

**REPORT OF THE SUBCOMMITTEE ON PERFORMANCE EVALUATION
AND EXPENDITURE REVIEW (PEER)
OF THE
ARKANSAS LEGISLATIVE COUNCIL**

June 18, 2021

Dear Co-Chairs:

Your Subcommittee on Performance Evaluation and Expenditure Review (PEER) met on Tuesday, June 15, 2021, and after having reviewed the following items, reports that the Subcommittee's review and/or approval is complete unless otherwise noted. Subcommittee rules were suspended to take up items on the supplemental agenda. Items from the supplemental agenda will be noted with an asterisk (*).

Items for Approval

A. Various Temporary Appropriation Increase Requests

1. FY2021 Requests

- a. Department of Finance and Administration – Disbursing Officer - \$600,000
- b. *Treasurer of State - \$25,000,000

2. FY2022 Requests

- a. University of Arkansas for Medical Sciences - \$350,000
- b. North Arkansas College - \$3,000,000
- c. Department of Agriculture - \$1,046,000
- d. Department of Commerce – Arkansas Rehabilitation Services - \$70,000
- e. Department of Education – Division of Higher Education – Youniversal - \$475,000
- f. Department of Education – Division of Higher Education – Osteopathic - \$83,000
- g. Department of Parks, Heritage, and Tourism – Natural and Cultural Resources Council – \$2,000,000
- h. Department of Public Safety – Victim Compensation - \$1,029,960

B. American Rescue Plan Appropriation Increase Requests

1. FY2021 Requests

- a. Department of Education – Division of Elementary and Secondary Education Emergency Relief - \$2,000,000
- b. Department of Education – Educational Television Division Emergency Relief - \$600,000
- c. Department of Finance and Administration – Disbursing Officer Coronavirus Recovery Funds \$108,112,569
- d. Department of Health Epidemiology and Laboratory Capacity - \$90,894,777 – **No Action**
- e. *Arkansas State University-Education Stabilization - \$10,899,509

2. FY2022 Requests

- a. Arkansas Tech University – Emergency Financial Aid Grants to Students – \$1,100,000
- b. Department of Commerce – Arkansas Development Finance Authority Homeowners Assistance - \$6,333,031
- c. Department of Education – Division of Elementary and Secondary Education

Emergency Relief - \$500,000,000

- d. Department of Education – Arkansas School for the Blind Emergency Relief - \$217,942
- e. Department of Education – Arkansas School for the Deaf Emergency Relief - \$210,905
- f. Department of Education – Educational Television Division Emergency Relief - \$600,000
- g. Department of Education – Arkansas State Library LSTA State Grants – \$2,660,308
- h. Department of Finance and Administration – Budget and Management Family Violence Prevention/Domestic Violence Shelter - \$1,062,260
- i. Department of Health Epidemiology and Laboratory Capacity - \$90,894,777 – **No Action**
- j. Department of Energy and Environment – Division of Environmental Quality Low Income Energy Assistance Program - \$30,164,262
- k. Department of Finance and Administration – Disbursing Officer Coronavirus Local Fiscal Recovery Funds - \$108,112,569
- l. Department of Commerce – Arkansas Economic Development Commission Broadband Infrastructure - \$150,000,000 - **Department of Finance to submit a new request for \$30,000,000 for Legislative Council on Friday, June 18. Balance of \$120,000,000 to be resubmitted to American Rescue Plan Steering Committee with detailed plan on use of funds prior to submitting to PEER Subcommittee (See original request, Governor's Letter, and list of projects in Attachment 6)**
- n. *Arkansas State University-Education Stabilization - \$10,899,509
- o. *Department of Finance and Administration-Disbursing Officer - \$10,000,000

C. CARES Appropriation Increase Requests for FY2022

1. Department of Transformation and Shared Services – Division of Information Systems – Cyber Security Data Center - \$33,448,200
2. Department of Education – Educational Television Division Broadcast Footprint Expansion - \$3,220,000
3. Department of Commerce – Arkansas Economic Development Commission – Rural Connect Administration - \$4,000,000
4. Department of Commerce – Division of Workforce Services Unemployment Insurance - \$25,000,000

D. Reallocation of Resources for the Department of Human Services

1. FY2021 Request No. 4 of 4 (See Attachment 1)
2. FY2022 Request No. 1 of 4 (See Attachment 2)

E. Shared Services Appropriation Transfer Requests for FY2022

1. Department of Corrections – \$2,392,504
2. Department of Education - \$961,530
3. Department of Energy and Environment - \$59,850
4. Department of Public Safety - \$244,712

