

SUPPLEMENTAL AGENDA

**Suspension of the Rules Request
ALC/Performance Evaluation and Expenditure Review (PEER)
Subcommittee
Monday, July 19, 2021
9:00 a.m. - Room A, MAC**

- A. Appropriation and/or Fund Transfer Requests FY22
 - 1. Arkansas Department of Transportation



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

OFFICE OF THE SECRETARY
1509 West Seventh Street, Suite 401
Post Office Box 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-2242
Fax: (501) 682-1029
www.arkansas.gov/dfa

July 15, 2021

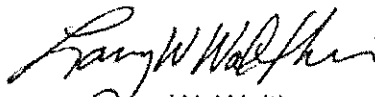
Senator Jonathan Dismang, Co-Chair
Representative Michelle Gray, Co-Chair
Performance Evaluation & Expenditure Review Committee
Arkansas Legislative Council
State Capitol Building
Little Rock, AR 72201

RE: Supplemental Items

Dear Co-Chairs:

I respectfully request suspension of the rules by the committee for review of the items listed on the attached page. These items were received after the deadline for submission to your Performance Evaluation and Expenditure Review Committee, but we are requesting inclusion in this month's review.

Sincerely,


Larry W. Walther
Secretary



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

OFFICE OF THE SECRETARY
1509 West Seventh Street, Suite 401
Post Office Box 3278
Little Rock, Arkansas 72203-3278
Phone: (501) 682-2242
Fax: (501) 682-1029
www.arkansas.gov/dfa

July 15, 2021

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: FY22 Appropriation and/or Fund Transfer Request(s)

Dear Co-Chairs:

Please find attached items that were submitted to the Department of Finance and Administration that do not require my approval as Chief Fiscal Officer of the State, but which require approval of the Arkansas Legislative Council

Sincerely,

A handwritten signature in cursive script that reads "Larry W. Walther".

Larry W. Walther
Cabinet Secretary

LWW

Attachment(s)



STATE OF ARKANSAS
ASA HUTCHINSON
GOVERNOR

July 13, 2021

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

Dear Co-Chairs:

Attached you will find a request from the Arkansas Department of Transportation to transfer funds in the amount of \$9,409,939.87 from the Securities Reserve Fund to the State Highway and Transportation Department Fund. This will provide the department with funding to meet the required state match for Federal Fiscal Year (FFY) 2021 Federal Funds.

Please accept this letter as my recommendation that this transfer request be reviewed and approved by the Arkansas Legislative Council, as required by Ark. Code Ann. §19-6-832(c).

I appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson", written over a horizontal line.

Asa Hutchinson

cc: Lorie H. Tudor, Director, Arkansas Department of Transportation

ARKANSAS STATE HIGHWAY COMMISSION

ROBERT S. MOORE, JR.
CHAIRMAN
ARKANSAS CITY



KEITH GIBSON
FORT SMITH

DALTON A. FARMER, JR.
VICE CHAIRMAN
JONESBORO

MARIE HOLDER
LITTLE ROCK

PHILIP TALDO
SPRINGDALE

P.O. Box 2261 • Little Rock, Arkansas 72203-2261
Phone (501) 569-2000 • Voice/TTY 711 • Fax (501) 569-2400
www.ArkDOT.gov • www.IDriveArkansas.com

LORIE H. TUDOR, P.E.
DIRECTOR

July 7, 2021

The Honorable Asa Hutchinson
Governor of Arkansas
State Capitol, Room 250
500 Woodlane Ave.
Little Rock, Arkansas 72201

Dear Governor Hutchinson:

Reference is made to Act 1 of the 90th General Assembly's Third Extraordinary Session, the Arkansas Highway Improvement Plan of 2016 (hereinafter called the Plan).

The Plan established the Arkansas Highway Transfer Fund which includes funding that can be utilized by the Arkansas Department of Transportation in State Fiscal Year 2021. By way of this letter, we are requesting the following:

Transfer Source	Amount
Securities Reserve Fund	\$ 9,409,939.87

This amount is in addition to the \$9,332,116.38 requested for transfer in our letter dated April 30, 2021. This brings our total amount requested for State Fiscal Year 2021 to \$18,742,056.25, which is below the \$20,000,000 that was projected to be transferred annually into the Arkansas Highway Transfer Fund from the Securities Reserve Fund.

Section 13 of the Plan, Arkansas Code 19-6-832 (c) reads as follows:

In the event revenues to the department are insufficient to fully address the highway construction and maintenance needs of the state, the department may provide a written document to the Governor outlining the reasons that additional funding is needed and requesting that the Governor provide a recommendation to the Legislative Council or the Joint Budget Committee for review and approval of the transfer of funds in the Arkansas Highway Transfer Fund to the State Highway and Transportation Department Fund.

The Honorable Asa Hutchinson
July 7, 2021

Page 2

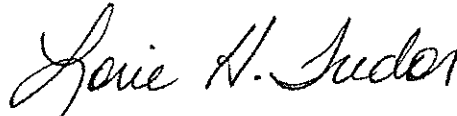
The Department is seeking funding from the Arkansas Highway Transfer Fund to provide the required state match and more efficiently utilize our Federal Fiscal Year (FFY) 2021 Federal funds. Having adequate cash flow from month to month allows us to plan and obligate funds in a more effective manner and prevents the Department from having to delay projects due to a lack of state matching funds.

Recent efforts to provide long-term funding to the Department through Act 416 of 2019 and Issue 1 will provide much needed resources for our transportation system. However, this funding cannot be used to provide the required state match for our FFY 2021 Federal funds since Act 416 is committed to system preservation and Issue 1 funding is not available until 2023.

Therefore, the Department respectfully requests your recommendation to the appropriate legislative body to transfer these funds from the Arkansas Highway Transfer Fund to the State Highway and Transportation Fund.

Thank you for your leadership during these challenging times and your work to address our State's highway funding shortfall.

Sincerely,



Lorie H. Tudor, P.E.
Director

c: Highway Commission
Deputy Director and Chief Operating Officer
Deputy Director and Chief Engineer
Assistant Chiefs
Fiscal Services
Governmental Relations Office
Program Management
Public Information
Transportation Planning and Policy