0	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
C31	Bldg Improvmnt/Land–Reed Act	0	0	0	0	1,000,000	0	1	0	1	0	1	0	1	0
CB9	DWS Adult Edu Workforce Prep/Training (	1,073,853	0	817,317	1	2,500,000	0	1,800,000	0	1,800,000	0	1,800,000	0	1,800,000	0
DH1	Technology Equip Revolving Loan Program	485,771	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0
DH2	AR Rehab Services - Cash Operations	0	0	0	0	356,542	0	0	0	0	0	0	0	0	0
DH3	Arkansas Rehabilitation Services	56,665,339	237	55,974,614	265	60,132,954	309	59,489,954	259	59,489,954	259	59,501,288	259	59,501,288	259
DH4	Increase Capabilities Access Network-Fed	555,026	5	637,962	5	818,892	4	797,651	4	797,651	4	797,651	4	797,651	4
DH5	People w/Disabilities Program-Special	0	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0	30,000	0
DH6	Statewide Disability Telecomm Equip Prog	451,236	2	618,663	3	647,651	3	647,651	3	647,651	3	647,651	3	647,651	3
DH8	Blind Services Grants	2,714,318	0	5,000,000	0	6,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
DH9	State Services for the Blind	4,629,959	65	4,985,726	48	6,534,760	69	5,491,534	48	5,491,534	48	5,493,628	48	5,493,628	48
DI1	State Apprenticeship Expansion	368,306	0	734,592	2	1,130,150	2	1,130,150	1	1,130,150	1	1,130,150	1	1,130,150	1
DI2	Office of Skills Development	22,630,307	8	26,343,235	13	26,210,963	14	56,441,485	14	56,441,485	14	56,442,470	14	56,442,470	14
DI4	Construction Industry Craft Trng Prog	881,314	1	918,522	1	916,399	1	916,399	1	916,399	1	916,399	1	916,399	1
DI6	AR Manufacturing Extension Network-State	254,275	0	239,179	0	257,182	0	257,182	0	257,182	0	257,182	0	257,182	0
DI7	New AMS - Cash in Treasury	774,626	3	857,326	1	1,162,614	0	1,162,614	0	1,162,614	0	1,162,614	0	1,162,614	0
DI8	AR Manufuring Extension Network-Fed	1,018,445	2	1,129,106	5	2,085,796	9	2,085,796	8	2,085,796	8	2,085,796	8	2,085,796	8
DI9	Wagner Peyser Federal	3,638,042	44	3,822,833	30	7,000,000	7	5,750,000	31	5,750,000	31	5,750,000	31	5,750,000	31
DJ1	Jobs For Veterans-Federal	1,183,276	0	1,750,000	15	1,750,000	5	1,750,000	15	1,750,000	15	1,750,000	15	1,750,000	15
DJ2	Foreign Labor Certification Program-Fed	332,498	4	374,231	5	450,000	2	450,000	4	450,000	4	450,000	4	450,000	4
DJ3	Work Opportunity Tax Credit-Federal	158,474	2	244,397	2	450,000	2	200,000	2	200,000	2	200,000	2	200,000	2

Department Appropriation Summary

Appropriation		Historical Data FY26 Actual Expenditures	Pos	FY27 Budgeted Expenditures	Pos	FY27 Authorized Appropriation	Pos	Agency Request and Executive Recommendation FY28 Agency	Pos	FY28 Executive	Pos	FY29 Agency	Pos	FY29 Executive	Pos
DJ4	Workforce Innov & Opportunity Act-Opers	3,013,439	0	3,939,813	27	4,000,000	10	4,000,000	28	4,000,000	28	4,000,000	28	4,000,000	28
DJ5	Reimagine - Federal	413,884	0	0	0	600,000	0	0	0	0	0	0	0	0	0
DJ6	DWS - Workforce Policy & Innovation	1,316,303	14	1,072,094	13	1,993,792	18	0	0	0	0	0	0	0	0
DJ7	Reemployment-Federal	20,531,299	218	19,682,924	216	21,346,317	300	23,285,000	251	23,285,000	251	23,285,000	251	23,285,000	251
DJ8	Arkansas Workforce Connections	406,825	5	0	0	6,384,450	111	0	0	0	0	0	0	0	0
DJ9	Arkansas Manufacturing Extension Networl	405,990	4	392,797	3	638,550	2	638,550	2	638,550	2	638,550	2	638,550	2
DK1	Operations-Paying Fund	9,586,225	81	13,547,601	100	16,258,332	135	15,121,980	110	15,121,980	110	15,128,266	110	15,128,266	110
DM6	Supply Chain Optimization&Intel Ntwk-Fed	30,312	0	0	0	400,000	0	0	0	0	0	0	0	0	0
DM7	Trade Adjustment Assistance Prog-Federal	106,841	0	350,000	1	350,000	0	200,000	1	200,000	1	200,000	1	200,000	1
EA4	AWC-Executive Director Office	0	0	0	0	0	0	875,000	4	875,000	4	875,000	4	875,000	4
EC7	Unemployment Insurance Modernization	0	0	0	0	0	0	10,000,000	0	10,000,000	0	10,000,000	0	10,000,000	0
V97	UI Benefits & Expenses-Cash in Treasury	75,858	0	1,000,000	0	1,000,000	0	500,000	0	500,000	0	500,000	0	500,000	0
X88	TAA Supportive Services	0	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
Z01	Adult Education State Operations	1,644,917	18	1,948,592	18	2,664,132	18	3,150,541	22	3,150,541	22	3,150,309	22	3,150,309	22
Z03	Adult Basic Education - Federal	6,342,848	2	10,982,310	2	11,131,464	2	11,168,461	2	11,168,461	2	11,168,461	2	11,168,461	2
Z04	Governor's Commission on Adult Literacy	1,074,871	1	1,084,274	1	1,096,283	1	1,096,283	1	1,096,283	1	1,096,283	1	1,096,283	1
Z05	Adult Basic & General Education	22,308,598	0	22,770,569	0	22,770,569	0	22,770,569	0	22,770,569	0	22,770,569	0	22,770,569	0
Z06	GED Testing	313,304	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
NOT REQUESTED FOR THE BIENNIUM															
AQ5	ARPA-American Rescue Plan Act of 2021	255,824	0	0	0	0	0	0	0	0	0	0	0	0	0
CE2	Hired Grant Program	25,505,358	0	0	0	0	0	0	0	0	0	0	0	0	0
CS6	ARPA - Paris Community Center	2,179,887	0	0	0	0	0	0	0	0	0	0	0	0	0
CT1	OSD-ALIGN-LPN Pathway Dev - ARPA	8,977,743	0	0	0	0	0	0	0	0	0	0	0	0	0
CT8	OSD-American Manuf. Apprenticeship	298,368	2	0	0	0	0	0	0	0	0	0	0	0	0
CU5	ARS - Public Health Workforce - ARPA	12,108	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		293,629,930	727	332,983,477	833	1,038,803,815	1,050	994,832,803	835	994,832,803	835	994,853,270	835	994,853,270	835

Funding Sources			%		%			%		%		%		%
Fund Balance	4000005	142,262,700	34.4	120,519,406	28.8		85,451,705	8.5	85,451,705	8.5	50,845,465	5.2	50,845,465	5.2
General Revenue	4000010	25,264,094	6.1	25,934,077	6.2		25,946,087	2.6	25,946,087	2.6	25,946,087	2.7	25,946,087	2.7
Federal Revenue	4000020	202,823,794	49.0	226,389,179	54.1		844,904,910	83.8	844,904,910	83.8	844,904,910	86.8	844,904,910	86.8
Special Revenue	4000030	1,528,194	0.4	1,610,000	0.4		1,577,503	0.2	1,577,503	0.2	1,577,503	0.2	1,577,503	0.2
Stabilization Tax	4000033	0	0.0	6,000,000	1.4		6,000,000	0.6	6,000,000	0.6	6,000,000	0.6	6,000,000	0.6

Funding Sources			%		%			%		%		%		%
Cash Fund	4000045	804,414	0.2	830,000	0.2		830,000	0.1	830,000	0.1	830,000	0.1	830,000	0.1
Educational Excellence Trust Fund	4000220	16,060,236	3.9	16,301,935	3.9		16,701,935	1.7	16,701,935	1.7	16,701,935	1.7	16,701,935	1.7
Inter-agency Fund Transfer	4000316	100,944	0.0	(1,205,332)	(0.3)		(982,689)	(0.1)	(982,689)	(0.1)	(982,689)	(0.1)	(982,689)	(0.1)
Intra-agency Fund Transfer	4000317	(3,032,221)	(0.7)	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
M & R Sales	4000340	31,384	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	29,116,795	7.0	22,715,848	5.4		25,051,734	2.5	25,051,734	2.5	25,051,734	2.6	25,051,734	2.6
Unfunded Appropriation	4000715	0	0.0	0	0.0		1	0.0	1	0.0	1	0.0	1	0.0
Workforce 2000	4000740	2,581,918	0.6	2,581,918	0.6		5,394,505	0.5	5,394,505	0.5	5,394,505	0.6	5,394,505	0.6
Shared Services Transfer	4000760	(3,392,916)	(0.8)	(3,241,849)	(0.8)		(3,132,217)	(0.3)	(3,132,217)	(0.3)	(3,132,217)	(0.3)	(3,132,217)	(0.3)
Total Funds		414,149,336	100.0	418,435,182	100.0		1,007,743,474	100.0	1,007,743,474	100.0	973,137,234	100.0	973,137,234	100.0
Excess Appropriation/(Funding)		(120,519,406)		(85,451,705)			(12,910,671)		(12,910,671)		21,716,036		21,716,036	
Grand Total		293,629,930		332,983,477			994,832,803		994,832,803		994,853,270		994,853,270	

Appropriations DI2 – Office of Skills Development & DI4 - Construction Industry Craft Trng Prog - FY27 Budget amount exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Variance in Fund Balance is due to unfunded appropriation.

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: 2RF - Annual Assessments

Funding Sources: TZS - Division of Workforce Services Special Fund

The Annual Assessments appropriation pays the annual assessment to maintain voting member rights in the National Association of Workforce Agencies.

This appropriation is funded from the Division of Workforce Services Special Fund, which derives its funding from penalties and investment income assessed to Arkansas employers and delinquent tax contributions.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $26,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2RF - Annual Assessments

Funding Sources: TZS - Division of Workforce Services Special Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Annual Assessment 5900046	22,000	26,000	26,000	26,000	26,000	26,000	26,000
Total	22,000	26,000	26,000	26,000	26,000	26,000	26,000
Funding Sources							
Other 4000370	22,000	26,000		26,000	26,000	26,000	26,000
Total Funding	22,000	26,000		26,000	26,000	26,000	26,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	22,000	26,000		26,000	26,000	26,000	26,000

Analysis of Budget Request

Appropriation: 2SC - Excess Unemploy Benefits/Expenses

Funding Sources: TZS - Division of Workforce Services Special Fund

The Excess Unemployment Benefits and Expenses appropriation is utilized by the Division of Workforce Services for construction, personal services and matching, maintenance and general operating expenses for the Administration Building and all other agency owned buildings, building land acquisition, rent of buildings, and payment of unemployment benefits and expenses incurred by the division in excess of other funding sources due to reductions in federal funds in accordance to the Division of Workforce Services Law, AR Workforce Innovation and Opportunity Act, and the Arkansas Works Act of 2016.

This appropriation is funded from the Division of Workforce Services Special Fund, which derives its funding from investment income on past due unemployment compensation contributions and overpayment penalties in excess of 15%.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $10,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SC - Excess Unemploy Benefits/Expenses

Funding Sources: TZS - Division of Workforce Services Special Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Construction	5090005	0	0	0	0	0	0	0
Rent of Buildings	5900022	0	0	0	0	0	0	0
Payment/Expenses	5900046	129,862	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total		129,862	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Funding Sources								
Fund Balance	4000005	8,948,276	13,060,665		3,060,665	3,060,665	0	0
Other	4000370	4,242,251	0		0	0	0	0
Total Funding		13,190,527	13,060,665		3,060,665	3,060,665	0	0
Excess Appropriation/(Funding)		(13,060,665)	(3,060,665)		6,939,335	6,939,335	10,000,000	10,000,000
Grand Total		129,862	10,000,000		10,000,000	10,000,000	10,000,000	10,000,000

Analysis of Budget Request

Appropriation: 2SD - Operations

Funding Sources: TES - Division of Workforce Services Trust Fund

Act 910 of 2019 transferred the Department of Workforce Services, now known as the Division of Workforce Services, to the Department of Commerce. The Division of Workforce Services supports the state's workforce through means of programs and services such as Unemployment Insurance and the Worker Training Program. This appropriation provides for the personal services and operating expenses for the division.

Funding for this appropriation comes from the Division of Workforce Services Trust Fund derived from revenues authorized by the U.S. Government for support of various programs and any other funds made available by the Arkansas General Assembly.

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting appropriation in the amount of $12,500,000 in each year of the biennium.

The Agency request includes the following changes:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Reallocation of $12,500,000 from Operating Expenses to the Division of Workforce Services Trust Operations line item for personal services and operations of the division.

- Discontinuation of ($51,110,021) in the following to align budget with anticipated utilization and reduce excess appropriation:
  - ($29,196,349) in Regular Salaries
  - ($1,000,000) in Extra Help
  - ($11,648,479) in Personal Services Matching
  - ($360,000) in Overtime
  - ($6,835,741) in Operating Expenses
  - ($396,990) in Conference & Travel Expenses
  - ($1,672,462) in Professional Fees

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SD - Operations

Funding Sources: TES - Division of Workforce Services Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	405,798	0	29,196,349	0	0	0	0
#Positions		**8**	**0**	**1**	**0**	**0**	**0**	**0**
Extra Help	5010001	36,654	0	1,000,000	0	0	0	0
#Extra Help		**3**	**39**	**39**	**39**	**39**	**39**	**39**
Personal Services Matching	5010003	101,383	0	11,648,479	0	0	0	0
Overtime	5010006	0	0	360,000	0	0	0	0
Operating Expenses	5020002	726,187	500,000	19,335,741	0	0	0	0
Conference & Travel Expenses	5050009	0	0	396,990	0	0	0	0
Professional Fees	5060010	0	0	1,672,462	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Division of Workforce Services T	5900046	0	0	0	12,500,000	12,500,000	12,500,000	12,500,000
Total		1,270,022	500,000	63,610,021	12,500,000	12,500,000	12,500,000	12,500,000
Funding Sources								
Fund Balance	4000005	4,954,939	734,140		234,140	234,140	0	0
Intra-agency Fund Transfer	4000317	(3,032,221)	0		0	0	0	0
M & R Sales	4000340	31,384	0		0	0	0	0
Other	4000370	50,060	0		500,000	500,000	500,000	500,000
Total Funding		2,004,162	734,140		734,140	734,140	500,000	500,000
Excess Appropriation/(Funding)		(734,140)	(234,140)		11,765,860	11,765,860	12,000,000	12,000,000
Grand Total		1,270,022	500,000		12,500,000	12,500,000	12,500,000	12,500,000

Analysis of Budget Request

Appropriation: 2SE - Workforce Innovation and Opportunity Act

Funding Sources: FCG - DWS - Federal

The Workforce Innovation and Opportunity Act appropriation provides for payment of federal funds to agencies in the ten (10) Local Workforce Development Areas. These programs provide needed employment and employment preparation services for adults, youth, and dislocated workers.

This appropriation is federally funded.

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting appropriation in the amount of $20,000,000 in each year of the biennium.

The Agency request includes the following change in each year:
- Decrease of ($10,000,000) in Grants and Aid to better align budget with anticipated funding and expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SE - Workforce Innovation and Opportunity Act
Funding Sources: FCG - DWS - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	11,615,097	11,804,978	30,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total	11,615,097	11,804,978	30,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Funding Sources							
Federal Revenue 4000020	11,615,097	11,804,978		20,000,000	20,000,000	20,000,000	20,000,000
Total Funding	11,615,097	11,804,978		20,000,000	20,000,000	20,000,000	20,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	11,615,097	11,804,978		20,000,000	20,000,000	20,000,000	20,000,000

Analysis of Budget Request

Appropriation: 2SF - UI Trust Fund Loan Interest

Funding Sources: TZR - Employment Security Advance Interest Trust Fund

The Unemployment Trust Fund Interest/Unemployment Insurance appropriation is utilized to pay interest incurred by the state on advances from the Federal Unemployment Trust Fund, to refund advance interest taxes or interest and penalty payments which were erroneously paid, and to return money to the Unemployment Compensation Fund Clearing Accounting which were incorrectly identified and erroneously transferred.

This appropriation is funded through the Employment Security Advance Interest Trust Fund which consists of advance interest tax and any penalties and interest transferred from the Unemployment Compensation Fund Clearing Account.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $5,000,001 in each year of the biennium.

The Agency request includes the following change in each year:
- Increase of $2,000,000 in Refund/Investments/Transfers line item to align budget with anticipated utilization.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2SF - UI Trust Fund Loan Interest

Funding Sources: TZR - Employment Security Advance Interest Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Refunds/Investments/Transfers 5110020	112,355	3,000,000	3,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Loan Interest 5900046	0	1	1	1	1	1	1
Total	112,355	3,000,001	3,000,001	5,000,001	5,000,001	5,000,001	5,000,001
Funding Sources							
Fund Balance 4000005	5,006,558	5,001,706		2,001,705	2,001,705	0	0
Other 4000370	107,503	0		0	0	0	0
Total Funding	5,114,061	5,001,706		2,001,705	2,001,705	0	0
Excess Appropriation/(Funding)	(5,001,706)	(2,001,705)		2,998,296	2,998,296	5,000,001	5,000,001
Grand Total	112,355	3,000,001		5,000,001	5,000,001	5,000,001	5,000,001

Analysis of Budget Request

Appropriation: 35Q - DWS Training Trust Fund

Funding Sources: TWT - Division of Workforce Services Training Trust Fund

The purpose of the Division of Workforce Services Training Trust Fund Program is to provide innovative training support opportunities for qualified Arkansas employers. In accordance with Ark. Code Ann. § 11-10-706, the remaining proceeds of the administrative assessment on wages paid by an employer are deposited and credited to this appropriation to be used for personal services, operating expenses, construction, grants, and worker training programs.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting to continue appropriation in the amount of $2,500,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35Q - DWS Training Trust Fund
Funding Sources: TWT - Division of Workforce Services Training Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Personal Services, Operating Ex 5900046	2,892	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total	2,892	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Funding Sources							
Fund Balance 4000005	2,763,897	11,874,107		14,222,334	14,222,334	17,858,637	17,858,637
Other 4000370	9,113,102	4,848,227		6,136,303	6,136,303	6,136,303	6,136,303
Total Funding	11,876,999	16,722,334		20,358,637	20,358,637	23,994,940	23,994,940
Excess Appropriation/(Funding)	(11,874,107)	(14,222,334)		(17,858,637)	(17,858,637)	(21,494,940)	(21,494,940)
Grand Total	2,892	2,500,000		2,500,000	2,500,000	2,500,000	2,500,000

Analysis of Budget Request

Appropriation: 35R - DWS Unemployment Insurance Fund

Funding Sources: MUI - Division of Workforce Services Unemployment Insurance Administration Fund

The Division of Workforce Services Unemployment Insurance Administration Fund was established by Ark. Code Ann. § 19-27-288 for personal services and operating expenses of the unemployment insurance program necessary to the proper administration of the Division of Workforce Services Law, § 11-10-101 et seq., including expenses for modernizing information technology systems and hardware utilized in the administration of the unemployment insurance program.

In accordance with Ark. Code Ann. § 11-10-706, up to six million dollars ($6,000,000) of the administrative assessment proceeds shall be deposited and credited to this fund for administration of unemployment insurance program.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $6,000,000 in each year of the biennium.

The Agency request includes the following change:
• Discontinuation of one (1) position and associated appropriation through the elimination of vacant, unbudgeted positions process.

• Reallocation of $10,000,000 in Unemployment Insurance Modernization line item to appropriation EC7 - Unemployment Insurance Modernization for independent tracking and management.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 35R - DWS Unemployment Insurance Fund

Funding Sources: MUI - Division of Workforce Services Unemployment Insurance Administration Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Administration Expenses	5900046	7,808,908	3,803,820	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Unemployment Insurance Mode	5900047	0	10,000,000	10,000,000	0	0	0	0
Total		7,808,908	13,803,820	16,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Funding Sources								
Fund Balance	4000005	29,387,813	21,679,849		12,670,697	12,670,697	1,688,008	1,688,008
Stabilization Tax	4000033	0	6,000,000		6,000,000	6,000,000	6,000,000	6,000,000
Inter-agency Fund Transfer	4000316	100,944	(1,205,332)		(982,689)	(982,689)	(982,689)	(982,689)
Intra-agency Fund Transfer	4000317	0	0		(10,000,000)	(10,000,000)	0	0
Total Funding		29,488,757	26,474,517		7,688,008	7,688,008	6,705,319	6,705,319
Excess Appropriation/(Funding)		(21,679,849)	(12,670,697)		(1,688,008)	(1,688,008)	(705,319)	(705,319)
Grand Total		7,808,908	13,803,820		6,000,000	6,000,000	6,000,000	6,000,000

Analysis of Budget Request

Appropriation: 4KQ - New Hire Registry

Funding Sources: PWS - DWS Paying - New Hire Registry

The New Hire Registry appropriation was established to develop and maintain a state directory where employers report newly hired and returning employees to aid in the establishment and enforcement of child support orders. This appropriation provides for personal services, operating expenses, and grant payments for the programs.

Funding for this appropriation is derived from general revenue.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $250,000 and general revenue in the amount of $139,500 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 4KQ - New Hire Registry
Funding Sources: PWS - DWS Paying - New Hire Registry

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
New Hire Registry-Personal Serv	5900046	99,341	250,000	250,000	250,000	250,000	250,000	250,000
Total		99,341	250,000	250,000	250,000	250,000	250,000	250,000
Funding Sources								
Fund Balance	4000005	428,454	470,590		360,090	360,090	249,590	249,590
General Revenue	4000010	111,841	139,500		139,500	139,500	139,500	139,500
Federal Revenue	4000020	29,636	0		0	0	0	0
Total Funding		569,931	610,090		499,590	499,590	389,090	389,090
Excess Appropriation/(Funding)		(470,590)	(360,090)		(249,590)	(249,590)	(139,090)	(139,090)
Grand Total		99,341	250,000		250,000	250,000	250,000	250,000

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2026 TO FISCAL YEAR 2027

Agency: Department of Commerce - Division of Workforce Services

Program: New Hire Registry

Act #: 130 Section(s) #: 57

Estimated Carry Forward Amount $ 250,000.00 Funding Source: General Revenue

Accounting Information:

Business Area: 0810 Funds Center: 4KQ Fund: PWS Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Pursuant to law, unexpended balances shall be carried forward to the next fiscal year to be used for the same intent and purposes as set forth by law.

Actual Funding Carry Forward Amount $ 250,000.00

Current status of carry forward funding:

All programs are ongoing or monies have otherwise been committed.

Hugh McDonald
Secretary

10-05-2026
Date

Analysis of Budget Request

Appropriation: C27 - Unemployment Benefits & Expenses - Cash

Funding Sources: 177 - DWS - Cash in Bank

The Division of Workforce Services Unemployment Benefits & Expenses - Cash appropriation currently provides for the Unemployment Insurance (UI) programs:

- Training Allowances - federal funding is provided to pay allowances to economically disadvantaged, unemployed, and underemployed individuals so that they can attend training to maximize their employment opportunities and enhance self-sufficiency.
- Payments to Participant Contractors - federal funding is provided to reimburse private and nonprofit employers for costs incurred to train individuals who are economically disadvantaged, unemployed, and underemployed.
- UI Advance Repayment - to repay loans taken by the state from the federal Unemployment Insurance Trust Fund during times of high unemployment.
- Disaster Relief Payments - federal funding is provided to pay unemployment benefits to individuals who have become unemployed as a direct result of a presidentially declared major disaster.

This appropriation is funded by federal dollars deposited into a cash account.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $1,000,001 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C27 - Unemployment Benefits & Expenses - Cash
Funding Sources: 177 - DWS - Cash in Bank

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	211,741	350,000	350,000	350,000	350,000	350,000	350,000
Training Allowances	5900046	0	500,000	500,000	500,000	500,000	500,000	500,000
Payments to Part Contractors	5900047	0	150,000	150,000	150,000	150,000	150,000	150,000
UI Advance Repayment	5900048	0	1	1	1	1	1	1
Total		211,741	1,000,001	1,000,001	1,000,001	1,000,001	1,000,001	1,000,001
Funding Sources								
Federal Revenue	4000020	211,741	1,000,001		1,000,001	1,000,001	1,000,001	1,000,001
Total Funding		211,741	1,000,001		1,000,001	1,000,001	1,000,001	1,000,001
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		211,741	1,000,001		1,000,001	1,000,001	1,000,001	1,000,001

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: C28 - Federal Employees Benefit-Cash

Funding Sources: 177 - DWS - Cash in Bank

The Federal Employees Benefit Payments allows for payments for unemployment insurance benefits to unemployed federal civilian employees, ex-servicemen, and public service employees. This appropriation also provides for the payments of extended unemployment insurance benefits.

This appropriation is funded by federal dollars deposited into a cash account.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $200,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C28 - Federal Employees Benefit-Cash
Funding Sources: 177 - DWS - Cash in Bank

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	5,741,688	7,500,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Total	5,741,688	7,500,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Funding Sources							
Federal Revenue 4000020	5,741,688	7,500,000		200,000,000	200,000,000	200,000,000	200,000,000
Total Funding	5,741,688	7,500,000		200,000,000	200,000,000	200,000,000	200,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	5,741,688	7,500,000		200,000,000	200,000,000	200,000,000	200,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: C29 - U I Benefits - Taxable Employers - Cash

Funding Sources: 177 - DWS - Cash in Bank

The Unemployment Insurance (UI) Benefits - Taxable Employers appropriation allows for payment of Unemployment Insurance benefits to unemployed individuals. Qualifying individuals receive payments based on wages paid by Arkansas employers. The employer must be a for-profit organization and pay contributions to the Unemployment Compensation Fund.

This appropriation is funded by federal dollars deposited into a cash account.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $500,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C29 - U I Benefits - Taxable Employers - Cash
Funding Sources: 177 - DWS - Cash in Bank

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Benefits-Non Employee	5100023	64,000,157	100,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Total		64,000,157	100,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000
Funding Sources								
Fund Balance	4000005	17,309,818	8,747,073		8,747,073	8,747,073	8,747,073	8,747,073
Federal Revenue	4000020	55,437,412	100,000,000		500,000,000	500,000,000	500,000,000	500,000,000
Total Funding		72,747,230	108,747,073		508,747,073	508,747,073	508,747,073	508,747,073
Excess Appropriation/(Funding)		(8,747,073)	(8,747,073)		(8,747,073)	(8,747,073)	(8,747,073)	(8,747,073)
Grand Total		64,000,157	100,000,000		500,000,000	500,000,000	500,000,000	500,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: C30 - U I Benefits-Reimb Employers - Cash

Funding Sources: 177 - DWS - Cash in Bank

The Unemployment Insurance (UI) Benefits - Reimbursable Employers appropriation allows for payments for Unemployment Insurance benefits to unemployed individuals. The individuals receive payments based on wages paid by any Arkansas non-profit organization or government employing unit which elects to reimburse the Unemployment Compensation Fund rather than pay contributions.

