



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

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May 28, 2024

Senator Jonathan Dismang, Chair
Representative Frances Cavanaugh, Chair
Arkansas Legislative Council
State Capitol
Little Rock, AR 72201

Dear Co-Chairs:

Pursuant to Ark. Code Ann. §19-5-202, I am recommending a reduction from 2.1% to 2.0% in the percentage deduction for the State Central Services Fund for Fiscal Year 2025, effective July 1, 2024.

Current projections of income and expenditures for the State Central Services Fund indicate that reducing the current deduction to 2.0% on both general and special revenues will provide sufficient funding for agencies operating from the Fund.

This deduction for the State Central Services Fund has been included in the general revenues available for distribution to state agencies under the current Official Forecast of General Revenue for the 2025 fiscal year.

I would appreciate your approval of this request.

Sincerely,

James L. Hudson
Cabinet Secretary

JLH:ds