F. Appropriation and/or Fund Transfer Requests

1. FY2022 Request
 - a. Department of Human Services – Division of Youth Services - \$3,303,215 Fund Transfer from the Youth Services Fund Account to the Department of Human Services Renovation Fund

2. *FY2021 Request

- a. Arkansas Department of Transportation - \$9,332,116 Fund Transfer from the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund

G. Rainy Day Fund Transfer Requests for FY2022

1. Administrative Office of the Courts – Support Judicial Voter Guide - \$200,000

H. Restricted Reserve Fund Transfer Requests for FY2022

Motion adopted to approve requests (except for held item) contingent upon revised \$35 million request to ALC-Personnel subcommittee being modified to fiscal year 2022 and approved by the ALC-Personnel subcommittee.

1. Arkansas State University System - \$3,885,666
2. Department of Agriculture – Fairs - \$1,046,000
3. Department of Agriculture – Emergency Road Improvement - \$75,000
4. Department of Commerce – Arkansas Economic Development Commission - \$4,800,000
5. Department of Education – Division of Elementary and Secondary Education & Division of Career and Technical Education - \$30,098,229
6. Department of Education – Division of Higher Education – Osteopathic Rural Scholarships - \$483,000 - **Hold for more information for ALC**
7. Department of Education – Division of Higher Education – Medical Residency – \$12,490,000
8. Department of Education – Division of Higher Education – Historically Black Colleges and Universities - \$4,000,000
9. Department of Labor and Licensing – Athletics Commission - \$325,000
10. Department of Public Safety – Crime Victims Reparations - \$2,000,000
11. Department of Veterans Affairs - \$300,000
12. North Arkansas College - \$3,000,000

I. Request Approved to Maintain Current Percentage Deduction of 2.1% for the State Central Services Fund in FY22

Items for Review

J. Appropriation and/or Fund Transfer Requests

1. FY2021 Request

- a. Department of Education – Division of Higher Education - \$500,000 from ADHE-ARFuture to HE POW/MIA Dep Scholarship in the amount of \$400,000 and to HE Governor’s Scholar in the amount of \$100,000
- b. *Department of Transformation and Shared Services-Division of Information Systems – \$229,034 Fund Transfer from the Innovation and Project Development Fund to cover the Division of Information Systems expenses associated with the Chief Data Officer and Chief Information Security Officer positions.

2. FY2022 Requests

- a. Arkansas Public Defender Commission – Commission for Parent Counsel - \$60,000 appropriation transfer from Extra Help to Legal Services/Refunds
- b. Department of Transformation and Shared Services – Building Authority Division - \$996,450 Fund transfer from Sustainable Building Design Revolving Loan Fund to Henderson State University

K. Cash Fund Appropriation Increase Requests

1. FY2021 Requests

- a. University of Central Arkansas - \$700,000
- b. Department of Veterans Affairs - \$10,000
- c. Department of Commerce – Arkansas Securities Department - \$3,100
- d. *Department of Corrections - \$1,000,000
- e. *Northwest Arkansas Community College - \$1,300,000

2. FY2022 Requests

- a. Administrative Office of the Courts - \$200,000 - **Hold for more information for ALC (See Supreme Court Letter in Attachment 5)**
- b. Department of Labor and Licensing - \$325,000
- c. Department of Veterans Affairs – Veterans Homes - \$726,037
- d. Department of Veterans Affairs – Attorney General Settlement Fund – \$35,000
- e. Department of Agriculture - \$75,000
- f. Northwest Technical Institute - \$406,877
- g. Department of Education – Division of Career and Technical Education – Entergy Grant - \$485,000
- h. Department of Education – Division of Career and Technical Education – Professional Development - \$260,000
- i. Department of Education – Division of Higher Education - \$12,490,000
- j. Department of Parks, Heritage, and Tourism – Arkansas Natural Heritage Commission – Database - \$40,000
- k. Department of Parks, Heritage, and Tourism – Arkansas Natural Heritage Commission – Natural Areas - \$353,022
- l. Department of Parks, Heritage, and Tourism – Mosaic Templars Cultural Center - \$557,000
- m. Department of Parks, Heritage, and Tourism – Delta Cultural Center – \$145,000
- n. Department of Public Safety – Division of Emergency Management – \$5,600,000

3. Continuation of Cash Fund Appropriation Increase Requests from FY2021 to FY2022 – (See **Attachment 3**)

L. Budget Classification Transfer Requests

1. FY2021 Requests

- a. Department of Commerce – Division of Aeronautics - \$13,500 from Professional Fees to Operating Expenses
- b. Department of Commerce – State Securities Department - \$34,000 to Operating Expenses from Conference and Travel in the amount of \$28,000 and from Professional Fees in the amount of \$6,000
- c. *Department of Labor and Licensing-Abstractors Licensing Board - \$4,000 from Professional Fees to Operating Expenses

