



Arkansas House Newsletter

March 8, 2024

Members Review Budget Recommendations for FY25

MEMBERS
REVIEW BUDGET
RECOMMENDATIONS
FOR FISCAL YEAR
2025



Pre-fiscal session budget hearings took place at the Capitol this week.

The hearings began with the Department of Finance and Administration (DFA) presenting the Governor's recommendation for a balanced budget.

The Governor's proposed budget calls for a 1.76% increase in spending.

The greatest proposed increase is directed to education. The budget proposal calls for a \$34 million increase to the public school fund, a \$4 million increase for career and technical education, and a \$65 million increase for Educational Freedom Accounts.

The budget also recommends an additional \$2 million for the University of Arkansas-Pine Bluff and allocates an additional \$3.8 million to fund an additional Arkansas State Police trooper school.

DFA indicated that for the current fiscal year individual income tax collections have been better than expected with \$115.6 million over forecast. Sales and Use Tax collections and Corporate income tax

collections are also above previous forecasts.

DFA anticipates \$240.5 million surplus for the current fiscal year.

For Fiscal Year 2025, economic forecasters are expecting net available revenue for the state to reach \$6.68 billion. That would be an increase of \$245.5 million or 3.8% above FY2024.

The economic forecast states that the Arkansas economy remains resilient in labor market indicators with unemployment rates below the US average.

Members are reviewing the budget requests from state agencies presented this week. This information will help in drafting appropriation bills.

Members can begin pre-filing bills on March 11. The Arkansas General Assembly will convene for the 2024 Fiscal Session at noon on April 10.

You can review the bills filed and watch committee meetings and the legislative session at arkansashouse.org

.