

Possible Cuts

February 22, 2012

Department of Labor: \$90,162

To absorb a \$90,000 reduction in general revenue funding, DOL will give up their remaining vacant budgeted position that is general revenue funded, plus reallocate one full-time employee, or two employees on a part-time basis, to a federal program. However, this reallocation is a temporary solution and one that will ultimately exacerbate our problem since the federal budget proposal includes a 35% reduction in the U.S. Department of Labor's budget, which provides most of the funding for DOL's federal programs. If federal funds are also reduced, there will be no other solution but layoffs beginning October 1, 2013, the start of the new federal fiscal year.

Higher Education: \$260,000

To absorb a \$260,000 cut from the Governor's proposed budget, ADHE will not fill the position of director and not fill an additional position.

Department of Environmental Quality: \$126,319

The agency will spread the cut across the divisions so as not to lose positions. However, ADEQ is uncertain how hard it will get hit by federal cuts. ADEQ also has special language that allows them to transfer from the Oil Marketers Trust Fund, Landfill Post-Closure Trust Fund, and Underground Storage Tank Trust Fund, which they could consider if necessary.

Arkansas Science and Technology Authority: \$97,947

The agency will not be able to engage in initiatives related to innovation, which are part of the state's economic development strategy, but the agency can absorb these cuts without job losses.

Natural Resources Commission: \$104,158

Cutting Natural Resources Commission Operations by \$57,156 includes various types of direct support for the 75 conservation districts in Arkansas. This proposed reduction will require the Commission to reduce its direct support to the National Association of Conservation Districts (NACD). NACD represents America's conservation districts, and the state support of \$57,156 was made by ANRC on behalf of the 75 conservation districts in Arkansas. The elimination of this funding will shift the cost from the state operations to the conservation districts and will create a financial hardship on many local districts.

Cutting the Water, Sewer, Solid Waste Program by \$47,002 eliminates all state support for a program that provides or improves the basic infrastructure for Arkansas' rural communities. During FY'10 this program was funded at \$324,222 but cuts were made in FY'10 and FY'11 leaving only \$47,002 funded during FY'12. The elimination of this funding will impact rural communities by reducing their ability to improve or construct their water, sewer and solid waste infrastructure.

Total Possible Cuts: \$678,586

In addition to these cuts, ADE will find another \$250,000 within its existing budget to fund Arkansas Governor's School for six weeks instead of four weeks.