2. FY2022 Requests

- a. Department of Education – State Library - \$80,000 to Conference and Travel Expenses from Operating Expenses

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- b. Department of Finance and Administration – Regulatory Division – \$59,000 to Capital Outlay from Operating Expenses

M. Miscellaneous Federal Grant Appropriation Requests

1. FY2022 Requests

- a. Department of Agriculture – Forestry Legacy - \$2,025,000
- b. Department of Agriculture – Natural Resource Commission - \$3,000,000
- c. Department of Education – Educational Television Division - \$600,000
- d. Department of Education – Division of Higher Education – EngageAR – \$456,949 – 1 position
- e. Department of Human Services – Division of Aging, Adult, and Behavioral Health – Elder Abuse Prevention - \$831,205
- f. Department of Human Services – Division of Aging, Adult, and Behavioral Health – Expanding Access to Vaccines - \$457,366
- g. Department of Human Services – Division of Aging, Adult, and Behavioral Health – Enhancing Arkansas APS System - \$416,135
- h. Department of Human Services – Division of Aging, Adult, and Behavioral Health – Substance Abuse Prevention and Treatment - \$6,762,892
- i. Department of Human Services – Division of County Operations – \$3,190,744
- j. Department of Commerce – Division of Workforce Services - \$21,010,000 – 17 positions
- k. Department of the Military - \$100,000
- l. Department of Public Safety - \$15,200

2. Continuation of MFG Requests from FY2021 to FY2022 (See Attachment 4)

N. Performance Fund/Pay Plan Holding Account Transfer Requests

1. FY2021 Requests

- a. Arkansas Ethics Commission - \$19,995
- b. Judicial Discipline and Disability Commission - \$1,293
- c. Department of the Military - \$428,564

2. FY2022 Requests

- a. Department of Commerce – State Bank Department - \$22,000
- b. Department of Education – Division of Higher Education - \$70,000

O. Overtime Appropriation Transfer Requests for FY2022

- 1. Department of Finance and Administration – Revenue Services Division - \$200,000

P. Tobacco Settlement Account Funding Request for Carry Forward of Funds from FY2021 to FY2022

- 1. Department of Human Services – Medicaid
- 2. Department of Health – Minority Health Commission

Reports

Q. Monthly Reports

- 1. Rainy Day Fund Income and Distribution Report
- 2. Budget Stabilization Trust Fund Report
- 3. Tobacco Settlement Report
- 4. State Central Services Fund Report

ALC/PEER Subcommittee Report

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R. Other Business

Department of Finance and Administration – Request Approved for Prior Approval of Year-End Appropriation Adjustments on Budget Classification Transfers and up to \$1 million in adjustments for both Miscellaneous Federal Grants Appropriation Increases and Cash Appropriation Increases. All adjustments to be reported a next PEER subcommittee meeting.

Respectfully submitted by Subcommittee Co-Chairs, Senator Jonathan Dismang and Representative Michelle Gray