This appropriation is funded by federal dollars deposited into a cash account.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $1,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C30 - U I Benefits-Reimb Employers - Cash
Funding Sources: 177 - DWS - Cash in Bank

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources							
Federal Revenue 4000020	0	0		1,000,000	1,000,000	1,000,000	1,000,000
Total Funding	0	0		1,000,000	1,000,000	1,000,000	1,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	0		1,000,000	1,000,000	1,000,000	1,000,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: C31 - Bldg Improvmnt/Land–Reed Act

Funding Sources: 167 - DWS - Cash in Bank - Reed Act

A provision of Title IX of the Social Security Act makes excess funds collected under the Federal Unemployment Tax Act (FUTA) available for administration of the Employment Security Program. These funds are often referred to as "Reed Act" Funds. Reed Act funds become a part of a State's unemployment fund as defined in Section 3306(f) of the Federal Unemployment Tax Act as of the date they are transferred to the account of the State in the Unemployment Trust Fund. The funds must retain legal status as part of the State's unemployment fund until expended for the payment benefits or expenses of Employment Security Administration. Reed Act funds may be withdrawn from the State Unemployment Fund and deposited in another State account for use for Employment Security Administration only pending payment of obligations which have become due or the maturity of which is imminent. Since any amount withdrawn remains legally part of the State's Unemployment Fund until expended, it must be accounted for as part of the State's Unemployment Fund. The appropriation authorizing the use of Reed Act Funds must be specific and must:

1. Limit the use of funds appropriated exclusively for Employment Security purposes; and
2. Must specify the purpose of the funds being appropriated.

This appropriation is funded by Reed Act Funds for the purpose of construction and improvement of buildings, rent/lease costs, acquisition of data processing equipment and/or land, and for the payment of salaries and related benefits of local office staff.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $1 in each year of the biennium.

The Agency request includes the following change in each year:

- Decrease of ($999,999) in Reed Act Funds line item to reduce excess appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: C31 - Bldg Improvmnt/Land–Reed Act
Funding Sources: 167 - DWS - Cash in Bank - Reed Act

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Reed Act Funds 5900046	0	0	1,000,000	1	1	1	1
Total	0	0	1,000,000	1	1	1	1
Funding Sources							
Unfunded Appropriation 4000715	0	0		1	1	1	1
Total Funding	0	0		1	1	1	1
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	0		1	1	1	1

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: CB9 - DWS Adult Edu Workforce Prep/Training CF

Funding Sources: NWS - Cash in Treasury

This appropriation provides for personal services and operating expenses for the Adult Education Program. This program provides basic skills classes to adults with less than a high school education. Arkansas Adult Education offers 36 locations in 75 counties across the state of Arkansas.

Funding is provided through reimbursements from DHS SNAP Program.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $1,800,000 in each year of the biennium.

The Agency request includes the following change in each year:

- Decrease of ($700,000) in Adult Education Program line item to align budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: CB9 - DWS Adult Edu Workforce Prep/Training CF
Funding Sources: NWS - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Adult Education Program	5900046	1,073,853	817,317	2,500,000	1,800,000	1,800,000	1,800,000	1,800,000
Total		1,073,853	817,317	2,500,000	1,800,000	1,800,000	1,800,000	1,800,000
Funding Sources								
Fund Balance	4000005	2,513,004	1,823,511		1,063,478	1,063,478	0	0
Cash Fund	4000045	384,360	80,000		80,000	80,000	80,000	80,000
Other	4000370	0	(22,716)		(19,389)	(19,389)	(19,389)	(19,389)
Total Funding		2,897,364	1,880,795		1,124,089	1,124,089	60,611	60,611
Excess Appropriation/(Funding)		(1,823,511)	(1,063,478)		675,911	675,911	1,739,389	1,739,389
Grand Total		1,073,853	817,317		1,800,000	1,800,000	1,800,000	1,800,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: DH1 - Technology Equip Revolving Loan Program

Funding Sources: NRS - ARS - Cash in Treasury

This appropriation provides loans to individuals with disabilities for essential assistive technology, adaptive equipment, and for loan administration by Arkansas Rehabilitation Services. Funding for this appropriation comes from cash revenues derived from investment income.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $750,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH1 - Technology Equip Revolving Loan Program
Funding Sources: NRS - ARS - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
LOANS	5900046	485,771	750,000	750,000	750,000	750,000	750,000	750,000
Total		485,771	750,000	750,000	750,000	750,000	750,000	750,000
Funding Sources								
Fund Balance	4000005	915,496	849,779		849,779	849,779	849,779	849,779
Cash Fund	4000045	420,054	750,000		750,000	750,000	750,000	750,000
Total Funding		1,335,550	1,599,779		1,599,779	1,599,779	1,599,779	1,599,779
Excess Appropriation/(Funding)		(849,779)	(849,779)		(849,779)	(849,779)	(849,779)	(849,779)
Grand Total		485,771	750,000		750,000	750,000	750,000	750,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: DH2 - AR Rehab Services - Cash Operations

Funding Sources: NRS - ARS - Cash in Treasury

The Rehabilitation Cash Fund provides for expenses for the Arkansas Career Training Institute (ACTI)and receives revenues from various sources including cafeteria fees, contributions, reimbursement fees, hospital medical fees, and institutional services from the ACTI.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting to discontinue appropriation in the amount of $356,542 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH2 - AR Rehab Services - Cash Operations
Funding Sources: NRS - ARS - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	0	0	356,542	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		0	0	356,542	0	0	0	0
Funding Sources								
Unfunded Appropriation	4000715	0	0		0	0	0	0
Total Funding		0	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		0	0		0	0	0	0

Expenditure of appropriation is contingent upon available funding.

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: DH3 - Arkansas Rehabilitation Services

Funding Sources: PER - Arkansas Rehabilitation Pay - Admin

Arkansas Rehabilitation Services (ARS) carries out its responsibilities through a field program that reaches all 75 counties from 19 field offices across the state through vocational rehabilitation services and through partnerships with other agencies and organizations to increase services for people with disabilities. Act 910 of 2019, the Transformation and Efficiencies Act of 2019, transferred Arkansas Rehabilitation Services from the Department of Career Education to the Department of Commerce - Division of Workforce Services (DWS).

This appropriation provides for the personal services and operating expenses for Arkansas Rehabilitation Services. Funding for this appropriation is derived from general revenue and federally funded Social Services Block Grants.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $59,489,954 in FY28 and $59,501,288 in FY29 and general revenue in the amount of $11,106,154 in each year of the biennium.

The Agency request includes the following changes in each year of the biennium:

- Discontinuation of forty-three (43) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Discontinuation of fourteen (14) extra help positions and associated Extra Help and Personal Services Matching to align with program operations.

- Transfer of positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - Three (3) positions out to the Department of Commerce (9902) appropriation Z38 - Shared Services
  - Four (4) positions out to the Department of Commerce - DWS (0810) appropriation DK1 - Operations
  - One (1) position out to the Department of Commerce - DWS (0810) appropriation DH9 - State Services for the Blind
  - One (1) position in from the Department of Commerce - DWS (0810) appropriation DK1 - Operations

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH3 - Arkansas Rehabilitation Services

Funding Sources: PER - Arkansas Rehabilitation Pay - Admin

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	12,247,796	15,739,845	15,437,231	15,324,459	15,324,459	15,333,659	15,333,659
#Positions		**237**	**265**	**309**	**259**	**259**	**259**	**259**
Extra Help	5010001	103,260	125,001	252,000	125,000	125,000	125,000	125,000
#Extra Help		**7**	**19**	**19**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	5,236,982	5,763,466	6,022,724	5,619,496	5,619,496	5,621,630	5,621,630
Operating Expenses	5020002	4,464,987	4,312,470	7,401,096	7,401,096	7,401,096	7,401,096	7,401,096
Conference & Travel Expenses	5050009	73,685	175,000	175,000	175,000	175,000	175,000	175,000
Professional Fees	5060010	267,518	844,903	844,903	844,903	844,903	844,903	844,903
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Grants and Aid/Purchase of Serv	5900043	34,271,111	29,013,929	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Total		56,665,339	55,974,614	60,132,954	59,489,954	59,489,954	59,501,288	59,501,288
Funding Sources								
Fund Balance	4000005	6,044	716,230		716,230	716,230	1,517,026	1,517,026
General Revenue	4000010	10,116,593	11,106,154		11,106,154	11,106,154	11,106,154	11,106,154
Federal Revenue	4000020	46,858,094	44,668,460		48,984,596	48,984,596	48,984,596	48,984,596
Other	4000370	400,838	200,000		200,000	200,000	200,000	200,000
Total Funding		57,381,569	56,690,844		61,006,980	61,006,980	61,807,776	61,807,776
Excess Appropriation/(Funding)		(716,230)	(716,230)		(1,517,026)	(1,517,026)	(2,306,488)	(2,306,488)
Grand Total		56,665,339	55,974,614		59,489,954	59,489,954	59,501,288	59,501,288

FY27 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2025-2027 Biennium.

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2026 TO FISCAL YEAR 2027

Agency: Department of Commerce - Division of Workforce Services

Program: Arkansas Rehabilitation Services

Act #: 130 Section(s) #: 63

Estimated Carry Forward Amount $ 3,937,916.00 Funding Source: Federal & General Revenue

Accounting Information:

Business Area: 0810 Funds Center: DH3 Fund: PER Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Pursuant to law, unexpended balances shall be carried forward for the same intent and purposes as projects are ongoing and cross state fiscal years.

Actual Funding Carry Forward Amount $ 147,076.00

Current status of carry forward funding:

Funds are currently obligated for ongoing operations, services, and grants.

Hugh McDonald
Secretary

10-05-2026
Date

Analysis of Budget Request

Appropriation: DH4 - Increase Capabilities Access Network-Fed

Funding Sources: PER - Arkansas Rehabilitation Pay - ICAN

Increasing Capabilities Access Network (ICAN) Program is a federal program designed to make technology available and accessible for all who need it. ICAN is a funding information resource and provides information on new and existing technology free to any person regardless of age or disability.

The program also supports several service programs under one umbrella that target different areas of need for assistive technology and maintains an AT4ALL database, which list hundreds of items available for loan, demonstration, or giveaway. On the federal level, ICAN sponsors many training events, conferences and networking events year-round for states to keep up to date on the newest advances in technology and to continue providing information to anyone requesting assistance.

This appropriation is federally funded.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $797,651 in each year of the biennium.

The Agency request includes the following changes in each year:

- Decrease of ($12,391) in Operating Expenses to better align budget with expenditures.

- Reallocation of $797,651 in the following line items to Increasing Capabilities Network line item for personal services and operating expenses. The reallocation is to allow flexible utilization of resources.
  - ($274,273) in Regular Salaries
  - ($95,367) in Personal Services Matching
  - ($387,609) in Operating Expenses
  - ($20,402) in Conference & Travel Expenses
  - ($20,000) in Professional Fees

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH4 - Increase Capabilities Access Network-Fed

Funding Sources: PER - Arkansas Rehabilitation Pay - ICAN

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	228,008	274,273	200,707	0	0	0	0
#Positions		**5**	**5**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	74,242	103,287	77,783	0	0	0	0
Operating Expenses	5020002	238,825	220,000	400,000	0	0	0	0
Conference & Travel Expenses	5050009	4,001	20,402	20,402	0	0	0	0
Professional Fees	5060010	9,950	20,000	20,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	100,000	0	0	0	0
Increasing Capabilities Access N	5900046	0	0	0	797,651	797,651	797,651	797,651
Total		555,026	637,962	818,892	797,651	797,651	797,651	797,651
Funding Sources								
Fund Balance	4000005	88,020	40,687		32,004	32,004	135,323	135,323
Federal Revenue	4000020	507,693	629,279		900,970	900,970	900,970	900,970
Total Funding		595,713	669,966		932,974	932,974	1,036,293	1,036,293
Excess Appropriation/(Funding)		(40,687)	(32,004)		(135,323)	(135,323)	(238,642)	(238,642)
Grand Total		555,026	637,962		797,651	797,651	797,651	797,651

FY27 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: DH5 - People w/Disabilities Program-Special

Funding Sources: SPD - Governor's Commission on People with Disabilities Fund

Ark. Code Ann. § 20-14-202 establishes the Governor's Commission on People with Disabilities, consisting of 11 members appointed by the Governor, including six members who must be persons with disabilities.

Pursuant to Ark. Code Ann. § 19-43-262, the Governor's Commission on People with Disabilities Fund revenue is comprised of parking fines and fees collected under Ark. Code Ann. § 27-15-305 (c). These funds are used to support scholarships awards for persons with disabilities and educating the public about accessible parking.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $30,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH5 - People w/Disabilities Program-Special
Funding Sources: SPD - Governor's Commission on People with Disabilities Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	0	30,000	30,000	30,000	30,000	30,000	30,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		0	30,000	30,000	30,000	30,000	30,000	30,000
Funding Sources								
Fund Balance	4000005	36,937	53,336		38,336	38,336	23,336	23,336
Other	4000370	16,399	15,000		15,000	15,000	15,000	15,000
Total Funding		53,336	68,336		53,336	53,336	38,336	38,336
Excess Appropriation/(Funding)		(53,336)	(38,336)		(23,336)	(23,336)	(8,336)	(8,336)
Grand Total		0	30,000		30,000	30,000	30,000	30,000

Analysis of Budget Request

Appropriation: DH6 - Statewide Disability Telecomm Equip Prog

Funding Sources: STC - Telecommunications Equipment Fund

Ark. Code Ann. § 19-43-265 establishes the Telecommunications Equipment Fund for Arkansas Rehabilitation Services to operate the Statewide Disability Telecommunications Equipment Program. This program provides specialized telecommunications devices or services to individuals who are deaf, hard of hearing, deaf-blind, speech-impaired, or who have other disabilities that limit effective access to the telecommunications network.

Funding consists of special revenues authorized under Ark. Code Ann. § 23-17-119, which allows the Arkansas Public Service Commission to impose surcharges of $0.02 per subject access line per month and $0.02 per working subject telephone number per month. These surcharges are collected by service providers and deposited as special revenues into the State Treasury for the equipment distribution program.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $647,651 in each year of the biennium.

The Agency request includes the following change in each year:

- Reallocation of $647,651 in the following line items to the Telecommunications Equipment Program line item for personal services, operating expenses, and grants and aid. The reallocation is to allow flexible utilization of resources.
  - ($174,003) in Regular Salaries
  - ($71,648) in Personal Services Matching
  - ($80,000) in Operating Expenses
  - ($7,000) in Conference & Travel Expenses
  - ($5,000) in Professional Fees
  - ($310,000) in Grants and Aid

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH6 - Statewide Disability Telecomm Equip Prog
Funding Sources: STC - Telecommunications Equipment Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	116,826	156,552	174,003	0	0	0	0
#Positions		**2**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	50,487	60,111	71,648	0	0	0	0
Operating Expenses	5020002	52,967	80,000	80,000	0	0	0	0
Conference & Travel Expenses	5050009	0	7,000	7,000	0	0	0	0
Professional Fees	5060010	5,000	5,000	5,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	225,956	310,000	310,000	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Telecommunications Equipment	5900046	0	0	0	647,651	647,651	647,651	647,651
Total		451,236	618,663	647,651	647,651	647,651	647,651	647,651
Funding Sources								
Fund Balance	4000005	869,209	1,003,256		1,084,593	1,084,593	1,104,445	1,104,445
Special Revenue	4000030	585,283	700,000		667,503	667,503	667,503	667,503
Total Funding		1,454,492	1,703,256		1,752,096	1,752,096	1,771,948	1,771,948
Excess Appropriation/(Funding)		(1,003,256)	(1,084,593)		(1,104,445)	(1,104,445)	(1,124,297)	(1,124,297)
Grand Total		451,236	618,663		647,651	647,651	647,651	647,651

Analysis of Budget Request

Appropriation: DH8 - Blind Services Grants

Funding Sources: PER - Arkansas Rehabilitation Services - DSB Grants

This appropriation provides services to enable job-seekers who are blind to gain independence and secure appropriate employment.

Appropriation is supported via federal revenue.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $4,000,000 in each year of the biennium.

The Agency request includes the following change in each year:
- Decrease of ($2,000,000) in Client Services - Grants and Aid/Purchase of Services line item to align budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH8 - Blind Services Grants

Funding Sources: PER - Arkansas Rehabilitation Services - DSB Grants

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Client Services - Grants and Aid, 5900043	2,714,318	5,000,000	6,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total	2,714,318	5,000,000	6,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources							
Federal Revenue 4000020	2,714,318	5,000,000		4,000,000	4,000,000	4,000,000	4,000,000
Total Funding	2,714,318	5,000,000		4,000,000	4,000,000	4,000,000	4,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	2,714,318	5,000,000		4,000,000	4,000,000	4,000,000	4,000,000

Analysis of Budget Request

Appropriation: DH9 - State Services for the Blind

Funding Sources: PER - Arkansas Rehabilitation Pay - DSB Admin

The Division of State Services for the Blind is responsible for its own State Plan under the Federal Rehabilitation Act. Agency direction and performance responsibility lies with a 7 member consumer board comprised of organization representatives involved in providing services for people who have visual impairments. The member organizations include those such as Arkansas Lions, Blinded Veterans Association, Lions World Services for the Blind, Arkansas School for the Blind, and the Arkansas Affiliate of the National Federation of the Blind. By law, the majority of the members of the Board must be persons who are blind. Services to individuals with visual impairments are provided by agency staff and by contracting with service providers who specialize in services for people with visual impairments. This appropriation is funded via general revenue and federal revenue.

DSB serves consumers through three interdependent units: Field Services, Vending Facility Program, and the DSB Directors Office. These three service units were designed by the DSB Board to offer two advantages to the State of Arkansas:

- First, to enhance the personal self-sufficiency of consumers eliminating costs associated with unnecessary skilled care; and
- Second, to maximize the potential contributions made by consumers as citizens and taxpayers.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $5,491,534 in FY28 and $5,493,628 in FY29 and general revenue funding of $1,834,384 in each year of the biennium.

The Agency request includes the following changes in each year:

- Discontinuation of twenty-one (21) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Discontinuation of twenty-seven (27) extra help positions and associated Extra Help and Personal Services Matching to align with program operations.

- Transfer of positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - One (1) position in from the Department of Commerce - DWS (0810) appropriation DH3 - Arkansas Rehabilitation Services
  - One (1) position out to the Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund

- Decrease of ($80,000) in Conference & Travel Expenses to align budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DH9 - State Services for the Blind

Funding Sources: PER - Arkansas Rehabilitation Pay - DSB Admin

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	2,686,977	2,881,706	3,179,453	2,907,039	2,907,039	2,908,739	2,908,739
#Positions		**65**	**48**	**69**	**48**	**48**	**48**	**48**
Extra Help	5010001	50,171	50,000	384,174	34,174	34,174	34,174	34,174
#Extra Help		**13**	**8**	**30**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	1,162,805	1,053,243	1,298,688	1,057,876	1,057,876	1,058,270	1,058,270
Operating Expenses	5020002	673,200	765,518	1,222,186	1,222,186	1,222,186	1,222,186	1,222,186
Conference & Travel Expenses	5050009	56,806	155,000	155,000	75,000	75,000	75,000	75,000
Professional Fees	5060010	0	70,259	195,259	195,259	195,259	195,259	195,259
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	10,000	100,000	0	0	0	0
Total		4,629,959	4,985,726	6,534,760	5,491,534	5,491,534	5,493,628	5,493,628
Funding Sources								
Fund Balance	4000005	1,965,832	2,192,453		2,192,453	2,192,453	3,364,354	3,364,354
General Revenue	4000010	1,220,480	1,834,384		1,834,384	1,834,384	1,834,384	1,834,384
Federal Revenue	4000020	3,636,100	3,101,342		4,779,051	4,779,051	4,779,051	4,779,051
Other	4000370	0	50,000		50,000	50,000	50,000	50,000
Total Funding		6,822,412	7,178,179		8,855,888	8,855,888	10,027,789	10,027,789
Excess Appropriation/(Funding)		(2,192,453)	(2,192,453)		(3,364,354)	(3,364,354)	(4,534,161)	(4,534,161)
Grand Total		4,629,959	4,985,726		5,491,534	5,491,534	5,493,628	5,493,628

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2026 TO FISCAL YEAR 2027

Agency: Department of Commerce - Division of Workforce Services

Program: State Services for the Blind

Act #: 130 Section(s) #: 64

Estimated Carry Forward Amount $ 2,965,854.00 Funding Source: Federal & General Revenue

Accounting Information:

Business Area: 0810 Funds Center: DH9 Fund: PER Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Pursuant to law, unexpended balances shall be carried forward for the same intent and purposes as projects are ongoing and cross state fiscal years.

Actual Funding Carry Forward Amount $ 2,192,453.00

Current status of carry forward funding:

Funds are currently obligated for ongoing operations, services, and grants.

Hugh McDonald
Secretary

10-05-2026
Date

Analysis of Budget Request

Appropriation: DI1 - State Apprenticeship Expansion

Funding Sources: FAE - State Apprenticeship Expansion Formula

The State Apprenticeship Expansion Formula expands registered apprenticeship as a workforce development strategy supporting businesses operating in Arkansas. The Office of Skills Development is tasked with overseeing a comprehensive apprenticeship office for the state of Arkansas and part of that mission includes creating opportunities to expand registered apprenticeship in existing programs and in new occupations and sectors.

This program is 100% federally funded.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $1,130,150 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer out one (1) position and associated appropriation to Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund to better align with the agency's internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI1 - State Apprenticeship Expansion

Funding Sources: FAE - State Apprenticeship Expansion Formula

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
State Apprenticeship Expansion 5900046	368,306	734,592	1,130,150	1,130,150	1,130,150	1,130,150	1,130,150
Total	368,306	734,592	1,130,150	1,130,150	1,130,150	1,130,150	1,130,150
Funding Sources							
Fund Balance 4000005	33,463	2,814		49,172	49,172	169,022	169,022
Federal Revenue 4000020	337,657	780,950		1,250,000	1,250,000	1,250,000	1,250,000
Total Funding	371,120	783,764		1,299,172	1,299,172	1,419,022	1,419,022
Excess Appropriation/(Funding)	(2,814)	(49,172)		(169,022)	(169,022)	(288,872)	(288,872)
Grand Total	368,306	734,592		1,130,150	1,130,150	1,130,150	1,130,150

Analysis of Budget Request

Appropriation: DI2 - Office of Skills Development

Funding Sources: MSD - Skills Development Fund

The Office of Skills Development, established by Act 892 of 2015 and later moved to the Department of Commerce by Act 910 of 2019, has the authority to award grants to public and private organizations for workforce training programs. The office is responsible for setting grant procedures and criteria, reviewing applications in consultation with the Arkansas Economic Development Commission, prescribing the information required in applications, auditing grant recipients, and submitting an annual report to the Governor and the co-chairs of the Legislative Council by October 1.

Ark. Code Ann. § 19-27-322 establishes the Skills Development Fund which consists of general revenue, private grants or other designated sources, transfers from the Work Force 2000 Development Fund, and any other revenues authorized by law.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $56,441,485 in FY28 and $56,442,470 in FY29 and general revenue in the amount of $3,355,764 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer of positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - One (1) position in from the Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund
  - One (1) position out to the Department of Commerce - DWS (0810) appropriation EA4 - AWC-Executive Director Office

- Increase of $30,000,000 in American Manuf. Apprenticeship line item to establish appropriation for the Arkansas Manufacturing Incentive Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI2 - Office of Skills Development
Funding Sources: MSD - Skills Development Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	637,938	966,417	870,966	1,039,725	1,039,725	1,040,525	1,040,525
#Positions		**8**	**13**	**14**	**14**	**14**	**14**	**14**
Personal Services Matching	5010003	256,456	327,362	290,541	352,304	352,304	352,489	352,489
Operating Expenses	5020002	189,388	353,000	353,000	353,000	353,000	353,000	353,000
Conference & Travel Expenses	5050009	27,066	35,000	35,000	35,000	35,000	35,000	35,000
Professional Fees	5060010	0	50,000	50,000	50,000	50,000	50,000	50,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	5,114,368	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Industry Training Program	5900046	14,793,640	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Apprenticeship Program	5900047	1,611,451	1,611,456	1,611,456	1,611,456	1,611,456	1,611,456	1,611,456
American Manuf. Apprenticeship	5900048	0	0	0	30,000,000	30,000,000	30,000,000	30,000,000
Total		22,630,307	26,343,235	26,210,963	56,441,485	56,441,485	56,442,470	56,442,470
Funding Sources								
Fund Balance	4000005	59,601,872	42,929,238		24,412,941	24,412,941	0	0
General Revenue	4000010	3,608,348	3,355,764		3,355,764	3,355,764	3,355,764	3,355,764
Federal Revenue	4000020	0	0		8,950,000	8,950,000	8,950,000	8,950,000
Other	4000370	15,945	1,889,256		(479,395)	(479,395)	(479,395)	(479,395)
Workforce 2000	4000740	2,581,918	2,581,918		5,394,505	5,394,505	5,394,505	5,394,505
Shared Services Transfer	4000760	(248,538)	0		0	0	0	0
Total Funding		65,559,545	50,756,176		41,633,815	41,633,815	17,220,874	17,220,874
Excess Appropriation/(Funding)		(42,929,238)	(24,412,941)		14,807,670	14,807,670	39,221,596	39,221,596
Grand Total		22,630,307	26,343,235		56,441,485	56,441,485	56,442,470	56,442,470

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: DI4 - Construction Industry Craft Trng Prog

Funding Sources: TCI - Arkansas Construction Industry Craft Training Trust Fund

This appropriation provides for the Construction Industry Craft Training Program to enhance the development of a quality labor pool to support the building industry in Arkansas. The Office of Skills Development in collaboration with the State Apprenticeship Coordination Steering Committee runs the program. The Committee is authorized to develop a plan to include, but not limited to, formulas and administrative procedures to be used in distribution of funds to construction craft training programs.

The fund consists of the net proceeds of the construction permit surcharge as set out in Ark. Code Annt. § 6-55-106.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $916,399 in each year of the biennium.

The Agency request includes the following changes in each year:

- Net reallocation of $916,399 in the following line items to the Construction Industry Craft Training Program line item for personal services, operating expenses, and grants and aid. The reallocation is to allow for flexible utilization of appropriation.
  - ($54,061) in Regular Salaries
  - ($20,338) in Personal Services Matching
  - ($32,000) in Operating Expenses
  - ($10,000) in Conference & Travel Expenses
  - ($800,000) in Grants and Aid

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI4 - Construction Industry Craft Trng Prog

Funding Sources: TCI - Arkansas Construction Industry Craft Training Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	54,097	55,675	54,061	0	0	0	0
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	20,204	20,847	20,338	0	0	0	0
Operating Expenses	5020002	1,359	32,000	32,000	0	0	0	0
Conference & Travel Expenses	5050009	5,654	10,000	10,000	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	800,000	800,000	800,000	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Construction Industry Craft Trai	5900046	0	0	0	916,399	916,399	916,399	916,399
Total		881,314	918,522	916,399	916,399	916,399	916,399	916,399
Funding Sources								
Fund Balance	4000005	1,315,104	1,376,701		1,368,179	1,368,179	1,361,780	1,361,780
Special Revenue	4000030	942,911	910,000		910,000	910,000	910,000	910,000
Total Funding		2,258,015	2,286,701		2,278,179	2,278,179	2,271,780	2,271,780
Excess Appropriation/(Funding)		(1,376,701)	(1,368,179)		(1,361,780)	(1,361,780)	(1,355,381)	(1,355,381)
Grand Total		881,314	918,522		916,399	916,399	916,399	916,399

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: DI6 - AR Manufacturing Extension Network-State

Funding Sources: PWC - Paying Fund

Arkansas Manufacturing Extension Network is a part of the National Institute of Standards and Technology's (NIST) national program, Manufacturing Extension Partnership (MEP). The program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance.

