STATE OF ARKANSAS
House of Representatives

Arkansas House Newsletter

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Saving Millions by Transforming Government

We are currently in the ninth month of the first year of transformation, and as a recent report shows, Arkansas has saved a lot of millions by implementing a number of efficiencies.

The 92nd General Assembly passed Act 910, known as the “Transformation and Efficiencies Act.” Since it took effect cabinet secretaries have been asked to find opportunities to improve their departments in three ways:

1. Efficiencies
2. Improved managerial support
3. Improved delivery of services to citizens

One way departments have accomplished this is by focusing on location sharing when possible and evolving to a new work environment that is less expensive and ensures less square footage. From July 1, 2019, to March 4, 2020, departments have realized more than $920,000.00 in savings on rent and 80,282 square feet of reduction in space.

A second way departments have improved is through budget reduction. In the balanced budget presented for

year two of the biennium without additional funding, there is a $10 million reduction in the performance fund. This fund is set-aside and available to supplement department budgets as needed as a result of their annual performance reviews.

Departments have also reduced the number of filled positions by 310 since July 1, 2019. This was accomplished by finding new ways to improve delivery and a commitment to shared services. No jobs were lost as a result of the transformation of Arkansas government.

Reallocation of general revenue has also helped the state maximize funding levels, with departments realizing more than $6,305,160 in savings by making a commitment to do more with less. In turn, departments have reinvested that funding back to accomplish more without requesting additional revenue.

Finally, transformation transfers have saved departments an estimated $3,278,370 in absorbed costs. Transformation transfers is a term used to capture any new initiatives that departments have absorbed with no additional funding, whether enacted by law or at the secretary’s discretion.

Finding ways to save taxpayer dollars and provide better services does not end with one piece of legislation. While the Transformation and Efficiencies Act has now shown to produce substantial savings, we will continue to find ways to do more.

Our Pre-Session Budget hearings will resume next week and continue through November 12. You can watch live at www.arkansashouse.org.