Attachment 1

DEPARTMENT OF HUMAN SERVICES TRANSFER REQUEST SUMMARY FISCAL YEAR 2021

	SECRETARY'S <u>OFFICE</u>	AGING, ADULT & BEHAVIORAL <u>SERVICES</u>	CHILDREN & FAMILY <u>SERVICES</u>	CHILD CARE <u>SERVICES</u>	PROVIDER SRVS & QUALITY <u>ASSURANCE</u>	MEDICAL <u>SERVICES</u>	COUNTY <u>OPERATIONS</u>	DEV. DISABILITIES <u>SERVICES</u>	YOUTH <u>SERVICES</u>	<u>TOTAL</u>
APPROPRIATION TRANSFERS										
A. WITHIN DIVISIONS										
REGULAR SALARIES										-
EXTRA HELP										-
PERSONAL SERVICES MATCHING										-
OVERTIME										-
OPERATING EXPENSE										-
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES										-
CAPITAL OUTLAY									100,000.00	100,000.00
DATA PROCESSING SERVICES										-
DYS RESIDENTIAL SERVICES									(100,000.00)	(100,000.00)
										-
A. TOTAL	-	-	-	-	-	-	-	-	-	-
B. BETWEEN DIVISIONS										
REGULAR SALARIES										-
EXTRA HELP										-
PERSONAL SERVICES MATCHING										-
OVERTIME										-
OPERATING EXPENSE										-
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES										-
CAPITAL OUTLAY										-
DATA PROCESSING SERVICES										-
										-
B. TOTAL	-	-	-	-	-	-	-	-	-	-
FUND TRANSFERS										
GENERAL REVENUE-OPERATIONS										-
DAS FUND	2,157,180.00									2,157,180.00
DAAS FUND										-
DCC FUND				(105,746.00)						(105,746.00)
DCF FUND			(7,386,251.00)							(7,386,251.00)
DBA FUND		1,100,000.00								1,100,000.00
DCO FUND							4,500,000.00			4,500,000.00
DDS FUND										-
DPQ FUND										-
DSB FUND										-
DYS FUND									(265,183.00)	(265,183.00)
DMS FUND										-
DGF FUND										-
TOTAL FUND TRANSFERS	2,157,180.00	1,100,000.00	(7,386,251.00)	(105,746.00)	-	-	4,500,000.00	-	(265,183.00)	-
POSITION TRANSFERS										
TRANSFERS OUT				(1)				0		(1)
TRANSFERS IN				0				1		1
TOTAL POSITION TRANSFERS	0	0	0	(1)	0	0	0	1	0	0
EXTRA HELP POSITION TRANSFERS										
TRANSFERS OUT										0
TRANSFERS IN										0
TOTAL POSITION TRANSFERS	0	0	0	0	0	0	0	0	0	0

TRANSFER 4 OF 4
Authority-Section 13(c), Act 64 of 2020

Attachment 2

DEPARTMENT OF HUMAN SERVICES TRANSFER REQUEST SUMMARY FISCAL YEAR 2022

	SECRETARY'S <u>OFFICE</u>	AGING, ADULT & BEHAVIORAL <u>SERVICES</u>	CHILDREN & FAMILY <u>SERVICES</u>	CHILD CARE <u>SERVICES</u>	PROVIDER SRVS & QUALITY <u>ASSURANCE</u>	MEDICAL <u>SERVICES</u>	COUNTY <u>OPERATIONS</u>	DEV. DISABILITIES <u>SERVICES</u>	YOUTH <u>SERVICES</u>	<u>TOTAL</u>
APPROPRIATION TRANSFERS										
A. WITHIN DIVISIONS										
REGULAR SALARIES	(5,000.00)									(5,000.00)
EXTRA HELP										-
PERSONAL SERVICES MATCHING										-
OVERTIME										-
OPERATING EXPENSE										-
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES										-
CAPITAL OUTLAY										-
DATA PROCESSING SERVICES										-
SECRETARY'S OFFICE - REG. SAL.	5,000.00									5,000.00
A. TOTAL	-	-	-	-	-	-	-	-	-	-
B. BETWEEN DIVISIONS										
REGULAR SALARIES							350,302.00	(350,302.00)		-
EXTRA HELP										-
PERSONAL SERVICES MATCHING							85,716.00	(85,716.00)		-
OVERTIME										-
OPERATING EXPENSE										-
CONFERENCE FEES & TRAVEL										-
PROFESSIONAL FEES & SERVICES										-
CAPITAL OUTLAY										-
DATA PROCESSING SERVICES										-
B. TOTAL	-	-	-	-	-	-	436,018.00	(436,018.00)	-	-
FUND TRANSFERS										
GENERAL REVENUE-OPERATIONS										-
DAS FUND	3,286,759.00									3,286,759.00
DAAS FUND										-
DCC FUND				417,753.00						417,753.00
DCF FUND			(4,542,209.00)							(4,542,209.00)
DBA FUND		34,137.00								34,137.00
DCO FUND							2,560,804.00			2,560,804.00
DDS FUND								(1,169,387.00)		(1,169,387.00)
DPQ FUND					(98,824.00)					(98,824.00)
DSB FUND										-
DYS FUND									(430,130.00)	(430,130.00)
DMS FUND						(10,355.00)				(10,355.00)
DGF FUND				(48,548.00)						(48,548.00)
TOTAL FUND TRANSFERS	3,286,759.00	34,137.00	(4,542,209.00)	369,205.00	(98,824.00)	(10,355.00)	2,560,804.00	(1,169,387.00)	(430,130.00)	-
POSITION TRANSFERS										
TRANSFERS OUT	(10)	(3)	0	(1)	(1)	(7)	(1)	(9)	(2)	(34)
TRANSFERS IN	4	1	0	0	0	8	12	9	0	34
TOTAL POSITION TRANSFERS	(6)	(2)	0	(1)	(1)	1	11	0	(2)	0
EXTRA HELP POSITION TRANSFERS										
TRANSFERS OUT										0
TRANSFERS IN										0
TOTAL POSITION TRANSFERS	0	0	0	0	0	0	0	0	0	0