Funding is 100% general revenue. This is the state match portion of the program.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation and general revenue funding of $257,182 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI6 - AR Manufacturing Extension Network-State

Funding Sources: HOA - Arkansas Economic Development Commission Fund Account

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
AR Manufacturing Ext Network 5900046	254,275	239,179	257,182	257,182	257,182	257,182	257,182
Total	254,275	239,179	257,182	257,182	257,182	257,182	257,182
Funding Sources							
General Revenue 4000010	254,275	239,179		257,182	257,182	257,182	257,182
Total Funding	254,275	239,179		257,182	257,182	257,182	257,182
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	254,275	239,179		257,182	257,182	257,182	257,182

Analysis of Budget Request

Appropriation: DI7 - New AMS - Cash in Treasury

Funding Sources: NAW - Cash In Treasury

Arkansas Manufacturing Solutions (AMS) program aims to maximize enterprise value for manufacturers through Innovation, Operational Excellence, Sustainability and Leadership Development. AMS has a team of industry specialists who provide hands-on business, technical assistance, and other services.

Funding comes from cash revenues derived from client service agreements, assessments, and training class revenues.

Expenditure of appropriation is contingent upon available funding.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $1,162,614 in each year of the biennium.

The Agency request includes the following changes in each year:

- Reallocation of $1,162,614 in the following line items to Arkansas Manufacturing Extension Partnership line item for personal services, operating expenses, and grants and aid. The reallocation is to allow for flexible utilization of appropriation.
  - ($345,963) in Regular Salaries
  - ($117,821) in Personal Services Matching
  - ($543,200) in Operating Expenses
  - ($67,360) in Conference & Travel Expenses
  - ($75,000) in Professional Fees
  - ($13,270) in Grants and Aid

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI7 - New AMS - Cash in Treasury

Funding Sources: NAW - Cash In Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	311,327	122,201	345,963	0	0	0	0
#Positions		**3**	**1**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	79,499	36,295	117,821	0	0	0	0
Operating Expenses	5020002	382,057	543,200	543,200	0	0	0	0
Conference & Travel Expenses	5050009	0	67,360	67,360	0	0	0	0
Professional Fees	5060010	1,743	75,000	75,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	13,270	13,270	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Arkansas Manufacturing Extensi	5900046	0	0	0	1,162,614	1,162,614	1,162,614	1,162,614
Total		774,626	857,326	1,162,614	1,162,614	1,162,614	1,162,614	1,162,614
Funding Sources								
Fund Balance	4000005	1,575,802	1,304,120		508,202	508,202	0	0
Other	4000370	502,944	61,408		183,659	183,659	183,659	183,659
Total Funding		2,078,746	1,365,528		691,861	691,861	183,659	183,659
Excess Appropriation/(Funding)		(1,304,120)	(508,202)		470,753	470,753	978,955	978,955
Grand Total		774,626	857,326		1,162,614	1,162,614	1,162,614	1,162,614

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: DI8 - AR Manufuring Extension Network-Fed

Funding Sources: FAW - Federal

The Division of Science and Technology - Arkansas Manufacturing Extension Network is a part of the National Institute of Standards and Technology's (NIST) national program, Manufacturing Extension Partnership (MEP). The program provides a statewide industry driven Manufacturing Extension Network for the delivery of technical and management assistance.

Funding is 100% federal revenue from NIST and third party reimbursements for field services and technical support from manufacturers supported under this grant.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $2,085,796 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer out one (1) position and associated Regular Salaries and Personal Services Matching to Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund to better align with the agency's internal structure, operational needs, and functions.

- Net reallocation of $2,085,796 in the following line items to Arkansas Manufacturing Extension Partnership line item for personal services, operating expenses, and grants and aid. The reallocation is to allow for flexible utilization of appropriation.
  - ($764,198) in Regular Salaries
  - ($252,048) in Personal Services Matching
  - ($269,550) in Operating Expenses
  - ($800,000) in Field Services

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI8 - AR Manufuring Extension Network-Fed

Funding Sources: FAW - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	145,299	444,457	764,198	0	0	0	0
#Positions		**2**	**5**	**9**	**8**	**8**	**8**	**8**
Personal Services Matching	5010003	63,838	142,803	252,048	0	0	0	0
Operating Expenses	5020002	27,022	40,000	269,550	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Field Services	5900046	782,286	501,846	800,000	0	0	0	0
Arkansas Manufacturing Extensi	5900047	0	0	0	2,085,796	2,085,796	2,085,796	2,085,796
Total		1,018,445	1,129,106	2,085,796	2,085,796	2,085,796	2,085,796	2,085,796
Funding Sources								
Fund Balance	4000005	114,830	162,502		397,330	397,330	419,106	419,106
Federal Revenue	4000020	1,066,117	1,491,101		2,250,000	2,250,000	2,250,000	2,250,000
Other	4000370	0	(127,167)		(142,428)	(142,428)	(142,428)	(142,428)
Total Funding		1,180,947	1,526,436		2,504,902	2,504,902	2,526,678	2,526,678
Excess Appropriation/(Funding)		(162,502)	(397,330)		(419,106)	(419,106)	(440,882)	(440,882)
Grand Total		1,018,445	1,129,106		2,085,796	2,085,796	2,085,796	2,085,796

Analysis of Budget Request

Appropriation: DI9 - Wagner Peyser Federal

Funding Sources: FAW - Federal

The Wagner-Peyser Act of 1933, as amended by the Workforce Innovation and Opportunity Act (WIOA), establishes a nationwide system of public employment offices. In Arkansas, these are integrated into the American Job Center (AJC) network, offering labor exchange services such as job referrals, employer recruitment, and workforce information Arkansas' Workforce Connections agency administers the program, ensuring that all individuals receive basic labor exchange services.

This program is federally funded.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $5,750,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer in twenty-four (24) positions and associated appropriation to better align with the agency's internal structure, operational needs, and functions.
  - Twenty-three (23) positions from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connections
  - One (1) position from the Department of Commerce - DWS (0810) appropriation DJ7 - Reemployment-Federal

- Decrease of ($1,250,000) in Wagner Peyser Operations line item to maintain budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DI9 - Wagner Peyser Federal
Funding Sources: FAW - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Wagner Peyser Operations	5900046	3,638,042	3,822,833	7,000,000	5,750,000	5,750,000	5,750,000	5,750,000
Total		3,638,042	3,822,833	7,000,000	5,750,000	5,750,000	5,750,000	5,750,000
Funding Sources								
Fund Balance	4000005	0	71,849		472,905	472,905	473,127	473,127
Federal Revenue	4000020	3,709,891	5,151,896		6,300,000	6,300,000	6,300,000	6,300,000
Other	4000370	0	(928,007)		(549,778)	(549,778)	(549,778)	(549,778)
Total Funding		3,709,891	4,295,738		6,223,127	6,223,127	6,223,349	6,223,349
Excess Appropriation/(Funding)		(71,849)	(472,905)		(473,127)	(473,127)	(473,349)	(473,349)
Grand Total		3,638,042	3,822,833		5,750,000	5,750,000	5,750,000	5,750,000

Analysis of Budget Request

Appropriation: DJ1 - Jobs For Veterans-Federal

Funding Sources: FAW - Federal

Arkansas provides dedicated veteran services through the Division of Workforce Services (DWS) and the Jobs for Veterans State Grants (JVSG) program, offering priority employment, training, and placement support for veterans, including disabled veterans.

This program is federally funded.

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting to continue appropriation in the amount of $1,750,000 in each year of the biennium.

The Agency request includes the following changes in each year:
• Transfer in ten (10) positions and associated appropriation from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connections to better align with the agency's internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ1 - Jobs For Veterans-Federal
Funding Sources: FAW - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Jobs For Veterans - Federal	5900046	1,183,276	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Total		1,183,276	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Funding Sources								
Fund Balance	4000005	0	0		0	0	105,882	105,882
Federal Revenue	4000020	1,183,276	1,750,000		1,855,882	1,855,882	1,855,882	1,855,882
Total Funding		1,183,276	1,750,000		1,855,882	1,855,882	1,961,764	1,961,764
Excess Appropriation/(Funding)		0	0		(105,882)	(105,882)	(211,764)	(211,764)
Grand Total		1,183,276	1,750,000		1,750,000	1,750,000	1,750,000	1,750,000

Analysis of Budget Request

Appropriation: DJ2 - Foreign Labor Certification Program-Fed

Funding Sources: FAW - Federal

Foreign Labor Certification (FLC) Programs are implemented by the State Workforce Agencies (SWA) and administered through the United States Department of Labor Employment (USDOL) and Training Administration, Office of Foreign Labor Certification's national office and processing centers. FLC Program regulations are published in the Code of Federal Regulations (CFR) which provide guidelines on the processing of applications, timelines, responsibilities, etc. Additional guidance may be provided by USDOL through advisories such as Training and Employment Guidance Letters (TEGLs), approved instructions and forms, etc.

This program is federally funded.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting to continue appropriation in the amount of $450,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer in two (2) positions and associated appropriation from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connections to better align with the agency's internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ2 - Foreign Labor Certification Program-Fed
Funding Sources: FAW - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Foreign Labor Certification Prog 5900046	332,498	374,231	450,000	450,000	450,000	450,000	450,000
Total	332,498	374,231	450,000	450,000	450,000	450,000	450,000
Funding Sources							
Fund Balance 4000005	0	1,042		12,278	12,278	30,885	30,885
Federal Revenue 4000020	333,540	385,467		468,607	468,607	468,607	468,607
Total Funding	333,540	386,509		480,885	480,885	499,492	499,492
Excess Appropriation/(Funding)	(1,042)	(12,278)		(30,885)	(30,885)	(49,492)	(49,492)
Grand Total	332,498	374,231		450,000	450,000	450,000	450,000

Analysis of Budget Request

Appropriation: DJ3 - Work Opportunity Tax Credit-Federal

Funding Sources: FAW - Federal

The Work Opportunity Tax Credit is a federal tax credit that encourages employers to hire workers from targeted groups. The credit is designed to help job seekers gain on-the-job experience, move towards economic self-sufficiency, and reduce employers' federal tax liability.

This program is federally funded.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $200,000 in each year of the biennium.

The Agency request includes the following change in each year:

- Decrease of ($250,000) in Workforce Opportunity Tax Credit line item to align budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ3 - Work Opportunity Tax Credit-Federal
Funding Sources: FAW - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Workforce Opportunity Tax Cre	5900046	158,474	244,397	450,000	200,000	200,000	200,000	200,000
Total		158,474	244,397	450,000	200,000	200,000	200,000	200,000
Funding Sources								
Federal Revenue	4000020	158,474	308,888		298,105	298,105	298,105	298,105
Other	4000370	0	(64,491)		(98,105)	(98,105)	(98,105)	(98,105)
Total Funding		158,474	244,397		200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		158,474	244,397		200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: DJ4 - Workforce Innov & Opportunity Act-Opers

Funding Sources: FAW - Federal

Arkansas implements the federal Workforce Innovation and Opportunity Act (WIOA) through Act 907 of 2015, delivering employment, training, and support services via the Arkansas Workforce Centers and the Arkansas Workforce Development Board.

WIOA, signed into federal law in 2014, is the first major reform of the public workforce system since 1998. In Arkansas, it was adopted by Act 907 of 2015 to help job seekers access employment, education, training, and support services, while matching employers with skilled workers.

This program is federally funded.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting to continue appropriation in the amount of $4,000,000 in each year of the biennium.

The Agency request includes the following changes in each year:
• Transfer in eighteen (18) positions and associated appropriation from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connections to better align with the agency's internal structure, operational needs, and functions.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ4 - Workforce Innov & Opportunity Act-Opers
Funding Sources: FAW - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Workforce Innovation and Oppo	5900046	3,013,439	3,939,813	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total		3,013,439	3,939,813	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funding Sources								
Fund Balance	4000005	0	119,864		474,998	474,998	956,854	956,854
Federal Revenue	4000020	3,126,817	4,973,370		4,973,370	4,973,370	4,973,370	4,973,370
Other	4000370	6,486	(678,423)		(491,514)	(491,514)	(491,514)	(491,514)
Total Funding		3,133,303	4,414,811		4,956,854	4,956,854	5,438,710	5,438,710
Excess Appropriation/(Funding)		(119,864)	(474,998)		(956,854)	(956,854)	(1,438,710)	(1,438,710)
Grand Total		3,013,439	3,939,813		4,000,000	4,000,000	4,000,000	4,000,000

Analysis of Budget Request

Appropriation: DJ5 - Reimagine - Federal

Funding Sources: FAW - Federal

The Reimagine Arkansas Workforce Project is a federally funded program administered by the University of Arkansas and partners to provide free online job training to Arkansans, especially those impacted by the COVID-19 economic downturn. It is designed to help people advance careers or start new ones, offering flexible, non-credit training in 15 career fields.

This program is federally funded.

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting to discontinue appropriation in the amount of $600,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ5 - Reimagine - Federal
Funding Sources: FAW - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Reimagine Program 5900046	413,884	0	600,000	0	0	0	0
Total	413,884	0	600,000	0	0	0	0
Funding Sources							
Federal Revenue 4000020	413,884	0		0	0	0	0
Total Funding	413,884	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	413,884	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: DJ6 - DWS - Workforce Policy & Innovation

Funding Sources: TES - Division of Worforce ServicesTrust Fund

Arkansas' Workforce Policy & Innovation Division, part of the Department of Commerce, leads the state's labor market data, workforce development strategy, and innovation initiatives to improve employment outcomes and align training with economic needs.

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting to discontinue this appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ6 - DWS - Workforce Policy & Innovation
Funding Sources: TES - Division of Worforce ServicesTrust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	802,163	743,089	1,285,000	0	0	0	0
#Positions		**14**	**13**	**18**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	327,769	275,505	428,792	0	0	0	0
Operating Expenses	5020002	168,038	50,000	250,000	0	0	0	0
Conference & Travel Expenses	5050009	7,133	2,500	15,000	0	0	0	0
Professional Fees	5060010	11,200	1,000	15,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		1,316,303	1,072,094	1,993,792	0	0	0	0
Funding Sources								
Federal Revenue	4000020	1,316,303	1,072,094		0	0	0	0
Total Funding		1,316,303	1,072,094		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		1,316,303	1,072,094		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: DJ7 - Reemployment-Federal

Funding Sources: FRE - Federal

Arkansas Division of Workforce Services (DWS) offers re-employment services through Arkansas Workforce Connections, including job search help, training, and career counseling, in addition to unemployment insurance (UI) benefits. This program is federally funded.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $23,285,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Discontinuation of seventy-five (75) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Transfer of positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - One (1) position out to the Department of Commerce - DWS (0810) appropriation DI9 - Wagner Peyser Federal
  - Fifteen (15) positions in from the Department of Commerce - DWS (0810) appropriation DJ6 - Workforce Policy and Innovation
  - Eight (8) positions in from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connections
  - Two (2) positions in from the Department of Commerce - DWS (0810) appropriation DK1 - Operations-Paying Fund
  - Two (2) positions in from the Department of Commerce - AEDC (0790) appropriations U11 - Science &Technology-State Operations and 2SQ - Community Assistance-Federal

- Net reallocation of $23,285,000 to the following line items for personal services and operating expenses. The request supports the consolidation of Division of Reemployment and Workforce Policy & Innovation in an effort to combine unemployment insurance and labor market programs under a single division.
  - $19,000,000 to Unemployment Insurance Administration
  - $2,300,000 to Reemployment Services & Eligibility Assessment
  - $1,285,000 to Bureau of Labor Statistics Program
  - $700,000 to Labor Market Information Program

The Executive Recommendation provides for the Agency Request and the reclassification of one (1) position.

Appropriation Summary

Appropriation: DJ7 - Reemployment-Federal
Funding Sources: FRE - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	10,820,055	11,575,433	10,050,500	0	0	0	0
#Positions		**218**	**216**	**300**	**251**	**251**	**251**	**251**
Extra Help	5010001	193,054	100,000	500,000	0	0	0	0
#Extra Help		**8**	**9**	**9**	**9**	**9**	**9**	**9**
Personal Services Matching	5010003	4,600,113	4,407,491	4,685,817	0	0	0	0
Overtime	5010006	0	0	260,000	0	0	0	0
Operating Expenses	5020002	4,903,801	3,500,000	5,000,000	0	0	0	0
Conference & Travel Expenses	5050009	7,144	75,000	75,000	0	0	0	0
Professional Fees	5060010	7,132	25,000	775,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Unemployment Insurance Admi	5900046	0	0	0	19,000,000	19,000,000	19,000,000	19,000,000
Reemployment Services & Eligib	5900047	0	0	0	2,300,000	2,300,000	2,300,000	2,300,000
Bureau of Labor Statistics Progr	5900048	0	0	0	1,285,000	1,285,000	1,285,000	1,285,000
Labor Market Information Progr	5900049	0	0	0	700,000	700,000	700,000	700,000
Total		20,531,299	19,682,924	21,346,317	23,285,000	23,285,000	23,285,000	23,285,000
Funding Sources								
Fund Balance	4000005	0	0		546,518	546,518	655,846	655,846
Federal Revenue	4000020	20,531,299	20,229,442		23,394,328	23,394,328	23,394,328	23,394,328
Total Funding		20,531,299	20,229,442		23,940,846	23,940,846	24,050,174	24,050,174
Excess Appropriation/(Funding)		0	(546,518)		(655,846)	(655,846)	(765,174)	(765,174)
Grand Total		20,531,299	19,682,924		23,285,000	23,285,000	23,285,000	23,285,000

FY27 Budget amount in Regular Salaries exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: DJ8 - Arkansas Workforce Connections

Funding Sources: PWC - Paying Fund

Arkansas Workforce Connections provides free employment services, training, and support to Arkansans and businesses, including j ob search assistance, career counseling, training opportunities, and unemployment insurance services. This program is federally funded.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting to discontinue appropriation, transfer out sixty-seven (67) positions, and discontinue forty-four (44) positions in each

year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ8 - Arkansas Workforce Connections

Funding Sources: PWC - Paying Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	319,466	0	2,000,000	0	0	0	0
#Positions		**5**	**0**	**111**	**0**	**0**	**0**	**0**
Extra Help	5010001	8,875	0	25,000	0	0	0	0
#Extra Help		**1**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	77,009	0	789,450	0	0	0	0
Overtime	5010006	0	0	10,000	0	0	0	0
Operating Expenses	5020002	1,475	0	2,310,000	0	0	0	0
Conference & Travel Expenses	5050009	0	0	50,000	0	0	0	0
Professional Fees	5060010	0	0	1,000,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	200,000	0	0	0	0
Total		406,825	0	6,384,450	0	0	0	0
Funding Sources								
Federal Revenue	4000020	406,825	0		0	0	0	0
Total Funding		406,825	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		406,825	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: DJ9 - Arkansas Manufacturing Extension Network/Existing Business

Funding Sources: PWC - Paying Fund

The Arkansas Manufacturing Extension Network (AMEN) is the state's Manufacturing Extension Partnership (MEP) Center. It delivers workforce development, technology transfer, operational excellence, and advanced manufacturing services to small and mid-sized manufacturers statewide. AMS partners with universities, the World Trade Center, community colleges, and local economic development organizations to connect manufacturers with resources and expertise.

This program is funded through a mix of federal MEP grants, state appropriations, and private service fees.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $638,550 and general revenue funding of $374,795 in each year of the biennium.

The Agency request includes the following changes in each year:

- Net reallocation of $638,550 from the following line items to the Arkansas Industry Connect line item for personal services and operating expenses. The reallocation is to allow for flexible utilization of appropriation.
    - ($448,600) in Regular Salaries
    - ($144,950) in Personal Services Matching
    - ($25,000) in Operating Expenses
    - ($15,000) in Conference & Travel Expenses
    - ($5,000) in Professional Fees

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DJ9 - Arkansas Manufacturing Extension Network/Existing Business

Funding Sources: PWS - Paying Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	275,134	257,879	448,600	0	0	0	0
#Positions		**4**	**3**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	110,661	89,918	144,950	0	0	0	0
Operating Expenses	5020002	17,051	25,000	25,000	0	0	0	0
Conference & Travel Expenses	5050009	3,144	15,000	15,000	0	0	0	0
Professional Fees	5060010	0	5,000	5,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Arkansas Industry Connect	5900046	0	0	0	638,550	638,550	638,550	638,550
Total		405,990	392,797	638,550	638,550	638,550	638,550	638,550
Funding Sources								
General Revenue	4000010	405,990	392,797		374,795	374,795	374,795	374,795
Total Funding		405,990	392,797		374,795	374,795	374,795	374,795
Excess Appropriation/(Funding)		0	0		263,755	263,755	263,755	263,755
Grand Total		405,990	392,797		638,550	638,550	638,550	638,550

Analysis of Budget Request

Appropriation: DK1 - Operations-Paying Fund

Funding Sources: PWC - Paying Fund

The Division of Workforce Services supports the state's workforce through means of programs and services such as Unemployment Insurance and the Worker Training Program. This program is funded from federal revenues, inter-agency transfers, and other funding sources.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $15,121,980 in FY28 and $15,128,266 in FY29.

The Agency request includes the following changes in each year:

- Discontinuation of twenty four (24) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Transfer out ten (10) positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - Three (3) positions to Department of Commerce (9902) appropriation Z38 - Shared Services
  - Three (3) positions to Department of Commerce - DWS (0810) appropriation Z01 - Adult Education State Operations
  - Two (2) positions to Department of Commerce - DWS (0810) appropriation DJ7 - Reemployment-Federal
  - One (1) position to Department of Commerce - DWS (0810) appropriation DI2 - Office of Skills Development
  - One (1) position to Department of Commerce - DWS (0810) appropriation DH3 - Arkansas Rehabilitation Services

- Transfer in nine (9) positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - One (1) position from Department of Commerce (9902) appropriation Z38 - Shared Services
  - One (1) position from Department of Commerce - AEDC (0790) appropriation 2SK - State Operations
  - One (1) position from Department of Commerce - DWS (0810) appropriation DI1 - State Apprenticeship
  - One (1) position from Department of Commerce - DWS (0810) appropriation DI8 - AR Manufacturing Extension Network
  - One (1) position from Department of Commerce - DWS (0810) appropriation DH9 - State Services for the Blind
  - Four (4) positions from Department of Commerce - DWS (0810) appropriation DH3 - Arkansas Rehabilitation Services (4)

- Restoration of $250,000 in Capital Outlay for agency needs.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK1 - Operations-Paying Fund
Funding Sources: PWC - Paying Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	4,578,386	6,719,983	8,165,436	7,597,854	7,597,854	7,602,954	7,602,954
#Positions		**81**	**100**	**135**	**110**	**110**	**110**	**110**
Extra Help	5010001	18,110	25,000	200,000	100,000	100,000	100,000	100,000
#Extra Help		**2**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	2,092,574	2,354,356	3,042,896	2,649,126	2,649,126	2,650,312	2,650,312
Overtime	5010006	0	0	100,000	25,000	25,000	25,000	25,000
Operating Expenses	5020002	2,882,809	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000
Conference & Travel Expenses	5050009	13,071	48,262	50,000	50,000	50,000	50,000	50,000
Professional Fees	5060010	1,275	100,000	250,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	100,000	250,000	250,000	250,000	250,000	250,000
Total		9,586,225	13,547,601	16,258,332	15,121,980	15,121,980	15,128,266	15,128,266
Funding Sources								
Fund Balance	4000005	0	1,223,192		1,223,192	1,223,192	1,040,717	1,040,717
Other	4000370	13,953,795	16,789,450		18,071,722	18,071,722	18,071,722	18,071,722
Shared Services Transfer	4000760	(3,144,378)	(3,241,849)		(3,132,217)	(3,132,217)	(3,132,217)	(3,132,217)
Total Funding		10,809,417	14,770,793		16,162,697	16,162,697	15,980,222	15,980,222
Excess Appropriation/(Funding)		(1,223,192)	(1,223,192)		(1,040,717)	(1,040,717)	(851,956)	(851,956)
Grand Total		9,586,225	13,547,601		15,121,980	15,121,980	15,128,266	15,128,266

Analysis of Budget Request

Appropriation: DM6 - Supply Chain Optimization&Intel Ntwk-Fed

Funding Sources: FAW - Supply Chain Optimization and Intelligence Network

The Hollings Manufacturing Extension Partnership (MEP), a program of the U.S. Department of Commerce's National Institute of Standards and Technology (NIST), has awarded $400,000 to each of its MEP National Network Centers to develop programs to make domestic supply chains more resilient and efficient. This pilot program allows MEP centers to provide services focused on resiliency of domestic supply chains, workforce development and adoption of advanced technology upgrades at small and medium-sized manufacturers. The new awards support the creation of a database called the national Supply Chain Optimization and Intelligence Network (SC- OIN). Key elements include providing supplier scouting services, establishing new service offerings to improve existing supply chain networks, filling gaps in the supply chain by connecting original equipment manufacturers with small and medium-sized manufacturers, and creating a complete map of U.S. supplier capacity.

This is a federally funded appropriation.

All available funding for this program has been expensed.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to discontinue appropriation in the amount of $400,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DM6 - Supply Chain Optimization&Intel Ntwk-Fed
Funding Sources: FAW - Supply Chain Optimization and Intelligence Network

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Supply Chain and Optimization I 5900046	30,312	0	400,000	0	0	0	0
Total	30,312	0	400,000	0	0	0	0
Funding Sources							
Federal Revenue 4000020	30,312	0		0	0	0	0
Total Funding	30,312	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	30,312	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: DM7 - Trade Adjustment Assistance Prog-Federal

Funding Sources: FAW - Federal

The Trade Adjustment Assistance Program provides income support, training, and services to eligible workers whose jobs were lost or reduced due to foreign competition, including Trade Readjustment Allowances and other benefits.

This program is 100% federally funded.

Continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation in the amount of $200,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer in one (1) position and associated appropriation from Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connections to better align with the agency's internal structure, operational needs, and functions.

- Decrease of ($150,000) in Trade Adjustment Assistance Operations line item to align budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DM7 - Trade Adjustment Assistance Prog-Federal
Funding Sources: FAW - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Trade Adjustment Assistance Op	5900046	106,841	350,000	350,000	200,000	200,000	200,000	200,000
Total		106,841	350,000	350,000	200,000	200,000	200,000	200,000
Funding Sources								
Fund Balance	4000005	0	21,630		98,447	98,447	177,184	177,184
Federal Revenue	4000020	107,330	461,445		300,000	300,000	300,000	300,000
Other	4000370	21,141	(34,628)		(21,263)	(21,263)	(21,263)	(21,263)
Total Funding		128,471	448,447		377,184	377,184	455,921	455,921
Excess Appropriation/(Funding)		(21,630)	(98,447)		(177,184)	(177,184)	(255,921)	(255,921)
Grand Total		106,841	350,000		200,000	200,000	200,000	200,000

Analysis of Budget Request

Appropriation: EA4 - AWC-Executive Director Office

Funding Sources: PWC - Paying Fund

This appropriation will support the Workforce Executive Director and staff in the operations of the program. This appropriation is supported by multiple revenue sources allocated to the Division of Workforce Services.

The Agency is requesting appropriation in the amount of $875,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Transfer in positions and associated appropriation of $550,944 to better align with the agency's internal structure, operational needs, and functions.
  - Two (2) positions from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connection
  - One (1) position from the Department of Commerce - DWS (0810) appropriation DJ6 Workforce Policy and Innovation
  - One (1) position from the Department of Commerce - DWS (0810) appropriation DI2 - Office of Skills Development

- Increase of $324,056 in the AWC - Executive Director line item for personal services and operating expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: EA4 - AWC-Executive Director Office
Funding Sources: PWC - Paying Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
AWC - Executive Director 5900046	0	0	0	875,000	875,000	875,000	875,000
Total	0	0	0	875,000	875,000	875,000	875,000
Funding Sources							
Other 4000370	0	0		875,000	875,000	875,000	875,000
Total Funding	0	0		875,000	875,000	875,000	875,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	0		875,000	875,000	875,000	875,000

Analysis of Budget Request

Appropriation: EC7 - Unemployment Insurance Modernization

Funding Sources: MUI - Division of Workforce Services Unemployment Insurance Administration Fund

The Division of Workforce Services Unemployment Insurance Administration Fund was established by Ark. Code Ann. § 19-27-288 for personal services and operating expenses of the unemployment insurance program necessary to the proper administration of the Division of Workforce Services Law, § 11-10-101 et seq., including expenses for modernizing information technology systems and hardware utilized in the administration of the unemployment insurance program.

