

## OFFICE OF THE DIRECTOR

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December 4, 2013

Senator Uvalde Lindsey, Co-Chair Representative Andrea Lee, Co-Chair Uniform Personnel Classification and Compensation Subcommittee Arkansas Legislative Council State Capitol Little Rock, AR 72201

## Dear Co-Chairs:

I am writing in response to the Committee's November 14 discussion of Interim Study Proposal (ISP) 2013-162 for Court Reporters and Trial Court Administrative Assistants. In response to the Arkansas Judicial Council's recommendation that these employees be funded from State Central Services funds or from state general revenues, I would remind your membership that for the past three years, I have been required to invoke A.C.A. §19-5-202 to provide for an additional funding percentage to be deducted from all general and special revenues in order to meet the demands of the Fund. In fiscal year 2011, we were required to implement forced budget reductions for essential government services as prescribed by A.C.A. 19-5-205.

While the Fund has been stabilized in recent years with the additional funding percentage that has been provided, I cannot in my capacity as Chief Fiscal Officer of the State recommend adding additional burdens that would potentially restore a deficit spending condition to the Fund. Pending tax cuts, stagnant revenues, mandatory funding obligations for Education and funding shortages for increasing correctional burdens make this solution unworkable for general revenues as well.

The State simply does not have the funding to continue to bear the financial burdens of local governments without offsetting revenues being provided.

Respectfully,

Richard A. Weiss

Director

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