TRANSFER 1 OF 4

Authority-Section 11(c), Act 457 of 2021

PREPARED BY: DFA - OFFICE OF BUDGET

08-Jun-21

Attachment 3

ITEM NO.	AGENCY NUMBER	AGENCY NAME	PROGRAM/GRANT NAME	APPRO. AMOUNT	NO. OF POS.	FC/CI	ORIGINAL REVIEW DATE
1.	0385	DVA - Veterans Affairs	State Veterans Cemetery	\$ 193,000		NEW/10	June, 2021
2.	0400	Department of Agriculture	Red River Feasibility Study	\$ 275,000		N47/47	May, 2021
3.	0420	DEE - Geological Survey	Multi-Hazard Mitigation Reimbursement Grants	\$ 80,000		N32/01,46	March, 2021
4.	0500	ADE - Elementary & Secondary Education	Multiple Grant Award Program	\$ 910,000		885/04,09	August, 2020
5.	0516	Educational Television	End of Life Broadcast Equipment Replacement	\$ 450,000		127/11	May, 2021
6.	0790	DOC - Economic Development	AEDC Hollings Manufacturing Extension Partnership Program	\$ 100,000		U12/00.03.04	June, 2020
7.	0810	DOC - Workforce Services	UI System	\$ 1,050,687		Y96/46	June, 2020
		Total		\$ 2,865,687	0		

CONTINUATION OF MISCELLANEOUS FEDERAL GRANTS FOR FISCAL YEAR 2022

Attachment 4

ITEM NO.	AGENCY NUMBER	AGENCY NAME	PROGRAM/GRANT NAME	APPRO. AMOUNT	NO. OF POS.	ORIGINAL REVIEW DATE
1.	0023	Administrative Office of the Courts	Arkansas Juvenile Drug Treatment Court Enhancement Program	\$ 600,000		January, 2021
2.	0023	Administrative Office of the Courts	Adult and Veteran Drug Treatment Court	\$ 750,000		February, 2021
3.	0028	Prosecutor Coordinator's Office	Project Guardian	\$ 303,918	1	February, 2021
4.	0400	Agriculture Department	Federal - State Poultry Grading Service	\$ 575,000		March, 2021
5.	0400	Agriculture Department	Forest Stewardship Program	\$ 40,600		February, 2021
6.	0425	DOC - Insurance Department	Senior Health Insurance Information Program	\$ 730,526		April, 2021
7.	0425	DOC - Insurance Department	Medicare Enrollment Assistance Program MIPPA	\$ 246,325		June, 2020
8.	0425	DOC - Insurance Department	Medicare Enrollment Assistance Program MIPPA	\$ 95,694		November, 2020
9.	0425	DOC - Insurance Department	Medicare Enrollment Assistance Program MIPPA	\$ 53,587		November, 2020
10.	0455	DOA - Natural Resources Commission	WINN 2104 - Small/Disadvantaged Communities	\$ 637,000		December, 2020
11.	0485	DOC - Community Correction Division	ACC Technology-Assisted Treatment	\$ -	4	June, 2020
12.	0510	ADE - School for the Blind	Elementary & Secondary School Emergency Relief	\$ 96,935		March, 2021
13.	0510	ADE - School for the Blind	Elementary & Secondary School Emergency Relief	\$ 114,741		September, 2020
14.	0513	ADE - School for the Deaf	Elementary & Secondary School Emergency Relief	\$ 42,472		September, 2020
15.	0513	ADE - School for the Deaf	Elementary & Secondary School Emergency Relief	\$ 93,805		March, 2021
16.	0520	DOC - Rehabilitation Services	State Grants for Assistive Technology	\$ 253,701		June, 2020
17.	0610	Finance and Administration	Expanding Disabilities Network's Access to COVID-19 Vaccines	\$ 34,946		May, 2021
18.	0645	Health Department	Immunization and Outbreak Control	\$ 1,581,002		January, 2021
19.	0645	Health Department	Immunization and Outbreak Control	\$ 1,063,636		January, 2021
20.	0645	Health Department	Harold Rogers Prescription Drug Monitoring Program	\$ 230,791	2	January, 2021
21.	0645	Health Department	Immunization and Outbreak Control	\$ 27,268,433		February, 2021
22.	0645	Health Department	Epidemiology & Laboratory Capacity	\$ 173,699,918		February, 2021
23.	0645	Health Department	Immunization and Outbreak Control	\$ 3,828,419		May, 2021
24.	0645	Health Department	Immunization Cooperative Agreement	\$ 29,127,271		May, 2021
25.	0710	DHS - Aging, Adult & Behavioral Health	AR Emergency COVID-19	\$ 2,000,000		March, 2021
26.	0710	DHS - Aging, Adult & Behavioral Health	AR Emergency COVID-19	\$ 2,859,649		March, 2021
27.	0710	DHS - Aging, Adult & Behavioral Health	Arkansas FR-CARA	\$ 1,600,000		March, 2021
28.	0710	DHS - Aging, Adult & Behavioral Health	State Opioid Response II	\$ 10,761,139		February, 2021
29.	0710	DHS - Aging, Adult & Behavioral Health	Ombudsman	\$ 36,589		May, 2021
30.	0710	DHS - Aging, Adult & Behavioral Health	Nutrition OAA III-C2	\$ 1,536,749		February, 2021
31.	0710	DHS - Aging, Adult & Behavioral Health	Treatment Block Grant (SABG/COVID)	\$ 12,676,621		April, 2021
32.	0710	DHS - Child Care & Early Childhood Education	CCDF	\$ 60,000,000		February, 2021
33.	0710	DHS - County Operations	Emergency Rental Assistance	\$ 173,684,766		February, 2021
34.	0790	DOC - Economic Development Commission	20/21 CDBG-CV H UDGrant	\$ 26,387,954		January, 2021
35.	0790	DOC - Economic Development Commission	Arkansas MEP Center	\$ 1,061,218		March, 2021
36.	0790	DOC - Economic Development Commission	RII Track-1 DART	\$ 20,000,000		August, 2020
37.	0790	DOC - Economic Development Commission	Building an EPSCoR Community	\$ 49,700		February, 2021
38.	0955	DPS - State Crime Lab	Coverdell 2020	\$ 135,000		April, 2021