In accordance with Ark. Code Ann. § 11-10-706, up to six million dollars ($6,000,000) of the administrative assessment proceeds shall be deposited and credited to this fund for administration of unemployment insurance program.

The Agency is requesting appropriation in the amount of $10,000,000 in each year of the biennium.

The Agency request includes the following change in each year:

- Reallocation of $10,000,000 in Unemployment Insurance Modernization line item from appropriation 35R - DWS Unemployment Insurance Fund for independent tracking and management.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: EC7 - Unemployment Insurance Modernization

Funding Sources: MUI - Division of Workforce Services Unemployment Insurance Administration Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Unemployment Insurance Mode 5900047	0	0	0	10,000,000	10,000,000	10,000,000	10,000,000
Total	0	0	0	10,000,000	10,000,000	10,000,000	10,000,000
Funding Sources							
Intra-agency Fund Transfer 4000317	0	0		10,000,000	10,000,000	0	0
Total Funding	0	0		10,000,000	10,000,000	0	0
Excess Appropriation/(Funding)	0	0		0	0	10,000,000	10,000,000
Grand Total	0	0		10,000,000	10,000,000	10,000,000	10,000,000

Analysis of Budget Request

Appropriation: V97 - UI Benefits & Expenses-Cash in Treasury

Funding Sources: NWS - DWS - Cash in Treasury

This appropriation provides for payments for Unemployment Insurance (UI) Benefits & Expenses and payments to Trade Adjustment Assistance (TAA) vendors and is funded by federal dollars from the U.S. Department of Labor to reimburse private and nonprofit employers for costs incurred to train individuals who are economically disadvantaged, unemployed, and underemployed.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is FY2027 authorized.

The Agency is requesting appropriation in the amount of $500,000 in each year of the biennium.

The Agency request includes the following change in each year:

- Decrease of ($500,000) in TAA Vendor Payments line item to align budget with anticipated expenditures.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V97 - UI Benefits & Expenses-Cash in Treasury
Funding Sources: NWS - DWS - Cash in Treasury

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
TAA Vendor Payments 5900047	75,858	1,000,000	1,000,000	500,000	500,000	500,000	500,000
Total	75,858	1,000,000	1,000,000	500,000	500,000	500,000	500,000
Funding Sources							
Federal Revenue 4000020	75,858	1,000,000		500,000	500,000	500,000	500,000
Total Funding	75,858	1,000,000		500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	75,858	1,000,000		500,000	500,000	500,000	500,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: X88 - TAA Supportive Services

Funding Sources: NWS - DWS - Cash in Treasury

The United States Department of Labor requires two payment methods to recipients of the Trade Adjustment Assistance (TAA) reimbursements, Alternative Trade Adjustment Assistance (ATAA), and Reemployment Trade Adjustment Assistance (RTAA) for certain allowable supportive services. Recipients may receive funds via electronic funds transfer or an alternative method of payment.

This appropriation provides for the alternative method of payment for the TAA, ATAA, and RTAA reimbursements. Funding is 100% federal.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $200,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: X88 - TAA Supportive Services
Funding Sources: NWS - DWS - Cash in Treasury

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Benefits-Non Employee 5100023	0	200,000	200,000	200,000	200,000	200,000	200,000
Total	0	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources							
Federal Revenue 4000020	0	200,000		200,000	200,000	200,000	200,000
Total Funding	0	200,000		200,000	200,000	200,000	200,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	200,000		200,000	200,000	200,000	200,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: Z01 - Adult Education State Operations

Funding Sources: MWS - Division of Workforce Services Fund

Act 910 of 2019 transferred the Adult Education Section from the Department of Education - Division of Career and Technical Education to the Department of Commerce - Division of Workforce Services. This appropriation provides for the administration, personal services, and operating expenses of the Adult Education program.

Funding for the program comes from general revenue (MWS - Division of Workforce Services Fund).

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $3,150,541 in FY28 and $3,150,309 in FY29 and general revenue funding of $983,374 in each year of the biennium.

The Agency request includes the following changes in each year:

- Discontinuation of two (2) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Transfer in six (6) positions and associated Regular Salaries and Personal Services Matching to better align with the agency's internal structure, operational needs, and functions.
  - Three (3) positions from the Department of Commerce - DWS (0810) appropriation DJ8 - Arkansas Workforce Connection
  - Three (3) positions from the Department of Commerce - DWS (0810) appropriation DK1 - Division of Workforce Services

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z01 - Adult Education State Operations
Funding Sources: MWS - Division of Workforce Services Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,053,081	1,263,808	1,792,288	2,035,546	2,035,546	2,035,546	2,035,546
#Positions		**18**	**18**	**18**	**22**	**22**	**22**	**22**
Extra Help	5010001	0	0	7,000	7,000	7,000	7,000	7,000
#Extra Help		**0**	**0**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	371,672	459,777	639,837	882,988	882,988	882,756	882,756
Operating Expenses	5020002	209,691	214,507	214,507	214,507	214,507	214,507	214,507
Conference & Travel Expenses	5050009	10,473	10,500	10,500	10,500	10,500	10,500	10,500
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		1,644,917	1,948,592	2,664,132	3,150,541	3,150,541	3,150,309	3,150,309
Funding Sources								
Fund Balance	4000005	1,837,284	1,421,507		1,266,164	1,266,164	0	0
General Revenue	4000010	1,057,391	983,374		983,374	983,374	983,374	983,374
Other	4000370	171,749	809,875		887,789	887,789	887,789	887,789
Total Funding		3,066,424	3,214,756		3,137,327	3,137,327	1,871,163	1,871,163
Excess Appropriation/(Funding)		(1,421,507)	(1,266,164)		13,214	13,214	1,279,146	1,279,146
Grand Total		1,644,917	1,948,592		3,150,541	3,150,541	3,150,309	3,150,309

Analysis of Budget Request

Appropriation: Z03 - Adult Basic Education - Federal

Funding Sources: FEA - DWS - Adult Education - Federal

This appropriation provides for the Adult Basic Education programs funded by federal dollars. The U.S. Department of Education provides funding and requires a 25% state match. The match requirement is provided by the appropriations Z01 - Adult Basic Education and Z05 - Adult Basic & General Education.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $11,168,461 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z03 - Adult Basic Education - Federal
Funding Sources: FEA - DWS - Adult Education - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	307,714	324,551	423,968	423,968	423,968	423,968	423,968
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	92,703	96,650	146,387	183,384	183,384	183,384	183,384
Operating Expenses	5020002	5,171	132,467	132,467	132,467	132,467	132,467	132,467
Conference & Travel Expenses	5050009	4,447	50,200	50,200	50,200	50,200	50,200	50,200
Professional Fees	5060010	0	9,000	9,000	9,000	9,000	9,000	9,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	5,932,813	10,369,442	10,369,442	10,369,442	10,369,442	10,369,442	10,369,442
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		6,342,848	10,982,310	11,131,464	11,168,461	11,168,461	11,168,461	11,168,461
Funding Sources								
Fund Balance	4000005	388,170	346,290		4,126,510	4,126,510	6,366,182	6,366,182
Federal Revenue	4000020	6,300,968	14,880,466		13,500,000	13,500,000	13,500,000	13,500,000
Other	4000370	0	(117,936)		(91,867)	(91,867)	(91,867)	(91,867)
Total Funding		6,689,138	15,108,820		17,534,643	17,534,643	19,774,315	19,774,315
Excess Appropriation/(Funding)		(346,290)	(4,126,510)		(6,366,182)	(6,366,182)	(8,605,854)	(8,605,854)
Grand Total		6,342,848	10,982,310		11,168,461	11,168,461	11,168,461	11,168,461

Analysis of Budget Request

Appropriation: Z04 - Governor's Commission on Adult Literacy

Funding Sources: JWE - Public School Fund

The Arkansas Governor's Commission on Adult Literacy is a state-appointed body in charge of coordinating, advocating for, and improving adult literacy and basic education programs across Arkansas.

Grants from the Governor's Commission on Adult Literary are awarded to literacy councils in the State of Arkansas. This program is funded by Public School Fund (General Revenue) transferred from the Department of Education - Division of Career and Technical Education.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 authorized.

The Agency is requesting appropriation and general revenue in the amount of $1,096,283 in each year of the biennium.

The Agency request includes the following change in each year:

- Net reallocation of $1,096,283 from the following line items into Governor's Commission on Adult Literacy line item for personal services, operating expenses, and grants and aid. The reallocation is to allow for flexible utilization of appropriation.
  - ($28,445) in Regular Salaries
  - ($9,591) in Personal Services Matching
  - ($52,242) in Operating Expenses
  - ($6,005) in Conference & Travel Expenses
  - ($1,000,000) in Grants and Aid

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z04 - Governor's Commission on Adult Literacy
Funding Sources: JWE - Public School Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	38,066	27,232	28,445	0	0	0	0
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	16,569	8,795	9,591	0	0	0	0
Operating Expenses	5020002	15,576	42,242	52,242	0	0	0	0
Conference & Travel Expenses	5050009	4,660	6,005	6,005	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	1,000,000	1,000,000	1,000,000	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Governor's Commission on Adult	5900046	0	0	0	1,096,283	1,096,283	1,096,283	1,096,283
Total		1,074,871	1,084,274	1,096,283	1,096,283	1,096,283	1,096,283	1,096,283
Funding Sources								
General Revenue	4000010	1,074,871	1,084,274		1,096,283	1,096,283	1,096,283	1,096,283
Total Funding		1,074,871	1,084,274		1,096,283	1,096,283	1,096,283	1,096,283
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		1,074,871	1,084,274		1,096,283	1,096,283	1,096,283	1,096,283

Analysis of Budget Request

Appropriation: Z05 - Adult Basic & General Education

Funding Sources: JWE - Public School Fund

The Adult Basic and General Education program provides grants for educating those adults with less than a high school equivalency and for retraining those already in the workforce. Adult education serves learners through adult basic education classes designed for adults functioning up to the 8th grade level. General adult education classes prepare adults who score at the 9th to 12th grade levels.

Funding is provided from the Public School Fund (General Revenue) and Education Excellence Trust Fund transferred from Department of Education - Division of Career and Technical Education.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $22,770,569 and general revenue funding of $6,398,651 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z05 - Adult Basic & General Education
Funding Sources: JWE - Public School Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	22,308,598	22,770,569	22,770,569	22,770,569	22,770,569	22,770,569	22,770,569
Total		22,308,598	22,770,569	22,770,569	22,770,569	22,770,569	22,770,569	22,770,569
Funding Sources								
Fund Balance	4000005	1,946,054	3,291,275		3,221,292	3,221,292	3,551,309	3,551,309
General Revenue	4000010	7,101,001	6,398,651		6,398,651	6,398,651	6,398,651	6,398,651
Educational Excellence Trust Fund	4000220	16,060,236	16,301,935		16,701,935	16,701,935	16,701,935	16,701,935
Other	4000370	492,582	0		0	0	0	0
Total Funding		25,599,873	25,991,861		26,321,878	26,321,878	26,651,895	26,651,895
Excess Appropriation/(Funding)		(3,291,275)	(3,221,292)		(3,551,309)	(3,551,309)	(3,881,326)	(3,881,326)
Grand Total		22,308,598	22,770,569		22,770,569	22,770,569	22,770,569	22,770,569

Analysis of Budget Request

Appropriation: Z06 - GED Testing

Funding Sources: JWE - Public School Fund

In January 2014, the GED Testing Service® introduced a new computer-based test eliminating the paper-and-pencil test. The new test is more expensive to administer and the increased costs will be passed on to test-takers, unless funding is provided. Currently, the test costs $120, where test-takers pay $16 out of pocket. This program helps defer the increased practice test and test costs for test-takers.

Funding is from the Public School Fund (General Revenue) and Educational Excellence Trust Fund transferred from the Department of Education - Division of Career and Technical Education.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation and general revenue funding in the amount of $400,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z06 - GED Testing
Funding Sources: JWE - Public School Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
GED Test Costs 5900046	313,304	400,000	400,000	400,000	400,000	400,000	400,000
Total	313,304	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources							
General Revenue 4000010	313,304	400,000		400,000	400,000	400,000	400,000
Total Funding	313,304	400,000		400,000	400,000	400,000	400,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	313,304	400,000		400,000	400,000	400,000	400,000

Appropriation Summary

Appropriation: AQ5 - ARPA-American Rescue Plan Act of 2021
Funding Sources: FRP - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	255,824	0	0	0	0	0	0
Total	255,824	0	0	0	0	0	0
Funding Sources							
Fund Balance 4000005	255,824	0		0	0	0	0
Total Funding	255,824	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	255,824	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CE2 - Hired Grant Program
Funding Sources: FRP - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	25,505,358	0	0	0	0	0	0
Total	25,505,358	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	25,505,358	0		0	0	0	0
Total Funding	25,505,358	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	25,505,358	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CS6 - ARPA - Paris Community Center
Funding Sources: FRP - Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid	5100004	2,179,887	0	0	0	0	0	0
Total		2,179,887	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	2,179,887	0		0	0	0	0
Total Funding		2,179,887	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		2,179,887	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CT1 - OSD-ALIGN-LPN Pathway Dev - ARPA
Funding Sources: FRP - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	8,977,743	0	0	0	0	0	0
Total	8,977,743	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	8,977,743	0		0	0	0	0
Total Funding	8,977,743	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	8,977,743	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CT8 - OSD-American Manuf. Apprenticeship
Funding Sources: FAW - OSD-American Manuf. Apprenticeship - Federal Award

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
OSD-American Manuf. Apprentic 5900046	298,368	0	0	0	0	0	0
Total	298,368	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	298,368	0		0	0	0	0
Total Funding	298,368	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	298,368	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Appropriation Summary

Appropriation: CU5 - ARS - Public Health Workforce - ARPA
Funding Sources: FRP - Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	12,108	0	0	0	0	0	0
Total	12,108	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	12,108	0		0	0	0	0
Total Funding	12,108	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	12,108	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the American Rescue Plan Act of 2021. As per Section 41 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the American Rescue Plan Act of 2021 shall request a transfer of appropriation and expend using the American Rescue Plan Act of 2021 Appropriation Sections as authorized in Act 168.

DEPARTMENT OF VETERAN'S AFFAIRS - ADMINISTRATION AND SHARED SERVICES

Employment Summary

	Male	Female	Total	%
White Employees	25	32	57	46 %
Black Employees	17	43	60	48 %
Other Racial Minorities	1	7	8	6 %
Total Minorities			68	54 %
Total Employees			125	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	None	N	N	0	None	0	0.00

Department Appropriation Summary

Appropriation		Historical Data FY26 Actual Expenditures	Pos	FY27 Budgeted Expenditures	Pos	FY27 Authorized Appropriation	Pos	Agency Request and Executive Recommendation FY28 Agency	Pos	FY28 Executive	Pos	FY29 Agency	Pos	FY29 Executive	Pos
DK3	Operations-Disabled Veterans' Services	52,806	1	54,157	1	51,752	1	0	0	0	0	0	0	0	0
DK4	Operations-Vet Child Welfare Service	103,166	1	70,000	0	179,381	2	70,000	0	70,000	0	70,000	0	70,000	0
DK5	State Operations	2,400,662	17	2,384,363	16	2,592,590	16	3,124,006	22	3,124,006	22	3,124,498	22	3,124,498	22
DK6	Veterans' Cemeteries - State	1,133,656	15	493,488	4	1,185,032	15	590,000	0	590,000	0	590,000	0	590,000	0
DK7	Veterans' Homes - Cash	23,620,454	136	29,561,691	176	33,136,075	269	30,085,911	169	30,085,911	169	29,883,919	169	29,883,919	169
DK8	NW AR State Veterans' Home - Cash	37,950	0	15,000,000	0	15,000,000	0	16,962,251	0	16,962,251	0	16,962,251	0	16,962,251	0
DK9	NW AR State Veterans Home - Federal	0	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0	30,000,000	0
DL1	Veterans' Cemeteries - Cash	468,627	2	1,463,849	13	668,808	2	1,998,686	17	1,998,686	17	2,084,686	17	2,084,686	17
DL2	Military Funeral Honors Program	43,500	0	45,900	0	45,900	0	45,900	0	45,900	0	45,900	0	45,900	0
DL3	NLR Cemetery Expansion 2 - Federal	5,863,281	0	2,000,000	0	2,000,000	0	0	0	0	0	0	0	0	0
Total		33,724,102	172	81,073,448	210	84,859,538	305	82,876,754	208	82,876,754	208	82,761,254	208	82,761,254	208
Funding Sources			%		%				%		%		%		%
Fund Balance	4000005	24,860,569	39.9	28,578,069	31.6			9,392,861	13.6	9,392,861	13.6	1,019,311	1.7	1,019,311	1.7
General Revenue	4000010	3,660,876	5.9	3,002,008	3.3			3,533,662	5.1	3,533,662	5.1	3,533,662	5.8	3,533,662	5.8
Federal Revenue	4000020	28,525,573	45.8	53,971,054	59.7			53,476,968	77.3	53,476,968	77.3	53,476,968	87.9	53,476,968	87.9
Special Revenue	4000030	48,395	0.1	48,000	0.1			48,000	0.1	48,000	0.1	48,000	0.1	48,000	0.1
Cash Fund	4000045	5,127,344	8.2	4,867,178	5.4			2,766,744	4.0	2,766,744	4.0	2,766,744	4.5	2,766,744	4.5
Other	4000370	79,414	0.1	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		62,302,171	100.0	90,466,309	100.0			69,218,235	100.0	69,218,235	100.0	60,844,685	100.0	60,844,685	100.0
Excess Appropriation/(Funding)		(28,578,069)		(9,392,861)				13,658,519		13,658,519		21,916,569		21,916,569	
Grand Total		33,724,102		81,073,448				82,876,754		82,876,754		82,761,254		82,761,254	

FY27 budget amount exceeds authorized amounts for appropriation DK3 - Operations Disabled Veterans' Services due to salary and match adjustments during the 2025-2027 biennium.

FY27 budget amount exceeds authorized amounts for appropriation DL1 - Veterans' Cemeteries – Cash due to the shifting of all personnel obligations from appropriation DK6 - Veterans' Cemeteries - State.

Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: DK3 - Operations-Disabled Veterans' Services

Funding Sources: HUA - Miscellaneous Agencies Fund

The Disabled Veterans Service Office offers assistance to veterans in the preparation of their claims to the U.S. Government for compensation and other benefits.

Act 910 of 2019 transferred the Disabled Veterans Service Office to the Department of Veterans' Affairs.

This appropriation is funded by general revenue.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to discontinue appropriation in the amount of $57,007 in each year of the biennium.

The Agency request includes the following change:

- Discontinuation of one (1) position and associated Regular Salaries, Personal Services Matching, and Operating Expenses as roles and obligations have been integrated into appropriation DK5 - State Operations.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK3 - Operations-Disabled Veterans' Services
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	36,373	37,478	33,205	0	0	0	0
#Positions		**1**	**1**	**1**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	16,283	16,529	15,547	0	0	0	0
Operating Expenses	5020002	150	150	3,000	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		52,806	54,157	51,752	0	0	0	0
Funding Sources								
General Revenue	4000010	52,806	54,157		0	0	0	0
Total Funding		52,806	54,157		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		52,806	54,157		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: DK4 - Operations-Vet Child Welfare Service

Funding Sources: HUA - Miscellaneous Agencies Fund

The Arkansas Veterans' Child Welfare Service was created to assist eligible minor children of honorably discharged veterans, residing in the state of Arkansas, who are deceased or medically incapacitated (30% or greater). If eligible, the program assists with basic living expenses, up to a maximum of $1,000 per year. The department also counsels with families and refers them to other agencies for further assistance.

Act 910 of 2019 transferred the Arkansas Veterans' Child Welfare Service to the Department of Veterans' Affairs.

This appropriation is funded by general revenue.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation and general revenue funding in the amount of $70,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Discontinuation of two (2) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.
- Discontinuation of Operating Expenses to align budget with program utilization.
- Decrease of ($37,762) in Grants and Aid to align with the anticipated spend.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK4 - Operations-Vet Child Welfare Service
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	36,525	0	48,400	0	0	0	0
#Positions		**1**	**0**	**2**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	13,855	0	19,037	0	0	0	0
Operating Expenses	5020002	4,182	0	4,182	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	48,604	70,000	107,762	70,000	70,000	70,000	70,000
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		103,166	70,000	179,381	70,000	70,000	70,000	70,000
Funding Sources								
General Revenue	4000010	103,166	70,000		70,000	70,000	70,000	70,000
Total Funding		103,166	70,000		70,000	70,000	70,000	70,000
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		103,166	70,000		70,000	70,000	70,000	70,000

Analysis of Budget Request

Appropriation: DK5 - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The Department of Veterans' Affairs assists Arkansas veterans, their dependents, and survivors in securing their rights and benefits under federal and state laws. The Department supervises the activities, training, and testing of County Veterans' Service Officers and provides financial assistance to counties to defray their salaries and expenses.

This appropriation provides for the administrative costs of the Department and is funded by general revenue.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $3,124,006 in FY28 and $3,124,498 in FY29 and general revenue funding it the amount of $2,923,662 in each year of the biennium.

The Agency request includes the following changes in each year:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching as roles have been integrated into existing agency staff.
- Decrease in the following line items to better align appropriation with anticipated utilization:
    - ($27,256) in Operating Expenses.
    - ($23,594) in Conference and Travel
    - ($3,500) in Promotional Items.
    - ($6,000) in Grants and Aids.

The Executive Recommendation provides for the Agency Request and the reclassification of five (5) positions.

Appropriation Summary

Appropriation: DK5 - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,170,975	1,224,769	1,328,091	1,751,525	1,751,525	1,751,925	1,751,925
#Positions		**17**	**16**	**16**	**22**	**22**	**22**	**22**
Personal Services Matching	5010003	386,963	405,688	476,999	645,331	645,331	645,423	645,423
Operating Expenses	5020002	197,906	197,906	197,906	170,650	170,650	170,650	170,650
Conference & Travel Expenses	5050009	31,406	42,500	69,594	46,000	46,000	46,000	46,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	1,000	3,500	4,000	500	500	500	500
Grants and Aid	5100004	510,506	510,000	516,000	510,000	510,000	510,000	510,000
Capital Outlay	5120011	101,906	0	0	0	0	0	0
Total		2,400,662	2,384,363	2,592,590	3,124,006	3,124,006	3,124,498	3,124,498
Funding Sources								
General Revenue	4000010	2,321,973	2,384,363		2,923,662	2,923,662	2,923,662	2,923,662
Other	4000370	78,689	0		0	0	0	0
Total Funding		2,400,662	2,384,363		2,923,662	2,923,662	2,923,662	2,923,662
Excess Appropriation/(Funding)		0	0		200,344	200,344	200,836	200,836
Grand Total		2,400,662	2,384,363		3,124,006	3,124,006	3,124,498	3,124,498

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: DK6 - Veterans' Cemeteries - State

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides for the daily operations, maintenance, and perpetual care of state veterans cemeteries. This includes upholding burial eligibility standards, administering interment services, and providing consistent support to veterans' families.

This appropriation is funded by general revenue.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $590,000 and general revenue funding in the amount $540,000 in each year of the biennium.

The Agency request includes the following changes in each year:

- Discontinuation of Regular Salaries and Personal Services Matching to support shifting personnel obligations to appropriation DL1 - Veterans' Cemeteries - Cash.
- Increase of $381,650 in Operating Expenses to support cemetery realignment and the purchasing of fuel and supplies.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK6 - Veterans' Cemeteries - State
Funding Sources: HUA - Miscellaneous Agencies Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	688,579	204,517	689,586	0	0	0	0
#Positions		**15**	**4**	**15**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	281,550	80,621	287,096	0	0	0	0
Operating Expenses	5020002	129,717	158,350	158,350	540,000	540,000	540,000	540,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Cemetery Realignment and Mair	5900046	33,810	50,000	50,000	50,000	50,000	50,000	50,000
Total		1,133,656	493,488	1,185,032	590,000	590,000	590,000	590,000
Funding Sources								
Fund Balance	4000005	0	50,000		50,000	50,000	0	0
General Revenue	4000010	1,182,931	493,488		540,000	540,000	540,000	540,000
Other	4000370	725	0		0	0	0	0
Total Funding		1,183,656	543,488		590,000	590,000	540,000	540,000
Excess Appropriation/(Funding)		(50,000)	(50,000)		0	0	50,000	50,000
Grand Total		1,133,656	493,488		590,000	590,000	590,000	590,000

Variance number of positions and personnel appropriation in Authorized to Agency Request is due to single salary section in appropriation act and the shifting of all personnel obligations to appropriation DL1 - Veterans' Cemeteries - Cash.

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2026 TO FISCAL YEAR 2027

Agency: Department of Veteran's Affairs - Administration and Shared Services

Program: Veterans' Cemeteries - State

Act #: 16 of 2026 Section(s) #: 14

Estimated Carry Forward Amount $ 50,000.00 Funding Source: HUA

Accounting Information:

Business Area: 9915 Funds Center: DK6 Fund: HUA Functional Area: HHS

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

At the close of June 30, 2026 the CFO of the State shall authorize up to $50,000 of the balance of funds remaining in the Miscellaneous Agencies Fund for the Department of Veterans Affairs for operations to be transferred into a sub-fund created within the Miscellaneous Agencies Fund account to support the state veterans cemetery realignment and maintenance expenses.

Actual Funding Carry Forward Amount $ 50,000.00

Current status of carry forward funding:

The Agency is carrying forward the allowed funds of up to $50,000.

Robert A. Ator II
Secretary

09-28-2026
Date

Analysis of Budget Request

Appropriation: DK7 - Veterans' Homes - Cash

Funding Sources: NVA - Cash in State Treasury

This appropriation is for the care of residents at two State Veterans' Homes, one located at Fayetteville and one at North Little Rock. These are long-term skilled nursing care facilities primarily funded by private room and board payments, private insurance payments, Medicaid and Medicare reimbursements, and reimbursements from the United States Department of Veterans' Affairs State Home Per Diem program.

Expenditure of appropriation is contingent upon available funding.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $30,085,911 in FY28 and $29,883,919 in FY29.

The Agency request includes the following changes in each year:

- Discontinuation of ninety-three (93) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.
- Increase of $75,000 in Overtime and associated Personal Services Matching of $17,228 to leverage the utilization of internal staffing resources in place of contracted support.
- Increase of $393,000 in Capital Outlay for FY28 and $180,000 in FY29 to acquire equipment and vehicles.

The Executive Recommendation provides for the Agency Request and the reclassification of two (2) positions.

