STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

Dear Co-Chairs Boyd and Eaves:

Arkansas' fiscal discipline gives our state the opportunity to accomplish two priorities at once: invest in key areas like education, public safety, and healthcare, while still cutting taxes and maintaining a healthy state surplus. We have kept the out-of-control growth of government in check to achieve those aims, and my balanced budget this biennium continues that strong record for the people of Arkansas.

After cutting taxes four times in four years, lowering income taxes by 25% and returning more than $1.5 billion to the people of Arkansas, while still recording healthy surpluses every single year, this balanced budget proposes to raise spending by 3.94%. This holds the line on the growth of government while still directing funding toward areas we've made clear are our priorities.

One of those areas this biennium will be investing in early childhood education, which is both critical to our kids' future educational success and, currently, a major financial burden on Arkansas families. I propose directing $20 million toward early childhood education and look forward to presenting my administration's plans in more detail as we near the upcoming legislative session.

As the LEARNS Act continues to transform Arkansas education, I am proposing an additional $70 million investment in Education Freedom Accounts, which are now used by more than 50,000 Arkansas students to attend the school that best fits their needs. We made a promise to every family in Arkansas when we passed the LEARNS Act that we would provide universal education freedom for the first time in Arkansas history, and I look forward to continuing to deliver on that pledge.

We will also fund supportive living services for those on the Community and Employment Support (CES) Waiver waitlist as part of our $150 million ongoing investments in Medicaid, reallocate funds to support Children's Advocacy Centers, increase our support of Human Development Centers (HDCs), and make significant one-time investments in Medicaid sustainability, HDCs, and to support the State Water Plan.

This balanced budget fulfills our promises to the people of Arkansas. And when it is passed, it will leave us with ample room in our budget to deliver a fifth tax cut for the people of Arkansas. I look forward to working with our legislature to continue our strong record of fiscal discipline and transformational policy priorities for the people of our state.

Sincerely,

Sarah Huckabee Sanders

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