ITEM NO.	AGENCY NUMBER	AGENCY NAME	PROGRAM/GRANT NAME	APPRO. AMOUNT	NO. OF POS.	ORIGINAL REVIEW DATE
39.	0955	DPS - State Crime Lab	Motor Vehicle Crash Toxicology Testing and Analysis	\$ 87,000		April, 2021
40.	0990	DPS - Crime Information Center	SORNA - 2019	\$ 122,276		May, 2021
41.	0990	DPS - Crime Information Center	SORNA - 2020	\$ 110,687		May, 2021
		Total		\$ 554,578,068	7	



Supreme Court of Arkansas

JOHN DAN KEMP
CHIEF JUSTICE

JUSTICE BUILDING
625 MARSHALL STREET
LITTLE ROCK, ARKANSAS 72201

PHONE (501) 682-6873
FAX (501) 683-4006
EMAIL john.dan.kemp@arcourts.gov

June 16, 2021

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

Dear Co-Chairs Rice and Wardlaw:

I have become aware of a request from the Governor to transfer \$200,000 from the Rainy Day Fund to the Administrative Office of the Courts (AOC) for an Arkansas Judicial Voter Guide.

The AOC does not get involved in judicial elections. It is the primary duty of the AOC to administer the court system.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Dan Kemp", is written over a printed name.

John Dan Kemp



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

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 1509 West Seventh Street, Suite 401
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Senator Jonathan Dismang, Co-Chair
 Representative Michelle Gray, Co-Chair
 Performance Evaluation & Expenditure Review Committee
 Arkansas Legislative Council
 State Capitol Building
 Little Rock, AR 72201

RE: FY 22 American Rescue Plan Act Request

Dear Co-Chairs:

Pursuant to Section 38 (01) of Act 997 of 2021, I am forwarding the attached American Rescue Plan Act request(s) that have received my approval as Chief Fiscal Officer of the State.

- Arkansas Tech University – Emergency Financial Aid Grants to Students \$1,100,000
- Department of Commerce – Development Finance Authority Homeowners Assistance \$6,333,031
- Department of Education – Elementary & Secondary Education – Elementary & Secondary Schools Emergency Relief \$500,000,000
- Department of Education – School for the Blind – Elementary & Secondary Schools Emergency Relief \$217,942
- Department of Education – School for the Deaf
- Elementary & Secondary Schools Emergency Relief \$210,905
- Educational Television – Elementary & Secondary Schools Emergency Relief \$600,000
- Department of Education – Arkansas State Library – LSTA State Grants \$2,660,308
- Department of Finance & Administration – Budget and Management – Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services \$1,062,260
- Department of Health – Epidemiology and Laboratory Capacity for Prevention \$90,894,777
- Department of Energy and Environment – Environmental Quality – Low Income Energy Assistance Program \$30,164,262



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

OFFICE OF THE SECRETARY

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- Department of Finance & Administration – Disbursing Officer
– Coronavirus Local Fiscal Recovery Funds \$108,112,569

Pursuant to Section 38 (02) of Act 997 of 2021, I am forwarding the attached American Rescue Plan Act request(s) that have received my approval as Chief Fiscal Officer of the State.