Appropriation Summary

Appropriation: DK7 - Veterans' Homes - Cash
Funding Sources: NVA - Cash in State Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	5,991,333	9,685,817	11,204,827	9,201,656	9,201,656	9,210,458	9,210,458
#Positions		**136**	**176**	**269**	**169**	**169**	**169**	**169**
Extra Help	5010001	6,525	45,339	45,339	45,339	45,339	45,339	45,339
#Extra Help		**1**	**30**	**30**	**30**	**30**	**30**	**30**
Personal Services Matching	5010003	2,851,570	3,731,332	4,811,875	3,599,882	3,599,882	3,602,088	3,602,088
Overtime	5010006	309,405	475,000	550,000	625,000	625,000	625,000	625,000
Operating Expenses	5020002	14,091,225	14,903,703	14,903,703	14,903,703	14,903,703	14,903,703	14,903,703
Conference & Travel Expenses	5050009	10,047	30,500	52,500	52,500	52,500	52,500	52,500
Professional Fees	5060010	294,327	579,000	1,176,000	1,176,000	1,176,000	1,176,000	1,176,000
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	0	6,000	6,000	6,000	6,000	6,000	6,000
Capital Outlay	5120011	66,022	85,000	313,000	403,000	403,000	190,000	190,000
Special Maintenance	5120032	0	20,000	72,831	72,831	72,831	72,831	72,831
Total		23,620,454	29,561,691	33,136,075	30,085,911	30,085,911	29,883,919	29,883,919
Funding Sources								
Fund Balance	4000005	5,693,562	8,922,713		5,874,104	5,874,104	702,709	702,709
Federal Revenue	4000020	22,455,275	22,399,056		22,756,824	22,756,824	22,756,824	22,756,824
Cash Fund	4000045	4,394,330	4,114,026		2,157,692	2,157,692	2,157,692	2,157,692
Total Funding		32,543,167	35,435,795		30,788,620	30,788,620	25,617,225	25,617,225
Excess Appropriation/(Funding)		(8,922,713)	(5,874,104)		(702,709)	(702,709)	4,266,694	4,266,694
Grand Total		23,620,454	29,561,691		30,085,911	30,085,911	29,883,919	29,883,919

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: DK8 - NW AR State Veterans' Home - Cash

Funding Sources: NVA - Cash in State Treasury

This appropriation provides for the state matching funds for replacement of the existing Fayetteville Veterans' Home with construction of a new State Veterans' Home to be built in Section 17, Township 19 North, Range 20 West of the Fifth Principal Meridian, Benton County on property that was donated to the State of Arkansas. The state match rate is approximately 35%.

This appropriation is funded by cash funds derived from a one-time transfer from the Restricted Reserve Fund contingent upon the Department receiving the federal matching dollars under the State Veterans' Home Construction Grant Program.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $16,962,251 in each year of the biennium.

The Agency Request includes the following change in each year:

- Increase of $1,962,251 in NW AR State Veterans Home line item to support the veterans' home replacement.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK8 - NW AR State Veterans' Home - Cash
Funding Sources: NVA - Cash in State Treasury

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
NW AR State Veterans Home 5090005	37,950	15,000,000	15,000,000	16,962,251	16,962,251	16,962,251	16,962,251
Total	37,950	15,000,000	15,000,000	16,962,251	16,962,251	16,962,251	16,962,251
Funding Sources							
Fund Balance 4000005	16,493,722	16,962,251		2,444,251	2,444,251	0	0
Cash Fund 4000045	506,479	482,000		400,000	400,000	400,000	400,000
Total Funding	17,000,201	17,444,251		2,844,251	2,844,251	400,000	400,000
Excess Appropriation/(Funding)	(16,962,251)	(2,444,251)		14,118,000	14,118,000	16,562,251	16,562,251
Grand Total	37,950	15,000,000		16,962,251	16,962,251	16,962,251	16,962,251

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: DK9 - NW AR State Veterans Home - Federal

Funding Sources: FDV - ADVA Federal

This appropriation provides for the federal matching funds for replacement of the existing Fayetteville Veterans Home with construction of a new State Veterans' Home to be built in Section 17, Township 19 North, Range 20 West of the Fifth Principal Meridian, Benton County on property that was donated to the State of Arkansas. The federal match rate is approximately 65%.

This appropriation is funded by federal funds under the State Veterans' Home Construction Grant Program.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $30,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DK9 - NW AR State Veterans Home - Federal
Funding Sources: FDV - ADVA Federal

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
NW AR State Veterans Home - F 5090005	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Total	0	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Funding Sources							
Federal Revenue 4000020	0	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000
Total Funding	0	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	30,000,000		30,000,000	30,000,000	30,000,000	30,000,000

Analysis of Budget Request

Appropriation: DL1 - Veterans' Cemeteries - Cash

Funding Sources: NVA - Cash in State Treasury

This appropriation is cash funded by burial fees the agency has accumulated specifically for use at the State Veterans' Cemetery located in North Little Rock, Arkansas. This appropriation is utilized to support operations and to provide land improvements for the Arkansas State Veterans' Cemetery.

Expenditure of appropriation is contingent upon available funding.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $1,998,686 in FY28 and $2,084,686 in FY29.

The Agency Request includes the following changes in each year:

- Increase of $11,000 in Extra Help and the associated Personal Services Matching of $842 to support staffing during periods of elevated operational demand.
- Increase of $342,000 in FY28 and $428,000 in FY29 for Capital Outlay to purchase equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DL1 - Veterans' Cemeteries - Cash

Funding Sources: NVA - Cash in State Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	92,784	613,600	28,020	818,731	818,731	818,731	818,731
#Positions		**2**	**13**	**2**	**17**	**17**	**17**	**17**
Extra Help	5010001	20,113	24,000	24,000	35,000	35,000	35,000	35,000
#Extra Help		**2**	**5**	**5**	**5**	**5**	**5**	**5**
Personal Services Matching	5010003	24,886	243,774	14,213	325,380	325,380	325,380	325,380
Operating Expenses	5020002	320,332	453,475	453,475	453,475	453,475	453,475	453,475
Conference & Travel Expenses	5050009	0	1,000	17,600	17,600	17,600	17,600	17,600
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Promotional Items	5090028	0	3,000	6,500	6,500	6,500	6,500	6,500
Capital Outlay	5120011	10,512	125,000	125,000	342,000	342,000	428,000	428,000
Total		468,627	1,463,849	668,808	1,998,686	1,998,686	2,084,686	2,084,686
Funding Sources								
Fund Balance	4000005	1,008,938	1,326,845		710,004	710,004	0	0
Federal Revenue	4000020	559,999	575,856		720,144	720,144	720,144	720,144
Cash Fund	4000045	226,535	271,152		209,052	209,052	209,052	209,052
Total Funding		1,795,472	2,173,853		1,639,200	1,639,200	929,196	929,196
Excess Appropriation/(Funding)		(1,326,845)	(710,004)		359,486	359,486	1,155,490	1,155,490
Grand Total		468,627	1,463,849		1,998,686	1,998,686	2,084,686	2,084,686

Expenditure of appropriation is contingent upon available funding.

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to all program personnel obligations being allocated from appropriation DK6 - Veterans' Cemeteries - State.

Variance in number of positions and personnel appropriation in Authorized to Agency Request is due to single salary section in appropriation act and the shifting of all personnel obligations from appropriation DK6 - Veterans' Cemeteries - State.

Analysis of Budget Request

Appropriation: DL2 - Military Funeral Honors Program

Funding Sources: SMF - Military Funeral Honors Fund

This appropriation is utilized to pay for the costs of providing military funeral honors at veterans' funerals.

This appropriation is funded by special revenue derived from the sale of special military license plates.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $45,900 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DL2 - Military Funeral Honors Program
Funding Sources: SMF - Military Funeral Honors Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Military Funeral Honors Expense 5900046	43,500	45,900	45,900	45,900	45,900	45,900	45,900
Total	43,500	45,900	45,900	45,900	45,900	45,900	45,900
Funding Sources							
Fund Balance 4000005	307,507	312,402		314,502	314,502	316,602	316,602
Special Revenue 4000030	48,395	48,000		48,000	48,000	48,000	48,000
Total Funding	355,902	360,402		362,502	362,502	364,602	364,602
Excess Appropriation/(Funding)	(312,402)	(314,502)		(316,602)	(316,602)	(318,702)	(318,702)
Grand Total	43,500	45,900		45,900	45,900	45,900	45,900

Analysis of Budget Request

Appropriation: DL3 - NLR Cemetery Expansion 2 - Federal

Funding Sources: FDV - ADVA Federal

This appropriation provides for the expansion of the North Little Rock Cemetery which includes columbarium niches, oversize interment crypts, a committal shelter storage building, pump house storage building, Honor Guard room, irrigation support well and improve cemetery infrastructure.

This appropriation is funded by federal revenue.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to discontinue appropriation in the amount of $2,000,000 in each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: DL3 - NLR Cemetery Expansion 2 - Federal
Funding Sources: FDV - ADVA Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Construction and Expansion	5090005	5,863,281	2,000,000	2,000,000	0	0	0	0
Total		5,863,281	2,000,000	2,000,000	0	0	0	0
Funding Sources								
Fund Balance	4000005	1,356,840	1,003,858		0	0	0	0
Federal Revenue	4000020	5,510,299	996,142		0	0	0	0
Total Funding		6,867,139	2,000,000		0	0	0	0
Excess Appropriation/(Funding)		(1,003,858)	0		0	0	0	0
Grand Total		5,863,281	2,000,000		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

DEPT OF ENERGY & ENVIRONMENT - ADMINISTRATION & SHARED SERVICES

Employment Summary

	Male	Female	Total	%
White Employees	16	16	32	80 %
Black Employees	1	6	7	18 %
Other Racial Minorities	0	1	1	2 %
Total Minorities			8	20 %
Total Employees			40	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
N/A	N/A	N	N	0	N/A	0	0.00

Analysis of Budget Request

Appropriation: Z41 - Dept of Energy and Environment

Funding Sources: PAY - Shared Services Paying

This appropriation provides for personal services and operating expenses for the Cabinet-level staff and the Shared Services within the Department including Human Resources, Fiscal, IT, and Communications.

Funding for this appropriation consists of a mix of revenue sources transferred from divisions utilizing Shared Services, which includes general revenue, special revenue, and federal revenue.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $9,261,472 in FY28 and $9,264,916 in FY29.

The Agency Request includes the following changes for each year of the biennium:

- Discontinuation of sixteen (16) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Increase of $749,000 in Operating Expenses to align with anticipated expenses.
  Of the Increase:
  - $320,000 is reallocated from Professional Fees.
  - $429,000 is transferred from the Department of Energy and Environment - Division of Environmental Quality (0930) - appropriation 2TX - Fee Administration.

- Decrease of ($30,000) in Conference and Travel Expenses to align with anticipated expenses.

- Increase of $1,502,279 in Capital Outlay for facility bond payments and anticipated building repairs.
  Of the Increase:
  - $552,000 is transferred from the Department of Energy and Environment - Division of Environmental Quality (0930) - appropriation 2TX - Fee Administration.
  - $250,000 is unfunded appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: Z41 - Dept of Energy and Environment
Funding Sources: PAY - Shared Services Paying

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	3,734,009	3,979,125	4,276,310	3,979,125	3,979,125	3,981,925	3,981,925
#Positions		**49**	**47**	**63**	**47**	**47**	**47**	**47**
Personal Services Matching	5010003	1,322,680	1,284,344	1,496,069	1,496,068	1,496,068	1,496,712	1,496,712
Operating Expenses	5020002	1,262,379	1,250,000	1,250,000	1,999,000	1,999,000	1,999,000	1,999,000
Conference & Travel Expenses	5050009	14,513	55,000	85,000	55,000	55,000	55,000	55,000
Professional Fees	5060010	61,328	130,000	450,000	130,000	130,000	130,000	130,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	749,547	250,000	250,000	1,602,279	1,602,279	1,602,279	1,602,279
Total		7,144,456	6,948,469	7,807,379	9,261,472	9,261,472	9,264,916	9,264,916
Funding Sources								
Fund Balance	4000005	103,741	993,297		1,056,470	1,056,470	480,652	480,652
Other	4000370	81,609	0		0	0	0	0
Shared Services Transfer	4000760	7,952,403	7,011,642		8,685,654	8,685,654	8,685,654	8,685,654
Total Funding		8,137,753	8,004,939		9,742,124	9,742,124	9,166,306	9,166,306
Excess Appropriation/(Funding)		(993,297)	(1,056,470)		(480,652)	(480,652)	98,610	98,610
Grand Total		7,144,456	6,948,469		9,261,472	9,261,472	9,264,916	9,264,916

DEPT OF ENERGY & ENVIRONMENT - DIV OF ENVIRONMENTAL QUALITY

Employment Summary

	Male	Female	Total	%
White Employees	123	87	210	81 %
Black Employees	12	22	34	13 %
Other Racial Minorities	10	6	16	6 %
Total Minorities			50	19 %
Total Employees			260	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Appropriation		Historical Data						Agency Request and Executive Recommendation							
		FY26		FY27		FY27		FY28				FY29			
		Actual Expenditures	Pos	Budgeted Expenditures	Pos	Authorized Appropriation	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
2TP	ADEQ - State Operations	3,114,802	31	3,422,538	32	3,638,226	37	3,502,107	33	3,502,107	33	3,503,153	33	3,503,153	33
2TQ	ADEQ - Federal Operations	6,830,583	60	12,271,327	63	16,834,853	74	20,563,108	63	20,563,108	63	20,563,108	63	20,563,108	63
2TR	Wastewater Licensing	104,900	1	234,469	1	320,927	1	300,927	1	300,927	1	300,927	1	300,927	1
2TS	Land Reclamation	0	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0	400,000	0
2TT	Hazardous Waste Permit Program	678,505	9	873,135	9	1,617,401	12	1,173,481	9	1,173,481	9	1,173,481	9	1,173,481	9
2TU	Reclamation of Abandoned Mines Program	2,690,477	0	4,750,000	0	5,700,000	0	0	0	0	0	0	0	0	0
2TV	Surface Coal Mining	0	0	7,200	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0
2TW	Mining Reclamation	675,000	0	144,719	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0
2TX	Fee Administration	9,801,766	111	11,997,311	118	16,395,024	127	12,165,759	117	12,165,759	117	12,170,218	117	12,170,218	117
2TY	Solid Waste Performance Bonds	0	0	114	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0	2,000,000	0
2TZ	Hazardous Waste Cleanup	1,251,154	5	5,631,611	5	7,672,024	5	7,300,875	3	7,300,875	3	7,300,948	3	7,300,948	3
2UA	Emergency Response Program	0	0	0	0	372,655	0	624,032	2	624,032	2	624,032	2	624,032	2
2UB	Asbestos Control Program	201,232	2	416,476	2	512,113	2	520,013	2	520,013	2	520,013	2	520,013	2
2UC	Solid Waste Mgmt/Recycling Prog	5,563,536	13	5,999,333	14	6,067,637	25	6,196,947	14	6,196,947	14	6,197,165	14	6,197,165	14
2UD	Reg. Substance Storage Tank	797,200	12	726,339	9	1,374,900	13	840,798	9	840,798	9	840,798	9	840,798	9
2UE	Petroleum Storage Tank Trust	7,111,360	7	22,108,154	7	22,102,593	7	22,137,549	7	22,137,549	7	22,137,581	7	22,137,581	7
2UF	Regulated Storage Tank Program	568,404	8	1,449,164	7	1,500,000	7	1,500,000	7	1,500,000	7	1,500,000	7	1,500,000	7
2UG	Landfill Post Closure Program	730,121	3	14,431,005	3	14,458,750	3	14,449,220	4	14,449,220	4	14,449,394	4	14,449,394	4
2UJ	Mktg Recyclables Prog of the Compliance A	0	0	0	0	28,326	0	0	0	0	0	0	0	0	0
2UK	Environmental Education Program	43,404	0	140,038	0	146,000	0	173,419	0	173,419	0	173,419	0	173,419	0
2UQ	Performance Partnership Syst Exp	0	0	222,000	0	563,000	0	563,000	0	563,000	0	563,000	0	563,000	0
2UR	Environmental Settlement Trust	0	0	850,000	0	850,000	0	850,000	0	850,000	0	850,000	0	850,000	0
344	PCE Comm Admn Hearing Officer	261,017	2	312,262	2	341,697	2	301,312	2	301,312	2	301,312	2	301,312	2
36A	Fee Administration Non-Haz Clean Up	0	0	0	0	100,000	0	0	0	0	0	0	0	0	0
BC1	Used Tire Recycling - Cash	2,722,060	0	2,721,991	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
F72	Water Performance Bond Fund	0	0	303,300	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
M98	Nonmunicipal Domestic Sewage Treatment	5,534	0	55,000	0	55,000	0	255,000	0	255,000	0	255,000	0	255,000	0
V37	Used Tire Recycling Program	6,782,786	4	8,836,484	4	10,788,000	5	10,788,000	4	10,788,000	4	10,788,000	4	10,788,000	4
V89	Energy Performance Contracts	0	0	325,000	0	325,000	0	325,000	0	325,000	0	325,000	0	325,000	0
V91	State Energy Plan - Federal	887,176	3	1,697,456	9	1,285,111	9	1,697,456	9	1,697,456	9	1,697,826	9	1,697,826	9
V92	Federal Operations	37,753,674	8	42,080,961	15	41,667,837	18	43,486,054	15	43,486,054	15	43,486,301	15	43,486,301	15

NOT REQUESTED FOR THE BIENNIUM															
2US	Computer/Electronic Recycling	94,932	0	0	0	0	0	0	0	0	0	0	0	0	0
AU9	IIJA LIHEAP ADEQ	689,926	0	0	0	0	0	0	0	0	0	0	0	0	0
AX9	IIJA Weatherization Asst. Prog.	3,030,017	0	0	0	0	0	0	0	0	0	0	0	0	0
BB7	IIJA-Surface Mining Reclamation & Enforc	60,909	0	0	0	0	0	0	0	0	0	0	0	0	0
BB8	IIJA AR Water Quality Mgmt Planning	167,122	0	0	0	0	0	0	0	0	0	0	0	0	0
BI7	IIJA - DOE Safety Energy Program (SEP)	470,173	4	0	0	0	0	0	0	0	0	0	0	0	0
BY6	IIJA CERCLA Sec 128 (a) Brownfield	508,978	2	0	0	0	0	0	0	0	0	0	0	0	0
BY7	IIJA-Solid Waste Infra. for Recycling	205,785	2	0	0	0	0	0	0	0	0	0	0	0	0
CC5	AR Bipartisan Infrast. Law Program BIL	205,612	0	0	0	0	0	0	0	0	0	0	0	0	0
CD8	IIJA-Energy Efficiency Conserv Blk Grant	60,500	0	0	0	0	0	0	0	0	0	0	0	0	0
CG4	IIJA Brownfield CWAG	321,936	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		94,390,581	288	142,407,387	302	164,152,074	349	159,149,057	303	159,149,057	303	159,155,676	303	159,155,676	303

Funding Sources			%		%			%		%		%		%
Fund Balance	4000005	114,538,822	52.7	122,889,236	53.1		89,002,873	44.1	89,002,873	44.1	55,973,881	33.2	55,973,881	33.2
General Revenue	4000010	4,297,361	2.0	3,996,546	1.7		4,007,350	2.0	4,007,350	2.0	4,007,350	2.4	4,007,350	2.4
Federal Revenue	4000020	55,979,481	25.8	67,099,164	29.0		72,050,000	35.7	72,050,000	35.7	72,050,000	42.7	72,050,000	42.7
Special Revenue	4000030	2,495,008	1.1	1,693,645	0.7		1,693,645	0.8	1,693,645	0.8	1,693,645	1.0	1,693,645	1.0
Cash Fund	4000045	51,027	0.0	32,600	0.0		25,500	0.0	25,500	0.0	25,500	0.0	25,500	0.0
Performance Fund	4000055	162,000	0.1	10,804	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Gen Rev Allot Reserve	4000262	2,500,000	1.2	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Inter-agency Fund Transfer	4000316	2,050,000	0.9	(450,000)	(0.2)		(450,000)	(0.2)	(450,000)	(0.2)	(450,000)	(0.3)	(450,000)	(0.3)
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	41,806,677	19.2	41,570,907	18.0		42,398,975	21.0	42,398,975	21.0	42,398,975	25.2	42,398,975	25.2
Shared Services Transfer	4000760	(6,600,559)	(3.0)	(5,432,642)	(2.3)		(7,120,654)	(3.5)	(7,120,654)	(3.5)	(7,120,654)	(4.2)	(7,120,654)	(4.2)
Total Funds		217,279,817	100.0	231,410,260	100.0		201,607,689	100.0	201,607,689	100.0	168,578,697	100.0	168,578,697	100.0
Excess Appropriation/(Funding)		(122,889,236)		(89,002,873)			(42,458,632)		(42,458,632)		(9,423,021)		(9,423,021)	
Grand Total		94,390,581		142,407,387			159,149,057		159,149,057		159,155,676		159,155,676	

FY27 Budget amounts in appropriations 2UE - Petroleum Storage Tank Trust, V91 - State Energy Plan - Federal, and V92 - Federal Operations exceed the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.
Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 2TP - ADEQ - State Operations

Funding Sources: HMA - Division of Environmental Quality Fund Account

The Agency utilizes this appropriation for the maintenance, operation, and improvement required by the Division of Environmental Quality in carrying out the powers, functions, and duties imposed by law.

Appropriation is funded by general revenue, non-revenue income derived from services provided by the Division of Environmental Quality, and any other funds provided by law.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $3,502,107 in FY28 and $3,503,153 in FY29 and general revenue funding in the amount of $4,007,350 for both years of the biennium.

The Agency request includes the following changes in both years of the biennium:

- Discontinuation of five (5) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Decrease of ($154,981) in Operating Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($9,915) in Conference & Travel Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($39,100) in Professional Fees to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TP - ADEQ - State Operations

Funding Sources: HMA - Division of Environmental Quality Fund Account

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	2,028,485	2,305,033	2,279,883	2,352,306	2,352,306	2,353,003	2,353,003
#Positions		**31**	**32**	**37**	**33**	**33**	**33**	**33**
Extra Help	5010001	17,682	16,000	25,674	25,674	25,674	25,674	25,674
#Extra Help		**4**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	754,478	801,103	818,271	813,725	813,725	814,074	814,074
Operating Expenses	5020002	295,553	248,202	403,183	248,202	248,202	248,202	248,202
Conference & Travel Expenses	5050009	1,924	22,200	32,115	22,200	22,200	22,200	22,200
Professional Fees	5060010	16,680	30,000	79,100	40,000	40,000	40,000	40,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		3,114,802	3,422,538	3,638,226	3,502,107	3,502,107	3,503,153	3,503,153
Funding Sources								
Fund Balance	4000005	1,235,205	551,488		354,325	354,325	166,568	166,568
General Revenue	4000010	4,297,361	3,996,546		4,007,350	4,007,350	4,007,350	4,007,350
Performance Fund	4000055	162,000	10,804		0	0	0	0
Other	4000370	1,571,724	45,000		1,500,000	1,500,000	1,500,000	1,500,000
Shared Services Transfer	4000760	(3,600,000)	(826,975)		(2,193,000)	(2,193,000)	(2,193,000)	(2,193,000)
Total Funding		3,666,290	3,776,863		3,668,675	3,668,675	3,480,918	3,480,918
Excess Appropriation/(Funding)		(551,488)	(354,325)		(166,568)	(166,568)	22,235	22,235
Grand Total		3,114,802	3,422,538		3,502,107	3,502,107	3,503,153	3,503,153

FY27 Budget amount in Regular Salaries exceeds the authorized amount due to salary adjustments during the 2025-2027 Biennium.

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

CARRY FORWARD OF ANY REMAINING FUND BALANCES FROM FISCAL YEAR 2026 TO FISCAL YEAR 2027

Agency: Dept of Energy & Environment - Div of Environmental Quality

Program: ADEQ - State Operations

Act #: 169 Section(s) #: 38

Estimated Carry Forward Amount $ 500,000.00 Funding Source: Multiple

Accounting Information:

Business Area: 0930 Funds Center: 2TP Fund: HMA Functional Area: COMM

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

Section 38 allows for the agency to sweep $1.5 million into state operations.

Actual Funding Carry Forward Amount $ 551,488.25

Current status of carry forward funding:

There may be remaining funds available from fee funds swept into general revenue.

Shane Khoury
Secretary

08-21-2026
Date

Analysis of Budget Request

Appropriation: 2TQ - ADEQ - Federal Operations

Funding Sources: FYP - Federal Funds

The Arkansas Division of Environmental Quality (ADEQ) utilizes this appropriation for the federal portion of program activities. Federal funding is received from the United States Environmental Protection Agency (EPA) and the United States Department of the Interior. The Agency receives numerous grants with varying amounts of state matching requirements.

With the exception of Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $20,563,108 for both years of the biennium.

The Agency request includes the following changes in both years of the biennium:

- Discontinuation of ten (10) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Transfer of ($33,381) to appropriation 2UK - Environmental Education Program, from the following appropriations:
  - ($8,864) in Regular Salaries.
  - ($2,905) in Personal Service Matching.
  - ($21,612) in Indirect Costs line-item.

- Decrease of ($17,969) in Operating Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($117,259) in Conference & Travel Expenses to align appropriation with current and anticipated expenses.

- Increase of $800,000 in Capital Outlay for the purchase of equipment and vehicles.
  - Of the Increase:
    - $218,636 is reallocated from Operating Expenses.
    - $581,364 is reallocated from Professional Fees.

- Reallocation of $5,700,000 in Abandoned Mine Reclamation Contractual Services line-item from Appropriation 2TU – Reclamation of Abandoned Mines Program to consolidate federal funded appropriation.

The Executive Recommendation provides for the Agency Request, and the reclassification of one (1) position.

Appropriation Summary

Appropriation: 2TQ - ADEQ - Federal Operations
Funding Sources: FYP - Federal Funds

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	3,479,363	4,224,293	5,730,066	5,254,403	5,254,403	5,254,403	5,254,403
#Positions		**60**	**63**	**74**	**63**	**63**	**63**	**63**
Extra Help	5010001	32,648	68,001	148,585	148,585	148,585	148,585	148,585
#Extra Help		**10**	**49**	**50**	**49**	**49**	**49**	**49**
Personal Services Matching	5010003	1,325,831	1,503,778	3,197,719	3,006,477	3,006,477	3,006,477	3,006,477
Operating Expenses	5020002	669,718	1,127,793	1,364,398	1,127,793	1,127,793	1,127,793	1,127,793
Conference & Travel Expenses	5050009	28,783	254,914	372,173	254,914	254,914	254,914	254,914
Professional Fees	5060010	68,763	940,391	1,521,755	940,391	940,391	940,391	940,391
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	300,000	2,766,000	2,766,000	2,766,000	2,766,000	2,766,000	2,766,000
Capital Outlay	5120011	371,927	800,000	1,148,000	800,000	800,000	800,000	800,000
Abandoned Mine Reclamation C	5900043	0	0	0	5,700,000	5,700,000	5,700,000	5,700,000
Indirect Costs	5900046	553,550	586,157	586,157	564,545	564,545	564,545	564,545
Total		6,830,583	12,271,327	16,834,853	20,563,108	20,563,108	20,563,108	20,563,108
Funding Sources								
Fund Balance	4000005	173,510	639,617		1,118,290	1,118,290	1,105,182	1,105,182
Federal Revenue	4000020	8,706,374	14,000,000		22,300,000	22,300,000	22,300,000	22,300,000
Intra-agency Fund Transfer	4000317	63,886	500,000		500,000	500,000	500,000	500,000
Shared Services Transfer	4000760	(1,473,570)	(1,750,000)		(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)
Total Funding		7,470,200	13,389,617		21,668,290	21,668,290	21,655,182	21,655,182
Excess Appropriation/(Funding)		(639,617)	(1,118,290)		(1,105,182)	(1,105,182)	(1,092,074)	(1,092,074)
Grand Total		6,830,583	12,271,327		20,563,108	20,563,108	20,563,108	20,563,108

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: 2TR - Wastewater Licensing

Funding Sources: MWW - Wastewater Licensing Fund

This appropriation is utilized to operate the Wastewater Licensing Program. The program is funded by special revenue derived from licensing and examination fees, pursuant to Ark. Code Ann. § 8-5-209.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $300,927 for both years of the biennium.

