



STATE OF ARKANSAS
MIKE BEEBE
GOVERNOR

December 20, 2012

Senator Mary Anne Salmon, Co-Chair
Representative Tommy Lee Baker, Co-Chair
ALC/JBC Budget Hearings Committee
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

As you are aware, I have included in my 2013-2015 Biennial Balanced Budget Executive Recommendation for state general revenue the funds necessary to provide a 2% Cost of Living Increase (COLA) in fiscal year 2014 for state employees. Sufficient appropriation to address a COLA for each fiscal year should be included in the Regular Salaries and Personal Services Matching line items in the appropriation bill sections transmitted by the DFA – Office of Budget pursuant to the actions of the ALC/JBC Budget Hearings Committee.

I therefore respectfully request that the Committee approve as a Legislative Recommendation inclusion of the necessary amounts of appropriation to implement my Executive Recommendation for these COLA's during each fiscal year of the next biennium. I would also request that all agencies, except those individuals included in Amendment 70 and Institutions of Higher Education, who do not receive an Executive Recommendation from the Governor receive a like amount of salary and appropriation increase in Regular Salaries and Personal Services Matching line items recommended by the Governor for Executive branch employees for the 2013-2015 biennium.

Sincerely

A handwritten signature in black ink, appearing to read "MB", with a long horizontal flourish extending to the right.

Mike Beebe

MB:brs:bc