- Department of Commerce – Economic Development
Commission – Broadband Infrastructure \$150,000,000

Sincerely,


Larry W. Walther
Cabinet Secretary

LWW

Attachment(s)

AMERICAN RESCUE PLAN ACT OF 2021 PROGRAM APPROPRIATION
AND PERSONNEL AUTHORIZATION REQUEST
SECTION 38 OF ACT 997 OF 2021

Agency: Arkansas Department of Economic Development Commission Business Area Code: 0790
Program Title: American Rescue Plan Act of 2021
Granting Organization: 117th Congress of the United States CFDA #:
Effective Date of Authorization: Beginning: 7/1/2021 Ending: 6/30/2022

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information):
To utilize funding provided under the American Rescue Plan of 2021, for continuation of Arkansas Economic Development Commission's broadband programs, grant awards, operations, purchase of equipment and construction expenses necessary to assist in the deployment or improvement of broadband infrastructure into unserved or improvement to unserved communities in Arkansas; cost of infrastructure equipment required to provide broadband network service; regular salaries and personal services matching for staff; engineering costs for project design; legal costs related to the acquisition of real estate rights or easements; costs of media, electronics, cabling, and communications equipment; Make Ready costs for utility pole attachments; boring and splicing cost for infrastructure construction; educational related expenses to educate and teach citizens how to use and utilize broadband services; payroll for staff or contract labor; to ensure timely and proper implementation of network construction, related equipment and material installation necessary to expand the broadband footprint in Arkansas. These funds will support essential infrastructure improvements that will allow Arkansans to compete in today's digital economy, enhance healthcare outcomes through telemedicine, and improve access to education.

American Rescue Plan Act Program Funding

Functional Area Code: COMM Fund Code: FRP7900
Funds Center Code: NEW Internal Order/WBS Element:

Table with 2 columns: Item, Program Funding Amount. Rows include Regular Salaries, Extra Help, Personal Services Matching, Operating Expenses, Conference & Travel Expenses, Professional Fees, Capital Outlay, Data Processing, Grants and Aid (CI: 04), Other: 590:00:46, Other:, and Total \$150,000,000.

Anticipated Duration of Federal Funds: June 30, 2022

DFA IGS State Technology Planning Date
Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

Positions to be established: (list each position separately)

Table with 10 columns: Org Unit, Pers Area, Pers SubArea, Cost Center, Position Number, Cmmt Item, Position Title, Class Code, Grade, Line Item Maximum *. Includes a note: * unclassified positions only.

State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.

Approved by: [Signatures]
Cabinet Secretary/Agency Director Date 6/1/21
Office of Budget Date 6-3-21
Office of Personnel Mgmt Date



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

June 16, 2021

Representative Jeff Wardlaw
Co-Chairman
Arkansas Legislative Council
1 Capitol Mall, 5th Floor
Little Rock, AR 72201

Re: Arkansas Rural Connect Appropriation

Dear Chairman Wardlaw:

As you know, the Arkansas Department of Commerce Broadband Office has requested an appropriation of \$150 million for the deployment of broadband in selected rural communities of Arkansas. This amount was determined based on the unfunded applications that have already been received and undergone a technical review by the Broadband Office. In some cases, the project applications will require revision to meet the new technical requirements specified by the U.S. Treasury in connection with the use of American Rescue Plan funds. The attached document provides details on the locations in Arkansas that will benefit from this appropriation. Most importantly, this appropriation would provide approximately 150,000 Arkansans living in these locations with access to broadband in a matter of a few months.

I am aware of the legislature's desire that a comprehensive assessment be made of the broadband needs in Arkansas and the strategies that can be best employed to leverage all federal, state, and local resources to address that need. I support the legislature's desire to bring in a third-party technical consultant to take the lead on that assessment. Senator Missy Irvin has shared some ideas for the consultant to focus on, including having a process for validating and regularly updating our broadband maps and determining what other broadband assets are available that can supplement projects utilizing local ISP's. These ideas have merit. I have asked Department of Commerce Secretary Preston to immediately begin the process of identifying and procuring a technical consultant to perform this work.