The Agency request includes the following changes in both years of the biennium:

- Decrease of ($10,000) in Operating Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($30,000) in Professional Fees to align appropriation with current and anticipated expenses.
    - Of the ($30,000) Decrease - $20,000 is reallocated to Capital Outlay for contribution to a vehicle for the Division of Environmental Quality.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TR - Wastewater Licensing

Funding Sources: MWW - Wastewater Licensing Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	62,766	67,495	94,758	94,758	94,758	94,758	94,758
#Positions		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	24,463	25,253	44,448	44,448	44,448	44,448	44,448
Operating Expenses	5020002	13,371	66,721	76,721	66,721	66,721	66,721	66,721
Conference & Travel Expenses	5050009	2,022	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees	5060010	2,278	70,000	100,000	70,000	70,000	70,000	70,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	20,000	20,000	20,000	20,000
Total		104,900	234,469	320,927	300,927	300,927	300,927	300,927
Funding Sources								
Fund Balance	4000005	508,833	516,173		367,695	367,695	152,759	152,759
Other	4000370	112,240	95,545		95,545	95,545	95,545	95,545
Shared Services Transfer	4000760	0	(9,554)		(9,554)	(9,554)	(9,554)	(9,554)
Total Funding		621,073	602,164		453,686	453,686	238,750	238,750
Excess Appropriation/(Funding)		(516,173)	(367,695)		(152,759)	(152,759)	62,177	62,177
Grand Total		104,900	234,469		300,927	300,927	300,927	300,927

Analysis of Budget Request

Appropriation: 2TS - Land Reclamation

Funding Sources: TLR - Land Reclamation Fund

The Agency utilizes this appropriation for reclamation of affected lands as administered by the Division of Environmental Quality as set out in the Arkansas Open-Cut Land Reclamation Act, Ark. Code Ann § 15-57-301 et seq., and for contract awards for affected lands as required by the Arkansas Quarry Operations, Reclamation and Safe Closure Act, Ark. Code Ann. § 15-57-401.

The funding consists of open-cut mining civil penalties and bond forfeiture amounts, quarry operation reclamation, operation, and safe closure fees, fines, and bond forfeitures, gifts, grants, donations, and other funds as may be made available by the General Assembly.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $400,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TS - Land Reclamation
Funding Sources: TLR - Land Reclamation Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Reclamation Contracts	5900043	0	400,000	400,000	400,000	400,000	400,000	400,000
Total		0	400,000	400,000	400,000	400,000	400,000	400,000
Funding Sources								
Fund Balance	4000005	979,347	1,066,268		726,268	726,268	386,268	386,268
Other	4000370	86,921	60,000		60,000	60,000	60,000	60,000
Total Funding		1,066,268	1,126,268		786,268	786,268	446,268	446,268
Excess Appropriation/(Funding)		(1,066,268)	(726,268)		(386,268)	(386,268)	(46,268)	(46,268)
Grand Total		0	400,000		400,000	400,000	400,000	400,000

Analysis of Budget Request

Appropriation: 2TT - Hazardous Waste Permit Program

Funding Sources: SHW - Hazardous Waste Permit Fund

This appropriation is used to ensure the proper administration and enforcement of the Hazardous Waste Permit Program. The program is funded by special revenue.

Fees were established to recover the costs of processing permit applications and permit renewal proceedings; on-site inspections and monitoring; the certification of personnel to operate hazardous waste treatment, storage, or disposal facilities; and other departmental activities to ensure that generators of hazardous waste and facilities are complying with current law Ark. Code Ann. § 19-43-226.

With the exception of Regular Salaries, Personal Service Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $1,173,481 for both years of the biennium.

The Agency request includes the following changes in both years of the biennium:

- Discontinuation of three (3) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Decrease of ($105,659) in Operating Expenses to align appropriation with current and anticipated expenses.
  - Of the ($105,659) Decrease - $40,000 is reallocated to Capital Outlay for replacement of aging vehicles.

- Decrease of ($4,750) in Conference & Travel Expenses to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TT - Hazardous Waste Permit Program
Funding Sources: SHW - Hazardous Waste Permit Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	478,507	544,065	914,372	772,698	772,698	772,698	772,698
#Positions		**9**	**9**	**12**	**9**	**9**	**9**	**9**
Extra Help	5010001	0	3,500	15,795	15,795	15,795	15,795	15,795
#Extra Help		**0**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	190,224	198,835	349,590	292,753	292,753	292,753	292,753
Overtime	5010006	0	750	1,250	1,250	1,250	1,250	1,250
Operating Expenses	5020002	9,774	34,885	140,544	34,885	34,885	34,885	34,885
Conference & Travel Expenses	5050009	0	5,950	10,700	5,950	5,950	5,950	5,950
Professional Fees	5060010	0	10,150	10,150	10,150	10,150	10,150	10,150
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	75,000	175,000	40,000	40,000	40,000	40,000
Total		678,505	873,135	1,617,401	1,173,481	1,173,481	1,173,481	1,173,481
Funding Sources								
Fund Balance	4000005	1,248,567	1,819,078		1,585,843	1,585,843	1,052,262	1,052,262
Special Revenue	4000030	1,249,016	711,000		711,000	711,000	711,000	711,000
Shared Services Transfer	4000760	0	(71,100)		(71,100)	(71,100)	(71,100)	(71,100)
Total Funding		2,497,583	2,458,978		2,225,743	2,225,743	1,692,162	1,692,162
Excess Appropriation/(Funding)		(1,819,078)	(1,585,843)		(1,052,262)	(1,052,262)	(518,681)	(518,681)
Grand Total		678,505	873,135		1,173,481	1,173,481	1,173,481	1,173,481

Analysis of Budget Request

Appropriation: 2TU - Reclamation of Abandoned Mines Program

Funding Sources: MAE - Abandoned Mine Reclamation Fund

The Agency utilizes this appropriation to administer the land reclamation operations within the state. This appropriation is funded by federal revenue received via grants from the United States Department of the Interior.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to transfer $5,700,000 in appropriation to Appropriation 2TQ – Federal Operations to consolidate federal appropriation in both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TU - Reclamation of Abandoned Mines Program
Funding Sources: MAE - Abandoned Mine Reclamation Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Abandoned Mine Reclamation C 5900043	2,690,477	4,750,000	5,700,000	0	0	0	0
Total	2,690,477	4,750,000	5,700,000	0	0	0	0
Funding Sources							
Federal Revenue 4000020	2,690,477	4,750,000		0	0	0	0
Total Funding	2,690,477	4,750,000		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	2,690,477	4,750,000		0	0	0	0

Appropriation transferred to Division of Environmental Quality - Appropriation 2TQ - Federal Operations.

Analysis of Budget Request

Appropriation: 2TV - Surface Coal Mining

Funding Sources: MAF - Surface Coal Mining Operation Fund

The Agency utilizes this appropriation for the administration and enforcement of the Arkansas Surface Coal Mining and Reclamation Act of 1979 as defined in Ark. Code Ann. § 15-58-101 et seq. and as the state's matching percentage share for any grants available to the state for program operations.

This appropriation is funded by special revenue derived from application and permit fees for surface coal mining.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $15,000 for both years the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TV - Surface Coal Mining
Funding Sources: MAF - Surface Coal Mining Operation Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	0	7,200	15,000	15,000	15,000	15,000	15,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		0	7,200	15,000	15,000	15,000	15,000	15,000
Funding Sources								
Fund Balance	4000005	152,120	152,620		145,420	145,420	130,420	130,420
Other	4000370	500	0		0	0	0	0
Total Funding		152,620	152,620		145,420	145,420	130,420	130,420
Excess Appropriation/(Funding)		(152,620)	(145,420)		(130,420)	(130,420)	(115,420)	(115,420)
Grand Total		0	7,200		15,000	15,000	15,000	15,000

Analysis of Budget Request

Appropriation: 2TW - Mining Reclamation

Funding Sources: TMA - Mine Reclamation Trust Fund

This appropriation supports the Agency's mandated activities related to bond forfeitures associated with coal and lignite surface mining operations in Arkansas. Under the Arkansas Surface Coal Mining and Reclamation Act of 1979 (Ark. Code Ann. § 15-58-101 et seq.), operators are required to post performance bonds in amounts established by the Agency to ensure the successful reclamation of mined lands.

If an operator fails to complete reclamation in accordance with regulatory requirements, the posted bond is forfeited. In such cases, the Agency assumes responsibility for procuring and managing the necessary reclamation work. Expenditures from the Mining Reclamation Fund are restricted exclusively to reclamation activities for lands subject to forfeited performance bonds for surface coal mining operations.

The appropriation is financed through bond forfeiture revenues.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $1,520,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TW - Mining Reclamation
Funding Sources: TMA - Mine Reclamation Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Mining Reclamation Contractual 5900043	675,000	144,719	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total	675,000	144,719	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Funding Sources							
Fund Balance 4000005	819,719	144,719		0	0	0	0
Total Funding	819,719	144,719		0	0	0	0
Excess Appropriation/(Funding)	(144,719)	0		1,520,000	1,520,000	1,520,000	1,520,000
Grand Total	675,000	144,719		1,520,000	1,520,000	1,520,000	1,520,000

Analysis of Budget Request

Appropriation: 2TX - Fee Administration

Funding Sources: TPE - Division of Environmental Quality Fee Trust Fund

Ark. Code Ann. § 8-1-103 authorizes the Agency to assess and collect fees for environmental permits, encompassing air, water, and solid waste programs. Permit-related revenues support key regulatory activities—application review, issuance, compliance monitoring, inspections, and enforcement—subject to statutory fee limits tied to permit type and complexity.

This appropriation is funded by fees, rates, tolls, and other charges to support operating costs as noted in Ark. Code Ann. § 19-26-312.

With the exception of Regular Salaries, Personal Service Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $12,165,759 in FY28 and $12,170,218 in FY29.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of nine (9) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Decrease of ($1,740,323) in Operating Expenses to align with current and anticipated expenses.
  - Of the ($1,740,323) Decrease - ($429,000) is transferred to the Department of Energy and Environment – Administration and Shared Services (9905) – Department of Energy and Environment appropriation for anticipated operating expenses.

- Decrease of ($113,770) in Conference & Travel Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($330,000) in Professional Fees to align appropriation with current and anticipated expenses.
  - Of the ($330,000) Decrease:
    - ($150,000) is reallocated to Capital Outlay for air monitoring equipment and needs.
    - ($7,900) is transferred to Fund Center 2UB – Asbestos Control Program for anticipated expenses.

- Decrease of ($529,000) in Grants & Aid to align appropriation with current and anticipated expenses.

- Net decrease of ($402,000) in Capital Outlay to align appropriation with current and anticipated expenses.
  - Of the ($402,000) Decrease:

- ($552,000) reallocated to Department of Energy and Environment (9905) appropriation Z41 - Dept of Energy and Environment.
- $150,000 reallocated from Professional Fees for air monitoring equipment and needs.

The Executive Recommendation provides for the Agency Request, and the reclassification of one (1) position.

Appropriation Summary

Appropriation: 2TX - Fee Administration

Funding Sources: TPE - Division of Environmental Quality Fee Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	6,591,453	7,594,634	8,033,237	7,591,878	7,591,878	7,595,492	7,595,492
#Positions		**111**	**118**	**127**	**117**	**117**	**117**	**117**
Extra Help	5010001	4,606	20,000	45,000	45,000	45,000	45,000	45,000
#Extra Help		**1**	**11**	**11**	**11**	**11**	**11**	**11**
Personal Services Matching	5010003	2,489,276	2,718,613	3,016,630	2,841,817	2,841,817	2,842,662	2,842,662
Operating Expenses	5020002	513,077	655,318	2,395,641	655,318	655,318	655,318	655,318
Conference & Travel Expenses	5050009	3,228	61,746	175,516	61,746	61,746	61,746	61,746
Professional Fees	5060010	126	270,000	600,000	270,000	270,000	270,000	270,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	200,000	50,000	1,079,000	550,000	550,000	550,000	550,000
Capital Outlay	5120011	0	627,000	1,050,000	150,000	150,000	150,000	150,000
Total		9,801,766	11,997,311	16,395,024	12,165,759	12,165,759	12,170,218	12,170,218
Funding Sources								
Fund Balance	4000005	11,338,368	12,552,368		9,866,056	9,866,056	7,194,229	7,194,229
Intra-agency Fund Transfer	4000317	200,000	285,135		0	0	0	0
Other	4000370	11,765,766	11,225,864		11,393,932	11,393,932	11,393,932	11,393,932
Shared Services Transfer	4000760	(950,000)	(2,200,000)		(1,900,000)	(1,900,000)	(1,900,000)	(1,900,000)
Total Funding		22,354,134	21,863,367		19,359,988	19,359,988	16,688,161	16,688,161
Excess Appropriation/(Funding)		(12,552,368)	(9,866,056)		(7,194,229)	(7,194,229)	(4,517,943)	(4,517,943)
Grand Total		9,801,766	11,997,311		12,165,759	12,165,759	12,170,218	12,170,218

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: 2TY - Solid Waste Performance Bonds

Funding Sources: MWP - Solid Waste Performance Bond Fund

The Agency utilizes this appropriation for closure of abandoned or non-compliant solid waste disposal facilities, under the Arkansas Solid Waste Management Act, Ark. Code Ann. § 8-6-2011 et seq. When such projects arise, the site can pose a significant threat to human health and environment.

This appropriation is funded by forfeitures collected under the Arkansas Solid Waste Management Act.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $2,000,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TY - Solid Waste Performance Bonds
Funding Sources: MWP - Solid Waste Performance Bond Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Solid Waste Performance Bonds 5900043	0	114	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total	0	114	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funding Sources							
Fund Balance 4000005	114	114		0	0	0	0
Total Funding	114	114		0	0	0	0
Excess Appropriation/(Funding)	(114)	0		2,000,000	2,000,000	2,000,000	2,000,000
Grand Total	0	114		2,000,000	2,000,000	2,000,000	2,000,000

Analysis of Budget Request

Appropriation: 2TZ - Hazardous Waste Cleanup

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

The Hazardous Substance Remedial Action Trust Fund was established by Act 479 of 1985 (Ark. Code Ann. § 8-7-509). The Agency utilizes this appropriation for administrative costs and expenses of providing for inspection, identification, containment, abatement, treatment, and control of hazardous substance sites.

Funding is derived from fees, donations, damages, and any other monies legally designated for the fund. Ten percent (10%) of the monies collected are deposited into the Environmental Education Fund; total deposit shall not exceed $275,000 per fiscal year. Ten percent (10%) of monies collected may be used for conducting site assessments of potentially contaminated sites when a letter of intent has been signed in accordance with Ark. Code Ann. §8-7-1101 et seq; the use shall not exceed $500,000. All remaining monies may be expended for reasonable administrative costs and program operations.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $7,300,875 in FY28 and $7,300,948 in FY29.

The Agency request includes the following changes for both years of the biennium:

- Transfer of two (2) positions with associated Regular Salaries and Personal Service Matching to appropriation 2UA - Emergency Response Program.

- Decrease of ($194,272) in Operating Expenses to align with current and anticipated expenses.
  - Of the ($194,272) Decrease - ($40,000) is transferred to appropriation 2UA – Emergency Response Program.

- Decrease of ($15,860) in Conference & Travel Expenses is transferred to appropriation 2UA – Emergency Response Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TZ - Hazardous Waste Cleanup

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	320,797	340,970	347,555	232,225	232,225	232,275	232,275
#Positions		**5**	**5**	**5**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	111,020	118,685	123,381	77,694	77,694	77,717	77,717
Operating Expenses	5020002	52,110	107,919	302,191	107,919	107,919	107,919	107,919
Conference & Travel Expenses	5050009	90	20,100	35,960	20,100	20,100	20,100	20,100
Professional Fees	5060010	29,637	90,000	215,000	215,000	215,000	215,000	215,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Contractual Services	5900043	737,500	4,500,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000
Data Processing Purchases	5900044	0	453,937	453,937	453,937	453,937	453,937	453,937
Total		1,251,154	5,631,611	7,672,024	7,300,875	7,300,875	7,300,948	7,300,948
Funding Sources								
Fund Balance	4000005	10,480,258	10,092,124		5,329,635	5,329,635	0	0
Intra-agency Fund Transfer	4000317	0	0		(626,000)	(626,000)	(626,000)	(626,000)
Other	4000370	1,140,009	1,047,135		1,047,135	1,047,135	1,047,135	1,047,135
Shared Services Transfer	4000760	(276,989)	(178,013)		(150,000)	(150,000)	(150,000)	(150,000)
Total Funding		11,343,278	10,961,246		5,600,770	5,600,770	271,135	271,135
Excess Appropriation/(Funding)		(10,092,124)	(5,329,635)		1,700,105	1,700,105	7,029,813	7,029,813
Grand Total		1,251,154	5,631,611		7,300,875	7,300,875	7,300,948	7,300,948

Analysis of Budget Request

Appropriation: 2UA - Emergency Response Program

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

The Emergency Response Program was established for the purchase/reimbursement of any commodities and/or services necessary in taking emergency response actions in connection with a release or a threatened release of hazardous substances.

Funding is derived from fees, donations, damages, and any other monies legally designated for the fund as authorized in Ark. Code Ann. § 8-7-509.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $624,032 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Increase of two (2) positions and associated Regular Salaries and Personal Service Matching is transferred from appropriation 2TZ - Hazardous Waste Cleanup for utilization of Emergency Response Program.

- Increase of $40,000 in Operating Expenses is transferred from appropriation 2TZ - Hazardous Waste Cleanup for utilization of Emergency Response Program.

- Increase of $15,860 in Conference and Travel Expenses is transferred from appropriation 2TZ - Hazardous Waste Cleanup for utilization of Emergency Response Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UA - Emergency Response Program

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	0	0	0	145,629	145,629	145,629	145,629
#Positions		**0**	**0**	**0**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	0	0	0	49,888	49,888	49,888	49,888
Operating Expenses	5020002	0	0	0	40,000	40,000	40,000	40,000
Conference & Travel Expenses	5050009	0	0	0	15,860	15,860	15,860	15,860
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Contractual Services	5900043	0	0	372,655	372,655	372,655	372,655	372,655
Total		0	0	372,655	624,032	624,032	624,032	624,032
Funding Sources								
Fund Balance	4000005	0	0		0	0	1,968	1,968
Intra-agency Fund Transfer	4000317	0	0		626,000	626,000	626,000	626,000
Total Funding		0	0		626,000	626,000	627,968	627,968
Excess Appropriation/(Funding)		0	0		(1,968)	(1,968)	(3,936)	(3,936)
Grand Total		0	0		624,032	624,032	624,032	624,032

Analysis of Budget Request

Appropriation: 2UB - Asbestos Control Program

Funding Sources: SAC - Asbestos Control Fund

In accordance with Ark. Code Ann. § 19-43-242, the agency utilizes this appropriation to administer and enforce a program for licensing contractors engaged in the removal of friable asbestos materials from facilities and is funded by special revenue derived from asbestos removal license fees.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $520,013 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Increase of $7,900 in Professional Fees is transferred from appropriation 2TX - Fee Administration for current and anticipated expenses.

- Reallocation of $20,000 in Operating Expenses to Capital Outlay for the contribution of replacing aging inspector vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UB - Asbestos Control Program
Funding Sources: SAC - Asbestos Control Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	126,473	131,572	199,684	199,684	199,684	199,684	199,684
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	47,722	49,262	76,787	76,787	76,787	76,787	76,787
Operating Expenses	5020002	27,037	54,452	54,452	34,452	34,452	34,452	34,452
Conference & Travel Expenses	5050009	0	4,090	4,090	4,090	4,090	4,090	4,090
Professional Fees	5060010	0	27,100	27,100	35,000	35,000	35,000	35,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	150,000	150,000	150,000	150,000	150,000	150,000
Capital Outlay	5120011	0	0	0	20,000	20,000	20,000	20,000
Total		201,232	416,476	512,113	520,013	520,013	520,013	520,013
Funding Sources								
Fund Balance	4000005	1,772,999	1,836,797		1,631,366	1,631,366	1,322,398	1,322,398
Special Revenue	4000030	265,030	234,045		234,045	234,045	234,045	234,045
Shared Services Transfer	4000760	0	(23,000)		(23,000)	(23,000)	(23,000)	(23,000)
Total Funding		2,038,029	2,047,842		1,842,411	1,842,411	1,533,443	1,533,443
Excess Appropriation/(Funding)		(1,836,797)	(1,631,366)		(1,322,398)	(1,322,398)	(1,013,430)	(1,013,430)
Grand Total		201,232	416,476		520,013	520,013	520,013	520,013

Analysis of Budget Request

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog

Funding Sources: TWS - Solid Waste Management and Recycling Fund

The Agency utilizes the Solid Waste Management and Recycling Fund to assist counties, cities, and solid waste authorities in the development of solid waste management plans, programs, and facilities that integrate recycling as a functional part of the solid waste management system.

Funding is derived from landfill disposal fees collected pursuant to Ark. Code Ann. § 8-6-606 and § 8-6-607, United States Government moneys designated to enter the fund, and any moneys received by the state as a gift or donation to the fund. No more than twenty percent (20%) of money received annually into the fund shall be used by the division for: the administration of a solid waste management and recycling program, the administration of a computer and electronic equipment recycling program, and compliance and enforcement activities at landfills and open dumps.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $6,196,947 in FY28 and $6,197,165 in FY29.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of eleven (11) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Increase of $250,000 in Refunds/Reimbursements for solid waste district payments.
  - Of the $250,000 Increase:
    - $138,351 is reallocated from Operating Expenses.
    - $4,118 is reallocated from Conference & Travel Expenses.
    - $35,000 is reallocated from Professional Fees.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog

Funding Sources: TWS - Solid Waste Management and Recycling Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	778,437	896,304	784,662	910,489	910,489	910,639	910,639
#Positions		**13**	**14**	**25**	**14**	**14**	**14**	**14**
Personal Services Matching	5010003	317,194	322,651	295,128	326,080	326,080	326,148	326,148
Operating Expenses	5020002	9,199	33,828	172,179	33,828	33,828	33,828	33,828
Conference & Travel Expenses	5050009	0	11,550	15,668	11,550	11,550	11,550	11,550
Professional Fees	5060010	0	15,000	50,000	15,000	15,000	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	4,458,706	4,650,000	4,650,000	4,900,000	4,900,000	4,900,000	4,900,000
Capital Outlay	5120011	0	70,000	100,000	0	0	0	0
Total		5,563,536	5,999,333	6,067,637	6,196,947	6,196,947	6,197,165	6,197,165
Funding Sources								
Fund Balance	4000005	5,323,861	5,101,955		4,351,085	4,351,085	3,402,601	3,402,601
Inter-agency Fund Transfer	4000316	(450,000)	(450,000)		(450,000)	(450,000)	(450,000)	(450,000)
Other	4000370	5,791,630	5,698,463		5,698,463	5,698,463	5,698,463	5,698,463
Total Funding		10,665,491	10,350,418		9,599,548	9,599,548	8,651,064	8,651,064
Excess Appropriation/(Funding)		(5,101,955)	(4,351,085)		(3,402,601)	(3,402,601)	(2,453,899)	(2,453,899)
Grand Total		5,563,536	5,999,333		6,196,947	6,196,947	6,197,165	6,197,165

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.
Inter-agency Fund Transfer is to Department of Public Safety - Crime Information Center and Department of Agriculture - Arkansas Natural Resources Commission.

Analysis of Budget Request

Appropriation: 2UD - Reg. Substance Storage Tank

Funding Sources: SRS - Regulated Substance Storage Tank Program Fund

This appropriation is utilized to administer and enforce all laws, rules, and regulations relating to an underground storage tank release detection, prevention, and corrective action program, and financial responsibility, including the use of any and all appropriate legal remedies, to recover costs and collect penalties.

Pursuant to Ark. Code Ann. § 8-7-808, this appropriation is funded by special revenue derived from regulated substance storage tank license fees and that portion of annual registration fees, civil penalties under Ark. Code Ann. § 8-7-806, and other costs authorized by law.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $840,798 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of four (4) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Decrease of ($76,764) in Operating Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($2,405) in Conference & Travel Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($42,500) in Professional Fees to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UD - Reg. Substance Storage Tank
Funding Sources: SRS - Regulated Substance Storage Tank Program Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	557,470	484,960	864,655	525,205	525,205	525,205	525,205
#Positions		**12**	**9**	**13**	**9**	**9**	**9**	**9**
Personal Services Matching	5010003	217,739	186,915	334,112	261,129	261,129	261,129	261,129
Operating Expenses	5020002	20,471	44,364	121,128	44,364	44,364	44,364	44,364
Conference & Travel Expenses	5050009	0	2,600	5,005	2,600	2,600	2,600	2,600
Professional Fees	5060010	1,520	7,500	50,000	7,500	7,500	7,500	7,500
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		797,200	726,339	1,374,900	840,798	840,798	840,798	840,798
Funding Sources								
Fund Balance	4000005	458,512	615,650		563,911	563,911	397,713	397,713
Special Revenue	4000030	954,338	748,600		748,600	748,600	748,600	748,600
Shared Services Transfer	4000760	0	(74,000)		(74,000)	(74,000)	(74,000)	(74,000)
Total Funding		1,412,850	1,290,250		1,238,511	1,238,511	1,072,313	1,072,313
Excess Appropriation/(Funding)		(615,650)	(563,911)		(397,713)	(397,713)	(231,515)	(231,515)
Grand Total		797,200	726,339		840,798	840,798	840,798	840,798

Analysis of Budget Request

Appropriation: 2UE - Petroleum Storage Tank Trust

Funding Sources: TPT - Petroleum Storage Tank Trust Fund

The Petroleum Storage Tank Trust Fund was established by Act 173 of 1989, as amended Ark. Code Ann. § 8-7-901. This fund provides a procedure for reimbursement of remediation costs or damages as a result of leaking tanks.

The Agency utilizes this appropriation to pay reimbursements to owner operators for taking corrective action or to pay third parties for compensatory damages caused by accidental releases from qualified storage tanks, and to pay reasonable and necessary costs and expenses of the department for taking corrective action caused by accidental releases from a storage tank of unknown ownership or when corrective action is not taken by the owner or operator in a timely manner.

Funding for the program is derived from an environmental assurance fee which is assessed at a rate not to exceed three-tenths of one cent for each gallon of motor fuel or distillate special fuel purchased or imported into Arkansas, Ark Code Ann. § 8-7-906. The environmental assurance fee is paid by the first distributor or supplier receiving fuel from a terminal in Arkansas, or if the fuel will never be stored in a terminal in this State, then by the distributor or supplier who first imports the fuel into the State by truck.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $22,137,549 in FY28 and $22,137,581 in FY29.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UE - Petroleum Storage Tank Trust
Funding Sources: TPT - Petroleum Storage Tank Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	428,613	454,070	440,556	468,042	468,042	468,054	468,054
#Positions		**7**	**7**	**7**	**7**	**7**	**7**	**7**
Personal Services Matching	5010003	154,996	162,799	159,076	166,546	166,546	166,566	166,566
Operating Expenses	5020002	5,175,053	18,988,124	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800
Conference & Travel Expenses	5050009	0	3,005	3,005	3,005	3,005	3,005	3,005
Professional Fees	5060010	1,352,698	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		7,111,360	22,108,154	22,102,593	22,137,549	22,137,549	22,137,581	22,137,581
Funding Sources								
Fund Balance	4000005	48,948,152	50,846,420		38,114,266	38,114,266	25,352,717	25,352,717
Other	4000370	9,309,628	9,676,000		9,676,000	9,676,000	9,676,000	9,676,000
Shared Services Transfer	4000760	(300,000)	(300,000)		(300,000)	(300,000)	(300,000)	(300,000)
Total Funding		57,957,780	60,222,420		47,490,266	47,490,266	34,728,717	34,728,717
Excess Appropriation/(Funding)		(50,846,420)	(38,114,266)		(25,352,717)	(25,352,717)	(12,591,136)	(12,591,136)
Grand Total		7,111,360	22,108,154		22,137,549	22,137,549	22,137,581	22,137,581

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 2UF - Regulated Storage Tank Program

Funding Sources: FYP - Federal Funds

The Agency utilizes this appropriation to support contractual services for corrective actions regarding the Regulated Storage Tank Program with federal funding derived from the Environmental Protection Agency. The federal funding requires a 90/10 federal/state match ratio.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $1,500,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UF - Regulated Storage Tank Program
Funding Sources: FYP - Federal Funds

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regulated Storage Tank & Contr 5900046	568,404	1,449,164	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total	568,404	1,449,164	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funding Sources							
Federal Revenue 4000020	568,404	1,449,164		1,500,000	1,500,000	1,500,000	1,500,000
Total Funding	568,404	1,449,164		1,500,000	1,500,000	1,500,000	1,500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	568,404	1,449,164		1,500,000	1,500,000	1,500,000	1,500,000

Analysis of Budget Request

Appropriation: 2UG - Landfill Post Closure Program

Funding Sources: TLP - Landfill Post-Closure Trust Fund

As authorized in Ark. Code Ark. § 8-6-1001 et seq., the Landfill Post-Closure Program was created to address corrective actions, which may be necessary to properly clean up a previously closed landfill, so that no harm is caused to the public health or the environment.