Until the technical consultant completes its assessment, no additional broadband project appropriation will be requested. I do, however, believe that we should not delay

funding projects that are ready to be deployed. Accordingly, I am requesting that the Arkansas Legislative Council approve the full \$150 million appropriation request when it meets this Friday, June 18, 2021.

Thank you for your leadership on this very important issue for Arkansas.

Sincerely,


Asa Hutchinson

cc: Secretary Mike Preston, Department of Commerce
Secretary Larry Walther, Department of Finance and Administration
Steven Porch, Executive Broadband Manager for Commerce

"Shovel Ready" Projects

Project	Grant Request
ARTELCO - Van Buren County	\$1,425,859
CableSouth - Eudora (CARES Extension) (coapplicant with Por	\$2,712,788
CableSouth - Fountain Hill	\$675,118
Cablesouth - Parkdale (coapplicant with Portland)	\$956,687
Cablesouth - Portland (coapplicant with Parkdale)	\$1,789,424
CATC - Bonnerdale	\$1,792,978
Cleveland County Telephone - Kingsland	\$1,949,513
Cleveland County Telephone - Rison	\$1,899,497
Extreme Broadband - Little River (Ashdown)	\$2,545,104
MagTel - Logan	\$2,972,400
NATCO - Marion County	\$1,539,383
Pine Bluff Cable TV - Sulphur Springs	\$2,068,587
Resort TV - Pearcy	\$765,000
Resort TV - Royal	\$1,216,000
Ritter - Brinkley	\$2,235,949
South Central Connect - Pike County	\$2,500,000
Walnut Hill - Walker Creek	\$1,659,135
Total	\$30,703,422

PROJECTS REQUIRING SOME MODIFICATION

ISP/Company	Project	Technology	Total grant request
Aristotle	Dumas	Fixed Wireless	\$ 2,496,922.00
Aristotle	Forrest City	Fixed Wireless	\$ 2,634,387.00
Aristotle	White Hall	Fixed Wireless	\$ 2,092,005.00
CableSouth	Ashley	Fiber	\$ 2,819,973.00
City Wireless	Collins, Greenhill, Colman	Fixed Wireless	\$ 493,776.26
City Wireless	Tyro, Meroney, Garrett Bridge	Fixed Wireless	\$ 491,092.52
Clay County Connect	Clay County	Fiber	\$ 3,699,119.00
Clay County Connect	Corning	Fiber	\$ 2,108,945.00
Clay County Connect	Greene County	Fiber	\$ 678,173.00
Clay County Connect	Randolph County	Fiber	\$ 5,020,895.00
Extreme Broadband	Waldron	Fiber	\$ 4,004,218.00
HillBilly	Independence County	Fixed Wireless	\$ 4,746,625.05
Premier	Hempstead County (2021) DeAnn Blevins	Fixed Wireless	\$ 763,840.80
Premier	Hempstead Saratoga	Fixed Wireless	\$ 312,474.64
Premier	Mineral Springs	Fixed Wireless	\$ 774,399.89
Premier	West Hope	Fixed Wireless	\$ 370,715.22
Premier Broadband	Springhill, Hempstead	Fixed Wireless	\$ 427,493.34
SATCO	Warren	Fiber	\$ 3,895,629.00
SkyFi WISPerNet	Tupelo	Fiber	\$ 326,564.00
The Computer Works	Faulkner County	Fiber	\$ 5,817,677.00
Windstream	Boone County	Fiber	\$ 9,364,704.00
Windstream	Carroll County	Fiber	\$ 7,015,612.00
Windstream	Cleburne County	Fiber	\$ 1,898,506.00
Windstream	Faulkner County	Fiber	\$ 9,286,648.00
Windstream	Grant County	Fiber	\$ 16,611,028.00
Windstream	Perry County	Fiber	\$ 6,502,247.00
Windstream	Pike County	Fiber	\$ 796,046.00
Windstream	Searcy County	Fiber	\$ 6,383,106.00
Windstream	Sevier County	Fiber	\$ 7,041,252.00
Windstream	Van Buren County	Fiber	\$ 586,047.00
Wireless Etc	Jessieville	Fixed Wireless	\$ 969,069.00
Wireless Etc	Lake Hamilton	Fixed Wireless	\$ 2,034,428.94
Wireless Etc	Royal	Fixed Wireless	\$ 619,087.19
WOW	Coal Hill	Fixed Wireless	\$ 1,039,994.00
WOW	Hartman	Fixed Wireless	\$ 614,696.00
Total			\$ 114,737,395.85