Funding is derived from landfill disposal fees and transportation fees, as well as fees imposed on solid waste generated in the State but not disposed of in a solid waste facility within the State. The Agency may utilize these funds for administrative purposes, at a level not exceeding $300,000 annually, with an annual escalator not to exceed three percent (3%).

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $14,449,220 in FY28 and $14,449,394 in FY29.

The Agency request includes the following changes for both years of the biennium:

- Increase of $25,000 in Professional Fees for agency's software application expenses and potential legal fees.
  - Of the $25,000 Increase:
    - $10,244 is reallocated from Operating Expenses.
    - $14,756 is reallocated from Contractual Services line-item.

- Decrease of ($109,373) in Contractual Services to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UG - Landfill Post Closure Program
Funding Sources: TLP - Landfill Post-Closure Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	227,487	217,309	228,880	296,977	296,977	297,070	297,070
#Positions		**3**	**3**	**3**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	78,446	77,644	83,574	100,564	100,564	100,645	100,645
Operating Expenses	5020002	4,112	20,679	30,923	20,679	20,679	20,679	20,679
Conference & Travel Expenses	5050009	395	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees	5060010	0	0	0	25,000	25,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Contractual Services	5900043	419,681	14,109,373	14,109,373	14,000,000	14,000,000	14,000,000	14,000,000
Total		730,121	14,431,005	14,458,750	14,449,220	14,449,220	14,449,394	14,449,394
Funding Sources								
Fund Balance	4000005	23,178,589	26,863,895		16,750,890	16,750,890	6,469,670	6,469,670
Other	4000370	4,415,427	4,318,000		4,318,000	4,318,000	4,318,000	4,318,000
Shared Services Transfer	4000760	0	0		(150,000)	(150,000)	(150,000)	(150,000)
Total Funding		27,594,016	31,181,895		20,918,890	20,918,890	10,637,670	10,637,670
Excess Appropriation/(Funding)		(26,863,895)	(16,750,890)		(6,469,670)	(6,469,670)	3,811,724	3,811,724
Grand Total		730,121	14,431,005		14,449,220	14,449,220	14,449,394	14,449,394

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: 2UJ - Mktg Recyclables Prog of the Compliance Advisory Panel

Funding Sources: SMB - Marketing Recyclables Program Fund

As authorized in Ark. Code Ann. § 8-4-314, the Compliance Advisory Panel includes the development of a program coordinating all existing marketing programs for recyclables; working with new and existing industries to encourage the use of recyclables in the manufacturing processes; maintaining current information on market prices and trend; and the advising and assisting of state and local officials in all areas of recyclables marketing.

This appropriation is funded by special revenue derived from twenty-five (25%) of the disposal fees collected from landfills where a private industry bears the expense of operating and maintaining the landfill solely for the disposal of wastes generated by the industry per Ark. Code Ann. § 8-6-607(b)(2) as amended by Act 697 of 2025. These funds are now deposited into the Division of Environmental Quality Fee Trust Fund.

With the exception of Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to discontinue this appropriation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UJ - Mktg Recyclables Prog of the Compliance Advisory Panel
Funding Sources: SMB - Marketing Recyclables Program Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	0	0	1,500	0	0	0	0
#Positions		**0**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	0	0	115	0	0	0	0
Operating Expenses	5020002	0	0	13,296	0	0	0	0
Conference & Travel Expenses	5050009	0	0	6,415	0	0	0	0
Professional Fees	5060010	0	0	7,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		0	0	28,326	0	0	0	0
Funding Sources								
Fund Balance	4000005	258,511	285,135		0	0	0	0
Special Revenue	4000030	26,624	0		0	0	0	0
Intra-agency Fund Transfer	4000317	0	(285,135)		0	0	0	0
Total Funding		285,135	0		0	0	0	0
Excess Appropriation/(Funding)		(285,135)	0		0	0	0	0
Grand Total		0	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: 2UK - Environmental Education Program

Funding Sources: MEE - Enviromental Education Fund

This appropriation was established to provide environmental education materials and training.

This appropriation is funded by ten percent (10%) of the fees, donations, damages, and any other monies legally designated and/or collected for the Hazardous Substance Remedial Action Trust Fund, not to exceed to $275,000 per fiscal year as authorized in Ark. Code Ann. § 8-7-509(d)(1).

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $173,419 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Increase of $8,864 in Regular Salaries is transferred from appropriation 2TQ – Federal Operations.
- Increase of $20,000 in Extra Help is transferred from appropriation 2TQ – Federal Operations.
- Increase of $4,517 in Personal Service Matching is transferred from appropriation 2TQ – Federal Operations.
- Decrease of ($5,962) in Operating Expenses to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UK - Environmental Education Program
Funding Sources: MEE - Enviromental Education Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	0	0	0	8,864	8,864	8,864	8,864
#Positions		**0**	**0**	**0**	**0**	**0**	**0**	**0**
Extra Help	5010001	0	0	0	20,000	20,000	20,000	20,000
#Extra Help		**0**	**0**	**0**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	0	0	0	4,517	4,517	4,517	4,517
Operating Expenses	5020002	43,404	105,338	111,300	105,338	105,338	105,338	105,338
Conference & Travel Expenses	5050009	0	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	0	26,700	26,700	26,700	26,700	26,700	26,700
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		43,404	140,038	146,000	173,419	173,419	173,419	173,419
Funding Sources								
Fund Balance	4000005	333,528	325,876		235,838	235,838	112,419	112,419
Other	4000370	35,752	50,000		50,000	50,000	50,000	50,000
Total Funding		369,280	375,876		285,838	285,838	162,419	162,419
Excess Appropriation/(Funding)		(325,876)	(235,838)		(112,419)	(112,419)	11,000	11,000
Grand Total		43,404	140,038		173,419	173,419	173,419	173,419

Variance in number of positions in Authorized and Agency Request is due to single salary section in appropriation act.

Analysis of Budget Request

Appropriation: 2UQ - Performance Partnership Syst Exp

Funding Sources: TPP - Performance Partnership Trust Fund

This appropriation was created by Act 1210 of 1999 (Ark. Code Ann. § 19-26-280) to provide for expenses of designing and establishing a management organization, utilizing the principles of the National Environmental Performance Partnership System advocated by the U.S. Environmental Protection Agency which integrates environmental indicators, management information, along with performance-based budgeting and accounting to measure Agency performance. The fund enables the Agency to examine infrastructure, develop integrated approaches to environmental management, and implement a multi-year redesign of the Agency's regulatory databases.

Initial funding was derived from fund transfers beginning in FY2000 in the amount of $500,000 each fiscal year from the Landfill Post Closure Trust Fund. The transfers were authorized for five (5) years, with the cessation of the fund transfers occurring in FY2004. This program will cease when the fund balance is depleted.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $563,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UQ - Performance Partnership Syst Exp
Funding Sources: TPP - Performance Partnership Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Performance Integrated Syst 5900046	0	222,000	563,000	563,000	563,000	563,000	563,000
Total	0	222,000	563,000	563,000	563,000	563,000	563,000
Funding Sources							
Fund Balance 4000005	214,571	223,537		10,537	10,537	0	0
Other 4000370	8,966	9,000		9,000	9,000	9,000	9,000
Total Funding	223,537	232,537		19,537	19,537	9,000	9,000
Excess Appropriation/(Funding)	(223,537)	(10,537)		543,463	543,463	554,000	554,000
Grand Total	0	222,000		563,000	563,000	563,000	563,000

Analysis of Budget Request

Appropriation: 2UR - Environmental Settlement Trust

Funding Sources: TET - Environmental Settlement Trust Fund

The Environmental Settlement Trust Fund, as established in Ark. Code Ann. § 19-26-288, is utilized for expenses authorized through various settlement agreements benefiting the State of Arkansas as administered through the Agency.

The fund consists of income received by the State of Arkansas pursuant to settlement agreements for environmental or natural resource damages and other designated revenue.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $850,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UR - Environmental Settlement Trust
Funding Sources: TET - Environmental Settlement Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Environmental Settlement Trust 5900046	0	850,000	850,000	850,000	850,000	850,000	850,000
Total	0	850,000	850,000	850,000	850,000	850,000	850,000
Funding Sources							
Fund Balance 4000005	217,406	1,205,235		1,105,235	1,105,235	255,235	255,235
Intra-agency Fund Transfer 4000317	(200,000)	0		0	0	0	0
Other 4000370	1,187,829	750,000		0	0	0	0
Total Funding	1,205,235	1,955,235		1,105,235	1,105,235	255,235	255,235
Excess Appropriation/(Funding)	(1,205,235)	(1,105,235)		(255,235)	(255,235)	594,765	594,765
Grand Total	0	850,000		850,000	850,000	850,000	850,000

Analysis of Budget Request

Appropriation: 344 - PCE Comm Admn Hearing Officer

Funding Sources: TPE - Division of Environmental Quality Fee Trust Fund

The Hearing Officer Division was created by Act 921 of 1993 (Ark. Code Ann. § 8-1-203), which authorized the Pollution Control and Ecology Commission to hire a full-time, independent administrative hearing officer for the purposes of adjudicatory review of Agency decisions concerning permit issuance or revocation, and assessment of civil penalties. Act 1077 of 1993 provided appropriations for this Division payable from the Agency's Environmental Quality Fee Trust Fund. The Arkansas Pollution Control and Ecology Commission is given the authority to set standards specifying the maximum amount of concentration and physical, thermal, chemical, biological and radioactive nature of contamination that may be discharged into the water of the state; review petitions and institute rulemaking proceedings or give petitioners a written notice of denial.

This appropriation is funded by fees, rates, tolls, and other charges to support operating costs as noted in Ark. Code Ann. § 19-26-312.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 is Authorized.

The Agency requests appropriation in the amount of $301,312 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Decrease of ($4,350) in Regular Salaries to align appropriation with current and anticipated expenses.
- Decrease of ($36,290) in Operating Expenses to align appropriation with current and anticipated expenses.
- Decrease of ($23,000) in Professional Fees to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 344 - PCE Comm Admn Hearing Officer

Funding Sources: TPE - Division of Environmental Quality Fee Trust Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	194,538	207,849	189,600	203,499	203,499	203,499	203,499
#Positions		**2**	**2**	**2**	**2**	**2**	**2**	**2**
Personal Services Matching	5010003	60,687	62,964	57,958	62,964	62,964	62,964	62,964
Operating Expenses	5020002	5,618	19,527	49,217	12,927	12,927	12,927	12,927
Conference & Travel Expenses	5050009	0	6,922	6,922	6,922	6,922	6,922	6,922
Professional Fees	5060010	174	15,000	38,000	15,000	15,000	15,000	15,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		261,017	312,262	341,697	301,312	301,312	301,312	301,312
Funding Sources								
Fund Balance	4000005	0	32,000		69,738	69,738	73,426	73,426
Other	4000370	293,017	350,000		305,000	305,000	305,000	305,000
Total Funding		293,017	382,000		374,738	374,738	378,426	378,426
Excess Appropriation/(Funding)		(32,000)	(69,738)		(73,426)	(73,426)	(77,114)	(77,114)
Grand Total		261,017	312,262		301,312	301,312	301,312	301,312

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 36A - Fee Administration Non-Haz Clean Up

Funding Sources: TPE - Division of Environmental Quality Fee Trust Fund

This appropriation allows the Agency to clean up non-hazardous sites which pose a threat to the environment of the State of Arkansas.

This appropriation is funded by fees, rates, tolls, and other charges to support operating.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to discontinue this appropriation for the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 36A - Fee Administration Non-Haz Clean Up

Funding Sources: TPE - Division of Environmental Quality Fee Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Contractual Services 5900043	0	0	100,000	0	0	0	0
Total	0	0	100,000	0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Analysis of Budget Request

Appropriation: BC1 - Used Tire Recycling - Cash

Funding Sources: NEQ - Used Tire Reimb and Abatement - Cash In Treasury

This appropriation was established to support the Used Tire Recycling and Abatement program by improving the environmental and public health impacts associated with used tires.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $5,000,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BC1 - Used Tire Recycling - Cash

Funding Sources: NEQ - Used Tire Reimb and Abatement - Cash In Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Used Tire Reimbursement and A	5900046	2,722,060	2,721,991	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total		2,722,060	2,721,991	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funding Sources								
Fund Balance	4000005	402,042	2,708,391		0	0	0	0
Cash Fund	4000045	28,409	13,600		6,500	6,500	6,500	6,500
Gen Rev Allot Reserve	4000262	2,500,000	0		0	0	0	0
Inter-agency Fund Transfer	4000316	2,500,000	0		0	0	0	0
Total Funding		5,430,451	2,721,991		6,500	6,500	6,500	6,500
Excess Appropriation/(Funding)		(2,708,391)	0		4,993,500	4,993,500	4,993,500	4,993,500
Grand Total		2,722,060	2,721,991		5,000,000	5,000,000	5,000,000	5,000,000

FY26 Inter-agency Fund Transfer included $2,500,000 from the Various General Discretionary Majority Vote Set-Aside of the Restricted Reserve Fund, Act 1017 of 2025, Section 3 (4)(A).

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: F72 - Water Performance Bond Fund

Funding Sources: TWB - Water Performance Bond Fund

The fund shall be used by the Agency to ensure adequate operation, maintenance, and completed closure of a nonmunicipal domestic sewage treatment works if the Director of the Division of Environmental Quality determines that an owner or operator has not adequately operated, maintained, or completed closure of the nonmunicipal domestic sewage treatment works.

The Agency may use these funds to hire a third-party contractor to: (1) take remedial action, including without limitation corrective action, the closure of a nonmunicipal domestic sewage treatment works, and any other action the Director of the Division of Environmental Quality determines to be necessary; or (2) maintain and operate a nonmunicipal domestic sewage treatment works.

This appropriation is funded by all forfeitures collected under Ark. Code Ann. § 8-4-201 et seq., grants made by a person or the federal government, gifts, and donations.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $500,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F72 - Water Performance Bond Fund
Funding Sources: TWB - Water Performance Bond Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Nonmunicipal Domestic Sewage 5900043	0	303,300	500,000	500,000	500,000	500,000	500,000
Total	0	303,300	500,000	500,000	500,000	500,000	500,000
Funding Sources							
Fund Balance 4000005	289,498	296,412		12	12	0	0
Other 4000370	6,914	6,900		6,900	6,900	6,900	6,900
Total Funding	296,412	303,312		6,912	6,912	6,900	6,900
Excess Appropriation/(Funding)	(296,412)	(12)		493,088	493,088	493,100	493,100
Grand Total	0	303,300		500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: M98 - Nonmunicipal Domestic Sewage Treatment

Funding Sources: TDS - Nonmunicipal Domestic Sewage Treatment Works Trust Fund

This fund was established as a trust fund for environmental liabilities and shall be used by the Division of Environmental Quality to ensure adequate operation, maintenance, and completed closure of a nonmunicipal domestic sewage treatment works if the Director of the Division of Environmental Quality determines that an owner or operator has not adequately operated, maintained, or completed closure of the nonmunicipal domestic sewage treatment works.

This appropriation is funded by fees in accordance with Ark Code Ann. § 8-4-203.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $255,000 for both years of the biennium.

The Agency request includes the following change in both years of the biennium:

- Increase of $200,000 in Nonmunicipal Domestic Sewage Treatment for administrative expenses and bond refunds.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: M98 - Nonmunicipal Domestic Sewage Treatment

Funding Sources: TDS - Nonmunicipal Domestic Sewage Treatment Works Trust Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Nonmunicipal Domestic Sewage 5900046	5,534	55,000	55,000	255,000	255,000	255,000	255,000
Total	5,534	55,000	55,000	255,000	255,000	255,000	255,000
Funding Sources							
Fund Balance 4000005	1,488,363	1,815,317		1,998,317	1,998,317	1,981,317	1,981,317
Other 4000370	332,488	238,000		238,000	238,000	238,000	238,000
Total Funding	1,820,851	2,053,317		2,236,317	2,236,317	2,219,317	2,219,317
Excess Appropriation/(Funding)	(1,815,317)	(1,998,317)		(1,981,317)	(1,981,317)	(1,964,317)	(1,964,317)
Grand Total	5,534	55,000		255,000	255,000	255,000	255,000

Analysis of Budget Request

Appropriation: V37 - Used Tire Recycling Program

Funding Sources: TUT - Used Tire Recycling Fund

This appropriation was established in 2018 to reimburse used tire programs for recycling and disposal cost, incentivize recycling of used tires collected, provide accountability for disbursement of money, and improve sustainability of used tire programs.

To be eligible for reimbursements under this subchapter, a used tire program shall: be included in the solid waste management system under Ark. Code Ann § 8-9-101 et seq. for each regional solid waste management district that the used tire program serves; have a used tire management plan and be included in each regional solid waste management district's recycling program under Ark. Code Ann. § 8-9-203 that the used tire program serves.

At least ninety percent (90%) of the moneys available in the Used Tire Recycling Fund each fiscal year shall be used by the Division of Environmental Quality to provide reimbursements to used tire programs, to administer the Used Tire Recycling and Accountability Program, and to perform other duties under the Used Tire Recycling and Accountability Act.

This appropriation is funded in accordance with Ark. Code Ann. § 8-9-401 et seq.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $10,788,000 for both years of the biennium.

The Agency request includes the following change for both years of the biennium:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Increase of $66,399 in Used Tire Recycling and Accountability Program Expenses to ensure sufficient appropriation for program needs.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V37 - Used Tire Recycling Program
Funding Sources: TUT - Used Tire Recycling Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Used Tire Recycling and Accoun 5900046	6,782,786	8,836,484	10,788,000	10,788,000	10,788,000	10,788,000	10,788,000
Total	6,782,786	8,836,484	10,788,000	10,788,000	10,788,000	10,788,000	10,788,000
Funding Sources							
Fund Balance 4000005	2,487,243	1,357,391		521,907	521,907	0	0
Other 4000370	5,652,934	8,001,000		8,001,000	8,001,000	8,001,000	8,001,000
Total Funding	8,140,177	9,358,391		8,522,907	8,522,907	8,001,000	8,001,000
Excess Appropriation/(Funding)	(1,357,391)	(521,907)		2,265,093	2,265,093	2,787,000	2,787,000
Grand Total	6,782,786	8,836,484		10,788,000	10,788,000	10,788,000	10,788,000

Analysis of Budget Request

Appropriation: V89 - Energy Performance Contracts

Funding Sources: NEQ - Cash In Treasury

The Guaranteed Energy Cost Saving program allows state agencies to pursue guaranteed cost savings via energy performance contracts.

This appropriation was funded by a one-time transfer from the Arkansas Economic Development Commission in FY2018.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting to continue appropriation in the amount of $325,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V89 - Energy Performance Contracts
Funding Sources: NEQ - Cash In Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	0	25,000	25,000	25,000	25,000	25,000	25,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	300,000	300,000	300,000	300,000	300,000	300,000
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		0	325,000	325,000	325,000	325,000	325,000	325,000
Funding Sources								
Fund Balance	4000005	656,646	679,264		373,264	373,264	67,264	67,264
Cash Fund	4000045	22,618	19,000		19,000	19,000	19,000	19,000
Total Funding		679,264	698,264		392,264	392,264	86,264	86,264
Excess Appropriation/(Funding)		(679,264)	(373,264)		(67,264)	(67,264)	238,736	238,736
Grand Total		0	325,000		325,000	325,000	325,000	325,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: V91 - State Energy Plan - Federal

Funding Sources: FYP - State Energy Plan-Federal

The State Energy Plan appropriation is funded by federal revenue received from the U.S. Department of Energy and is directed at projects that address the State's needs in energy conservation. This appropriation is also used to expend indirect cost obligations for federal programs pertaining to the Energy Office.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 is Authorized.

The Agency requests appropriation in the amount of $1,697,456 in FY28 and $1,697,826 in FY29.

The Agency request includes the following changes for both years of the biennium:

- Decrease of ($3,887) in Conference & Travel Expenses to align appropriation with current and anticipated expenses.

- Decrease of ($68,085) in Professional Fees to align appropriation with current and anticipated expenses.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V91 - State Energy Plan - Federal
Funding Sources: FYP - State Energy Plan-Federal

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	190,569	592,229	226,898	592,229	592,229	592,529	592,529
#Positions		**3**	**9**	**9**	**9**	**9**	**9**	**9**
Personal Services Matching	5010003	74,823	202,101	83,115	202,101	202,101	202,171	202,171
Operating Expenses	5020002	67,447	118,273	118,273	118,273	118,273	118,273	118,273
Conference & Travel Expenses	5050009	2,385	32,901	36,788	32,901	32,901	32,901	32,901
Professional Fees	5060010	0	200,000	268,085	200,000	200,000	200,000	200,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	551,952	551,952	551,952	551,952	551,952	551,952	551,952
Capital Outlay	5120011	0	0	0	0	0	0	0
Total		887,176	1,697,456	1,285,111	1,697,456	1,697,456	1,697,826	1,697,826
Funding Sources								
Fund Balance	4000005	509,605	627,172		179,716	179,716	282,260	282,260
Federal Revenue	4000020	1,055,883	1,400,000		1,950,000	1,950,000	1,950,000	1,950,000
Intra-agency Fund Transfer	4000317	(51,140)	(150,000)		(150,000)	(150,000)	(150,000)	(150,000)
Total Funding		1,514,348	1,877,172		1,979,716	1,979,716	2,082,260	2,082,260
Excess Appropriation/(Funding)		(627,172)	(179,716)		(282,260)	(282,260)	(384,434)	(384,434)
Grand Total		887,176	1,697,456		1,697,456	1,697,456	1,697,826	1,697,826

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: V92 - Federal Operations

Funding Sources: FYP - Federal Operations-Energy Office

This appropriation consists of two (2) federal funding sources received to support grant programs for low-income Arkansas residents to improve the energy efficiency of their homes. The Weatherization Assistance Program (WAP) is funded by the United States Department of Energy. The Low-Income Home Energy Assistance Program (LIHEAP) is funded by the United States Department of Health and Human Services.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 is Authorized.

The Agency requests appropriation in the amount of $43,486,054 in FY28 and $43,486,301 in FY 29.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of three (3) position and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.

- Establishment of $3,000,000 in Weatherization Program-DOE line item for the purchase of weatherization equipment and program needs.
    - Of the $3,000,000 Increase:
        - $15,158 is reallocated from Operating Expenses.
        - $2,000 is reallocated from Conference & Travel Expenses.
        - $1,593,942 is reallocated from the Weatherization Assistance Program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: V92 - Federal Operations
Funding Sources: FYP - Federal Operations-Energy Office

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	384,973	958,565	629,544	957,873	957,873	958,073	958,073
#Positions		**8**	**15**	**18**	**15**	**15**	**15**	**15**
Extra Help	5010001	0	0	0	0	0	0	0
#Extra Help		**0**	**3**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	163,549	341,173	244,666	345,654	345,654	345,701	345,701
Operating Expenses	5020002	56,135	55,476	67,880	52,722	52,722	52,722	52,722
Conference & Travel Expenses	5050009	14,588	16,750	16,750	14,750	14,750	14,750	14,750
Professional Fees	5060010	8,000	13,500	13,500	13,500	13,500	13,500	13,500
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	30,425,443	33,108,910	33,108,910	33,108,910	33,108,910	33,108,910	33,108,910
Capital Outlay	5120011	0	0	0	0	0	0	0
Weatherization Program - DOE	5900043	0	0	0	3,000,000	3,000,000	3,000,000	3,000,000
Data Processing Services	5900044	0	25,046	25,046	25,046	25,046	25,046	25,046
Weatherization Assistance Progr	5900046	6,700,986	7,561,541	7,561,541	5,967,599	5,967,599	5,967,599	5,967,599
Total		37,753,674	42,080,961	41,667,837	43,486,054	43,486,054	43,486,301	43,486,301
Funding Sources								
Fund Balance	4000005	1,063,255	534,220		3,603,259	3,603,259	6,067,205	6,067,205
Federal Revenue	4000020	37,237,385	45,500,000		46,300,000	46,300,000	46,300,000	46,300,000
Intra-agency Fund Transfer	4000317	(12,746)	(350,000)		(350,000)	(350,000)	(350,000)	(350,000)
Total Funding		38,287,894	45,684,220		49,553,259	49,553,259	52,017,205	52,017,205
Excess Appropriation/(Funding)		(534,220)	(3,603,259)		(6,067,205)	(6,067,205)	(8,530,904)	(8,530,904)
Grand Total		37,753,674	42,080,961		43,486,054	43,486,054	43,486,301	43,486,301

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Appropriation Summary

Appropriation: 2US - Computer/Electronic Recycling
Funding Sources: MER - Computer and Electronic Recycling Fund

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Computer and Electronic Recycli 5900046	94,932	0	0	0	0	0	0
Total	94,932	0	0	0	0	0	0
Funding Sources							
Other 4000370	94,932	0		0	0	0	0
Total Funding	94,932	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	94,932	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Appropriation Summary

Appropriation: AU9 - IIJA LIHEAP ADEQ
Funding Sources: FII - LIHEAP ADEQ

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	689,926	0	0	0	0	0	0
Total	689,926	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	689,926	0		0	0	0	0
Total Funding	689,926	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	689,926	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: AX9 - IIJA Weatherization Asst. Prog.
Funding Sources: FII - Weatherization Asst. Prog.

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Extra Help	5010001	23,343	0	0	0	0	0	0
#Extra Help		**1**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	1,850	0	0	0	0	0	0
Operating Expenses	5020002	114,411	0	0	0	0	0	0
Conference & Travel Expenses	5050009	13,345	0	0	0	0	0	0
Grants and Aid	5100004	2,861,535	0	0	0	0	0	0
Capital Outlay	5120011	15,533	0	0	0	0	0	0
Total		3,030,017	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	3,030,017	0		0	0	0	0
Total Funding		3,030,017	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		3,030,017	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BB7 - IIJA-Surface Mining Reclamation & Enforcement

Funding Sources: FII - Surface Mining Reclamation & Enforcement

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Personal Services Matching	5010003	1,650	0	0	0	0	0	0
Professional Fees	5060010	59,259	0	0	0	0	0	0
Total		60,909	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	60,909	0		0	0	0	0
Total Funding		60,909	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		60,909	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BB8 - IIJA AR Water Quality Mgmt Planning

Funding Sources: FII - AR Water Quality Mgmt Planning

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	151,850	0	0	0	0	0	0
Capital Outlay	5120011	15,272	0	0	0	0	0	0
Total		167,122	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	167,122	0		0	0	0	0
Total Funding		167,122	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		167,122	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BI7 - IIJA - DOE Safety Energy Program (SEP)

Funding Sources: FII - DOE Safety Energy Program (SEP)

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	281,922	0	0	0	0	0	0
#Positions		**4**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	121,124	0	0	0	0	0	0
Operating Expenses	5020002	58,425	0	0	0	0	0	0
Miscellaneous CI 46	5900046	8,702	0	0	0	0	0	0
Total		470,173	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	470,173	0		0	0	0	0
Total Funding		470,173	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		470,173	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BY6 - IIJA CERCLA Sec 128 (a) Brownfield
Funding Sources: FII - CERCLA Sec 128 (a) Brownfield

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	35,176	0	0	0	0	0	0
#Positions		**2**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	16,998	0	0	0	0	0	0
Operating Expenses	5020002	151	0	0	0	0	0	0
Professional Fees	5060010	181,747	0	0	0	0	0	0
Miscellaneous CI 46	5900046	274,906	0	0	0	0	0	0
Total		508,978	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	508,978	0		0	0	0	0
Total Funding		508,978	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		508,978	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BY7 - IIJA-Solid Waste Infra. for Recycling
Funding Sources: FII - IIJA - Solid Waste Infra. for Recycling

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	129,327	0	0	0	0	0	0
#Positions		**2**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	42,729	0	0	0	0	0	0
Operating Expenses	5020002	30,150	0	0	0	0	0	0
Conference & Travel Expenses	5050009	3,579	0	0	0	0	0	0
Total		205,785	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	205,785	0		0	0	0	0
Total Funding		205,785	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		205,785	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CC5 - AR Bipartisan Infrast. Law Program BIL

Funding Sources: FII - AR Bipartisan Infrast. Law Program BIL

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Conference & Travel Expenses 5050009	201	0	0	0	0	0	0
Miscellaneous CI 46 5900046	205,411	0	0	0	0	0	0
Total	205,612	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	205,612	0		0	0	0	0
Total Funding	205,612	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	205,612	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CD8 - IIJA-Energy Efficiency Conserv Blk Grant
Funding Sources: FII - IIJA - Energy Efficiency Conserv Blk Grant

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Grants and Aid 5100004	60,500	0	0	0	0	0	0
Total	60,500	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	60,500	0		0	0	0	0
Total Funding	60,500	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	60,500	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CG4 - IIJA Brownfield CWAG
Funding Sources: FII - IIJA Brownfield CWAG

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Professional Fees	5060010	321,936	0	0	0	0	0	0
Total		321,936	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	321,936	0		0	0	0	0
Total Funding		321,936	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		321,936	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

DEPARTMENT OF ENERGY & ENVIRONMENT - LIQUEFIED PETROLEUM GAS BOARD

Employment Summary

	Male	Female	Total	%
White Employees	4	1	5	83 %
Black Employees	0	1	1	17 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	17 %
Total Employees			6	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
NA	NA	N	N	0	NA	0	0.00

Analysis of Budget Request

Appropriation: 050 - Liquefied Petroleum Gas Board-Operations

Funding Sources: SIL - Liquefied Petroleum Gas Fund

The Liquefied Petroleum Gas Board was created to protect the interests and welfare of the general public by providing enforcement of safety requirements contained in the laws and codes that regulate the manufacture, sale, installation, and use of containers and equipment in the storage, transportation, dispensing, and utilization of liquefied petroleum gases.

The Liquefied Petroleum Gas Board is funded by special revenues derived from inspection, permit, and license fees as are enumerated in Ark. Code Ann. § 19-42-201 (32).

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency is requesting appropriation in the amount of $769,161 in FY28 and $770,390 in FY29.

The Agency Request includes the following changes for each year of the biennium:

- Increase of $700 in Regular Salaries to align with stipend expenses.
- Increase of $55,000 in Capital Outlay for the replacement of an inspector vehicle.
- Establishment of a Licensing and Improvement Expenses line-item appropriation of $50,000 for the Board's statewide training and anticipated maintenance expenses.
    - Of the $50,000 increase - $30,000 is reallocated from Grants & Aid, which is requested for discontinuation.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 050 - Liquefied Petroleum Gas Board-Operations

Funding Sources: SIL - Liquefied Petroleum Gas Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	344,311	358,623	341,608	360,123	360,123	361,123	361,123
#Positions		**6**	**6**	**6**	**6**	**6**	**6**	**6**
Extra Help	5010001	7,860	8,300	8,300	8,300	8,300	8,300	8,300
#Extra Help		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Personal Services Matching	5010003	127,131	130,454	126,546	130,638	130,638	130,867	130,867
Operating Expenses	5020002	104,246	153,300	153,300	153,300	153,300	153,300	153,300
Conference & Travel Expenses	5050009	1,295	4,000	4,000	4,000	4,000	4,000	4,000
Professional Fees	5060010	7,000	7,800	7,800	7,800	7,800	7,800	7,800
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	30,000	30,000	30,000	0	0	0	0
Capital Outlay	5120011	0	50,000	50,000	55,000	55,000	55,000	55,000
Licensing and Improvement Exp	5900046	0	0	0	50,000	50,000	50,000	50,000
Total		621,843	742,477	721,554	769,161	769,161	770,390	770,390
Funding Sources								
Fund Balance	4000005	1,583,812	1,292,935		844,458	844,458	430,297	430,297
Special Revenue	4000030	380,966	349,000		420,000	420,000	500,000	500,000
Shared Services Transfer	4000760	(50,000)	(55,000)		(65,000)	(65,000)	(65,000)	(65,000)
Total Funding		1,914,778	1,586,935		1,199,458	1,199,458	865,297	865,297
Excess Appropriation/(Funding)		(1,292,935)	(844,458)		(430,297)	(430,297)	(94,907)	(94,907)
Grand Total		621,843	742,477		769,161	769,161	770,390	770,390

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

DEPARTMENT OF ENERGY & ENVIRONMENT - OIL AND GAS COMMISSION

Employment Summary

	Male	Female	Total	%
White Employees	25	20	45	96 %
Black Employees	1	0	1	2 %
Other Racial Minorities	1	0	1	2 %
Total Minorities			2	4 %
Total Employees			47	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
NA	NA	N	N	0	NA	0	0.00

Department Appropriation Summary

Appropriation		Historical Data FY26 Actual Expenditures	Pos	FY27 Budgeted Expenditures	Pos	FY27 Authorized Appropriation	Pos	Agency Request and Executive Recommendation FY28 Agency	Pos	FY28 Executive	Pos	FY29 Agency	Pos	FY29 Executive	Pos
204	Oil & Gas Commission-Operations	4,111,218	31	4,823,948	32	4,730,251	33	4,790,440	32	4,790,440	32	4,791,178	32	4,791,178	32
2XV	Well Plugging Program	85,523	0	12,500,000	0	12,500,000	0	10,200,000	0	10,200,000	0	10,200,000	0	10,200,000	0
A20	Refunds/Reimbursements	50,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0	200,000	0
BV1	Office of State Geologist-St Operations	1,866,898	17	2,022,114	18	1,979,876	20	2,075,733	18	2,075,733	18	2,075,733	18	2,075,733	18
BV2	Map Resale Program	941	0	49,000	0	49,000	0	49,000	0	49,000	0	49,000	0	49,000	0
BV3	OSG-State Geologic Mapping Prog-Federal	91,564	1	196,482	1	191,862	2	284,521	1	284,521	1	284,521	1	284,521	1
BV5	Geology Museum - Cash	0	0	1,125	0	1,125	0	1,125	0	1,125	0	1,125	0	1,125	0
BV6	OSG-Geological Resrch-Landslide/Sinkhole	46,436	0	197,382	1	241,369	1	241,369	1	241,369	1	241,369	1	241,369	1
NOT REQUESTED FOR THE BIENNIUM															
AZ8	OGC - Well Plugging - IIJA	2,639,447	0	0	0	0	0	0	0	0	0	0	0	0	0
BV7	OSG-Cash Operations	190,900	0	0	0	0	0	0	0	0	0	0	0	0	0
BY4	IIJA-Earth Mapping Resources Initiative	171,192	1	0	0	0	0	0	0	0	0	0	0	0	0
CE7	OSG-IIJA Data Preser	279,021	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		9,533,140	50	19,990,051	51	19,893,483	55	17,842,188	51	17,842,188	51	17,842,926	51	17,842,926	51
Funding Sources			%		%				%		%		%		%
Fund Balance	4000005	35,155,119	83.5	32,550,280	90.9			15,819,119	82.9	15,819,119	82.9	9,553,719	74.6	9,553,719	74.6
Federal Revenue	4000020	3,193,136	7.6	198,000	0.6			198,000	1.0	198,000	1.0	198,000	1.5	198,000	1.5
Special Revenue	4000030	4,728,219	11.2	4,472,750	12.5			4,472,750	23.4	4,472,750	23.4	4,472,750	34.9	4,472,750	34.9
Cash Fund	4000045	301,380	0.7	88,140	0.2			88,140	0.5	88,140	0.5	88,140	0.7	88,140	0.7
Intra-agency Fund Transfer	4000317	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Other	4000370	7,410	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0
Shared Services Transfer	4000760	(1,301,844)	(3.1)	(1,500,000)	(4.2)			(1,500,000)	(7.9)	(1,500,000)	(7.9)	(1,500,000)	(11.7)	(1,500,000)	(11.7)
Total Funds		42,083,420	100.0	35,809,170	100.0			19,078,009	100.0	19,078,009	100.0	12,812,609	100.0	12,812,609	100.0
Excess Appropriation/(Funding)		(32,550,280)		(15,819,119)				(1,235,821)		(1,235,821)		5,030,317		5,030,317	
Grand Total		9,533,140		19,990,051				17,842,188		17,842,188		17,842,926		17,842,926	

FY27 Budget amounts in appropriations 204 - Oil & Gas Commission - Operations, BV1 - Office of State Geologist - St Operations, and BV3 - OSG - State Geologic Mapping Prog - Federal exceed the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.
Variance in Fund Balance is due to unfunded appropriation.

Analysis of Budget Request

Appropriation: 204 - Oil & Gas Commission-Operations

Funding Sources: SDO - Oil and Gas Commission Fund

The Oil and Gas Commission was created to administer and enforce state and federal laws dealing with the regulatory oversight of the oil, natural gas, and brine production industries in Arkansas. These laws are designed to protect the correlative rights of mineral owners, protect the oil, natural gas, and brine resources of the state, and to protect the environment and waters of the state during the production of these resources. This appropriation is used for the maintenance, operations, and improvement required by the Oil and Gas Commission in carrying out the functions, powers, and duties as authorized in Ark. Code Ann. § 15-72-101 et seq., or other duties imposed by law upon the commission.

This appropriation is funded by special revenue derived from oil assessments, gas assessments in excess of four and one-half (4.5) mills, drilling permits, permits for plugging wells and permits for each salt water well, and the portion of taxes levied on salt water used in bromine production.

With the exception of Regular Salaries, Personal Service Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $4,790,440 in FY28 and $4,791,178 in FY29.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.
- A Net Increase of $130,632 across the following appropriations to align appropriations with current and anticipated expenses:
    - Increase of $43,132 to Operating Expenses.
    - Increase of $265,000 in Capital Outlay for purchase of inspector vehicles.
    - Discontinuation of ($35,000) in Interstate Oil Compact line item.
    - Discontinuation of ($100,000) is reallocated from Underground Injection Control line item.
    - Discontinuation of ($12,500) in Groundwater Protection line item.

- Discontinuation of ($30,000) in Energy Education line item.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 204 - Oil & Gas Commission-Operations

Funding Sources: SDO - Oil and Gas Commission Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,706,501	2,024,807	1,912,320	2,025,207	2,025,207	2,025,807	2,025,807
#Positions		**31**	**32**	**33**	**32**	**32**	**32**	**32**
Extra Help	5010001	20,188	60,000	60,000	60,000	60,000	60,000	60,000
#Extra Help		**2**	**6**	**6**	**6**	**6**	**6**	**6**
Personal Services Matching	5010003	653,854	721,595	705,017	721,687	721,687	721,825	721,825
Operating Expenses	5020002	1,404,385	851,829	887,197	930,329	930,329	930,329	930,329
Conference & Travel Expenses	5050009	33,051	40,000	40,000	40,000	40,000	40,000	40,000
Professional Fees	5060010	809	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing	5090012	0	0	0	0	0	0	0
Grants and Aid	5100004	0	275,000	275,000	275,000	275,000	275,000	275,000
Refunds/Reimbursements	5110014	0	100,000	100,000	100,000	100,000	100,000	100,000
Capital Outlay	5120011	2,563	200,000	200,000	265,000	265,000	265,000	265,000
Data Processing Services	5900044	216,367	348,217	348,217	348,217	348,217	348,217	348,217
Interstate Oil Compact	5900046	35,000	35,000	35,000	0	0	0	0
Underground Injection Control	5900048	0	100,000	100,000	0	0	0	0
Groundwater Protection	5900049	8,500	12,500	12,500	0	0	0	0
Energy Education	5900050	30,000	30,000	30,000	0	0	0	0
Total		4,111,218	4,823,948	4,730,251	4,790,440	4,790,440	4,791,178	4,791,178
Funding Sources								
Fund Balance	4000005	21,765,557	18,433,813		13,855,604	13,855,604	9,310,903	9,310,903
Special Revenue	4000030	4,025,922	3,725,000		3,725,000	3,725,000	3,725,000	3,725,000
Intra-agency Fund Transfer	4000317	(1,944,604)	(1,979,261)		(1,979,261)	(1,979,261)	(1,979,261)	(1,979,261)
Shared Services Transfer	4000760	(1,301,844)	(1,500,000)		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Total Funding		22,545,031	18,679,552		14,101,343	14,101,343	9,556,642	9,556,642
Excess Appropriation/(Funding)		(18,433,813)	(13,855,604)		(9,310,903)	(9,310,903)	(4,765,464)	(4,765,464)
Grand Total		4,111,218	4,823,948		4,790,440	4,790,440	4,791,178	4,791,178

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: 2XV - Well Plugging Program

Funding Sources: SAW - Abandoned and Orphan Well Plugging Fund

The Oil and Gas Commission's Abandoned and Orphan Well Plugging Fund, as authorized in (Ark. Code Ann. § 15-71-115), is utilized for well plugging program expenses. The Commission specifically utilizes the funds to plug abandoned and orphaned wells by means of contracts, grants to landowners, or for the payment of other plugging costs or corrective work.

This appropriation is funded by special revenue derived from forfeited bonds; fee assessments; reimbursements for well-site plugging, repair, and restoration costs from well operators; proceeds from the sale of hydrocarbons and production equipment located at the site of abandoned and orphaned wells, according to Ark. Code Ann. § 15-71-110(e) and § 15-71-116; grants, gifts, and any other revenues as may be authorized by law.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $10,200,000 for both years of the biennium.

The Agency request includes the following change for both years of the biennium:

- Decrease of ($2,300,000) in Well Plugging Expenses to align appropriation with available funds.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2XV - Well Plugging Program

Funding Sources: SAW - Abandoned and Orphan Well Plugging Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Well Plugging Expenses	5900046	85,523	12,500,000	12,500,000	10,200,000	10,200,000	10,200,000	10,200,000
Total		85,523	12,500,000	12,500,000	10,200,000	10,200,000	10,200,000	10,200,000
Funding Sources								
Fund Balance	4000005	12,456,164	13,070,937		1,317,937	1,317,937	0	0
Special Revenue	4000030	700,296	747,000		747,000	747,000	747,000	747,000
Total Funding		13,156,460	13,817,937		2,064,937	2,064,937	747,000	747,000
Excess Appropriation/(Funding)		(13,070,937)	(1,317,937)		8,135,063	8,135,063	9,453,000	9,453,000
Grand Total		85,523	12,500,000		10,200,000	10,200,000	10,200,000	10,200,000

Analysis of Budget Request

Appropriation: A20 - Refunds/Reimbursements

Funding Sources: 301 - Oil and Gas Commission Cash in Bank

The Oil and Gas Commission cash fund is used to hold bonds posted by companies engaged in seismographic exploration in the State. This account allows the bonds to be refunded to those companies that have completed their projects in the state.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $200,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: A20 - Refunds/Reimbursements

Funding Sources: 301 - Oil and Gas Commission Cash in Bank

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Refunds/Reimbursements	5110014	50,000	200,000	200,000	200,000	200,000	200,000	200,000
Total		50,000	200,000	200,000	200,000	200,000	200,000	200,000
Funding Sources								
Fund Balance	4000005	288,000	338,000		218,000	218,000	98,000	98,000
Cash Fund	4000045	100,000	80,000		80,000	80,000	80,000	80,000
Total Funding		388,000	418,000		298,000	298,000	178,000	178,000
Excess Appropriation/(Funding)		(338,000)	(218,000)		(98,000)	(98,000)	22,000	22,000
Grand Total		50,000	200,000		200,000	200,000	200,000	200,000

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: BV1 - Office of State Geologist-St Operations

Funding Sources: SDO - Oil and Gas Commission Fund

Act 697 of 2023 abolished the Arkansas Geological Survey and transferred the authority and duties to the Office of the State Geologist. In this program, data is accumulated, analyzed, and disseminated to provide knowledge of the geology and hydrogeology of the State to stimulate orderly development and encourage effective management and utilization of the State's minerals, fossil fuels, and water resources in an environmentally responsible manner.

The Office of the State Geologist Operations appropriation is funded entirely by special revenue derived from oil assessments, gas assessments in excess of four and one-half (4.5) mills, drilling permits, permits for plugging wells, permits for each salt water well, and the portion of taxes levied on salt water used in bromine production.

With the exception of Regular Salaries, Personal Services Matching, and Capital Outlay, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $2,075,733 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of two (2) positions and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.
- Increase of $4,000 in Conference & Travel Expenses to match federal funds for trainings and conferences that were approved in federal grant awards.
- Increase of $64,000 in Capital Outlay for the purchase of large plotters and inspector vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BV1 - Office of State Geologist-St Operations

Funding Sources: SDO - Oil and Gas Commission Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	1,199,117	1,262,413	1,200,371	1,265,213	1,265,213	1,265,213	1,265,213
#Positions		**17**	**18**	**20**	**18**	**18**	**18**	**18**
Extra Help	5010001	5,712	24,400	45,000	45,000	45,000	45,000	45,000
#Extra Help		**0**	**7**	**8**	**8**	**8**	**8**	**8**
Personal Services Matching	5010003	414,973	430,254	429,458	432,473	432,473	432,473	432,473
Operating Expenses	5020002	201,461	257,047	257,047	257,047	257,047	257,047	257,047
Conference & Travel Expenses	5050009	5,635	8,000	8,000	12,000	12,000	12,000	12,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	40,000	40,000	40,000	64,000	64,000	64,000	64,000
Total		1,866,898	2,022,114	1,979,876	2,075,733	2,075,733	2,075,733	2,075,733
Funding Sources								
Fund Balance	4000005	199,025	284,141		241,288	241,288	144,816	144,816
Intra-agency Fund Transfer	4000317	1,944,604	1,979,261		1,979,261	1,979,261	1,979,261	1,979,261
Other	4000370	7,410	0		0	0	0	0
Total Funding		2,151,039	2,263,402		2,220,549	2,220,549	2,124,077	2,124,077
Excess Appropriation/(Funding)		(284,141)	(241,288)		(144,816)	(144,816)	(48,344)	(48,344)
Grand Total		1,866,898	2,022,114		2,075,733	2,075,733	2,075,733	2,075,733

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: BV2 - Map Resale Program

Funding Sources: MWA - Geology Map Resale Revolving Fund

The Office of the State Geologist utilizes this appropriation to operate a Map Resale Program.

Funding for the Office of the State Geologist Map Resale appropriation, as authorized in Ark. Code Ann. § 19-27-249, consists of moneys received from the resale of publication of maps by the agency.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $49,000 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BV2 - Map Resale Program

Funding Sources: MWA - Geology Map Resale Revolving Fund

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Resale Revolving Fund	5900046	941	49,000	49,000	49,000	49,000	49,000	49,000
Total		941	49,000	49,000	49,000	49,000	49,000	49,000
Funding Sources								
Fund Balance	4000005	62,926	63,986		15,736	15,736	0	0
Special Revenue	4000030	2,001	750		750	750	750	750
Total Funding		64,927	64,736		16,486	16,486	750	750
Excess Appropriation/(Funding)		(63,986)	(15,736)		32,514	32,514	48,250	48,250
Grand Total		941	49,000		49,000	49,000	49,000	49,000

Analysis of Budget Request

Appropriation: BV3 - OSG-State Geologic Mapping Prog-Federal

Funding Sources: FAL - State Geologic Mapping Program

The Office of the State Geologist (OSG) utilizes this appropriation to support the federal portion of the National Coal Resources Data System (NCRDS) project to collect, interpret, correlate, and encode point-source coal and other energy-related stratigraphic data. This appropriation also supports the State Geologic Mapping Program, which coordinates the collection of data and the formulation of maps displaying the location and quantity of minerals in specific areas of the State. Federal funding is received from the US Department of Energy and the US Department of the Interior.

This appropriation is funded by federal revenues.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2027 Authorized.

The Agency requests appropriation in the amount of $284,521 for both years of the biennium.

The Agency request includes the following changes for both years of the biennium:

- Discontinuation of one (1) position and associated Regular Salaries and Personal Services Matching through the elimination of vacant, unbudgeted positions process.
- Increase of $12,000 in Conference & Travel Expenses to match federal funds for training and conferences that were approved in federal grant awards.
- Establishment of Federal Programs line-item appropriation for $60,000 to support the program priorities.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BV3 - OSG-State Geologic Mapping Prog-Federal

Funding Sources: FAL - State Geologic Mapping Program

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	58,403	60,461	43,660	60,461	60,461	60,461	60,461
#Positions		**1**	**1**	**2**	**1**	**1**	**1**	**1**
Extra Help	5010001	1,173	33,879	48,779	48,779	48,779	48,779	48,779
#Extra Help		**0**	**4**	**4**	**4**	**4**	**4**	**4**
Personal Services Matching	5010003	17,465	24,400	21,681	25,539	25,539	25,539	25,539
Operating Expenses	5020002	14,523	77,742	77,742	77,742	77,742	77,742	77,742
Conference & Travel Expenses	5050009	0	0	0	12,000	12,000	12,000	12,000
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
Federal Programs	5900046	0	0	0	60,000	60,000	60,000	60,000
Total		91,564	196,482	191,862	284,521	284,521	284,521	284,521
Funding Sources								
Fund Balance	4000005	58,115	70,027		71,545	71,545	0	0
Federal Revenue	4000020	103,476	198,000		198,000	198,000	198,000	198,000
Total Funding		161,591	268,027		269,545	269,545	198,000	198,000
Excess Appropriation/(Funding)		(70,027)	(71,545)		14,976	14,976	86,521	86,521
Grand Total		91,564	196,482		284,521	284,521	284,521	284,521

FY27 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2025-2027 Biennium.

Analysis of Budget Request

Appropriation: BV5 - Geology Museum - Cash

Funding Sources: NGC - Geology Cash

The Geology Museum and Learning Center is part of the educational arm of the Agency with the purpose of giving students and citizens exposure to rocks, minerals, fossils, and fossil fuels through its four (4) section display areas.

This appropriation is funded by donations collected by the Agency.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $1,125 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BV5 - Geology Museum - Cash
Funding Sources: NGC - Geology Cash

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Museum Expenses	5900046	0	1,125	1,125	1,125	1,125	1,125	1,125
Total		0	1,125	1,125	1,125	1,125	1,125	1,125
Funding Sources								
Fund Balance	4000005	1,332	1,378		393	393	0	0
Cash Fund	4000045	46	140		140	140	140	140
Total Funding		1,378	1,518		533	533	140	140
Excess Appropriation/(Funding)		(1,378)	(393)		592	592	985	985
Grand Total		0	1,125		1,125	1,125	1,125	1,125

Expenditure of appropriation is contingent upon available funding.

Analysis of Budget Request

Appropriation: BV6 - OSG-Geological Resrch-Landslide/Sinkhole

Funding Sources: NGC - Landslides/Sinkholes Research - Cash in Treasury

The Office of the State Geologist has received an increase in reports of mudslides and sinkholes in various areas of the State. The Agency's goal is to provide knowledge of these geohazards to the State of Arkansas, various stakeholders, and the general public in order to further its mission of environmentally responsible management of the State's geological resources.

Expenditure of appropriation is contingent upon available funding.

Continuing level of appropriation is the FY2027 Authorized.

The Agency requests to continue appropriation in the amount of $241,369 for both years of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: BV6 - OSG-Geological Resrch-Landslide/Sinkhole

Funding Sources: NGC - Landslides/Sinkholes Research - Cash in Treasury

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	0	30,230	49,011	49,011	49,011	49,011	49,011
#Positions		**0**	**1**	**1**	**1**	**1**	**1**	**1**
Extra Help	5010001	24,049	11,600	27,328	27,328	27,328	27,328	27,328
#Extra Help		**2**	**1**	**3**	**3**	**3**	**3**	**3**
Personal Services Matching	5010003	3,939	11,790	21,268	21,268	21,268	21,268	21,268
Geological Research	5900046	18,448	143,762	143,762	143,762	143,762	143,762	143,762
Total		46,436	197,382	241,369	241,369	241,369	241,369	241,369
Funding Sources								
Fund Balance	4000005	324,000	287,998		98,616	98,616	0	0
Cash Fund	4000045	10,434	8,000		8,000	8,000	8,000	8,000
Total Funding		334,434	295,998		106,616	106,616	8,000	8,000
Excess Appropriation/(Funding)		(287,998)	(98,616)		134,753	134,753	233,369	233,369
Grand Total		46,436	197,382		241,369	241,369	241,369	241,369

Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: AZ8 - OGC - Well Plugging - IIJA
Funding Sources: FII - OGC Wellplugging BIL

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses 5020002	2,607,014	0	0	0	0	0	0
Professional Fees 5060010	32,433	0	0	0	0	0	0
Total	2,639,447	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	2,639,447	0		0	0	0	0
Total Funding	2,639,447	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	2,639,447	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: BV7 - OSG-Cash Operations
Funding Sources: NGC - Cash Operations

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Operating Expenses	5020002	59,157	0	0	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Capital Outlay	5120011	131,743	0	0	0	0	0	0
Total		190,900	0	0	0	0	0	0
Funding Sources								
Cash Fund	4000045	190,900	0		0	0	0	0
Total Funding		190,900	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		190,900	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM.

Appropriation Summary

Appropriation: BY4 - IIJA-Earth Mapping Resources Initiative
Funding Sources: FII - Earth MRI

		Historical Data			Agency Request and Executive Recommendation			
		FY26	FY27	FY27	FY28		FY29	
Commitment Item		Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Regular Salaries	5010000	58,347	0	0	0	0	0	0
#Positions		**1**	**0**	**0**	**0**	**0**	**0**	**0**
Extra Help	5010001	28,698	0	0	0	0	0	0
#Extra Help		**2**	**0**	**0**	**0**	**0**	**0**	**0**
Personal Services Matching	5010003	23,518	0	0	0	0	0	0
Operating Expenses	5020002	60,629	0	0	0	0	0	0
Total		171,192	0	0	0	0	0	0
Funding Sources								
Federal Revenue	4000020	171,192	0		0	0	0	0
Total Funding		171,192	0		0	0	0	0
Excess Appropriation/(Funding)		0	0		0	0	0	0
Grand Total		171,192	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.

Appropriation Summary

Appropriation: CE7 - OSG-IIJA Data Preser
Funding Sources: FII - OSG - IIJA Data Preser

	Historical Data			Agency Request and Executive Recommendation			
	FY26	FY27	FY27	FY28		FY29	
Commitment Item	Actual Expenditures	Budgeted Expenditures	Authorized Appropriation	Agency	Executive	Agency	Executive
Miscellaneous CI 46 5900046	279,021	0	0	0	0	0	0
Total	279,021	0	0	0	0	0	0
Funding Sources							
Federal Revenue 4000020	279,021	0		0	0	0	0
Total Funding	279,021	0		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	279,021	0		0	0	0	0

APPROPRIATION NOT REQUESTED FOR THE 2027-2029 BIENNIUM. This appropriation is funded by the Infrastructure Investment and Jobs Act of 2021. As per Section 40 of Act 168 of 2026, all state agencies, institutions, and constitutional offices receiving funding from the Infrastructure Investment and Jobs Act of 2021 shall request a transfer of appropriation and expend using the Infrastructure Investment and Jobs Act of 2021 Appropriation Sections as authorized in Act 168.