

**9902 – DEPARTMENT OF COMMERCE
FISCAL YEAR 2026
AS ENACTED BY ACT 608 OF 2025**

The Department of Commerce is composed of: Aeronautics, Arkansas Wine Producers Council, the Bank, Insurance and State Securities Departments, Development Finance Authority, Waterways Commission, Workforce Services (including Rehabilitation Services and Services for the Blind), and the Economic Development Commission (including Film, Grants Management, International Business, Rural Services, Science and Technology, and Small and Minority Business).

TOTAL APPROPRIATION

Appropriation		2023-2024	2024-2025	2025-2026
		Actual	Authorized	Legislative
BJ8	SAEF State Apprenticeship Expansion	\$288,919	\$0	Transferred to DWS
E25	OSD - Apprenticeship Expansion	\$288,919	\$267,908	Transferred to DWS
Z09	Office of Skills Development	\$22,962,827	\$23,505,141	Transferred to DWS
Z10	Office of Skills Development Program	\$2,334,506	\$2,529,054	Transferred to DWS
Z11	Construction Industry Craft Training Prgm	\$885,543	\$892,676	Transferred to DWS
Z31	Arkansas Wine Center Expenses	\$0	\$1,250,000	\$1,250,000
Z34	Arkansas Wine Producers Council	\$0	\$5,000	\$5,000
Z38	Department of Commerce	\$2,484,580	\$4,026,138	\$6,802,564
Total		\$29,245,294	\$32,475,917	\$8,057,564
Appropriation		2023-2024	2024-2025	2025-2026
		Actual	Authorized	Legislative
1MZ	Super Projects	\$5,278,063	\$200,000,000	\$6,000,000
2SK	State Operations	\$7,003,513	\$13,474,350	\$12,982,945
2SQ	Community Assistance-Federal	\$21,549,164	\$57,130,312	\$56,516,042
AR7	Community Develop. Block Grant - Disaster Recovery	\$0	\$8,933,441	\$8,933,441
BF2	Feasibility Study	\$0	\$950,000	\$0
BG9	Rural AR Economic Development Initiative	\$0	\$8,800,000	\$0
BW5	MEP SCOIN	\$55,213	\$0	Transferred to DWS
CF5	Econ Dev Incentive - Payroll Rebate	\$0	\$0	\$37,500,000
CF6	Econ Dev Incentive - Recycle Tax Credit	\$0	\$0	\$42,000,000
M70	New Markets Performance Program	\$0	\$875,781	\$142,266
T88	AEDC-Rural Service Division - State Ops	\$759,461	\$1,696,094	\$1,696,094
U08	AR Manufacturing Ext. Network-State	\$257,182	\$257,182	Transferred to DWS
U09	Seed Capital Investment-Cash in Treasury	\$100,000	\$1,540,000	\$1,040,000
U11	Science & Technology-State Operations	\$5,462,350	\$13,746,764	\$13,683,337
U12	New AMS - Cash in Treasury	\$290,818	\$1,162,614	Transferred to DWS
U13	Energy Efficiency - Cash in Treasury	\$0	\$100,000	\$0
U14	AR Manufacturing Extension Network-Fed	\$1,536,149	\$1,291,120	Transferred to DWS
U16	Arkansas Acceleration Fund	\$50,000	\$100,000,000	\$5,000,000
U17	STEM Education - Cash	\$0	\$40,000	\$0
U22	Fish and Wildlife Conservation Program	\$537,209	\$850,000	\$850,000

U28	Rural Services Conference Cash	\$94,595	\$100,000	\$150,000
U77	Quick Action Closing	\$29,485,523	\$75,000,000	\$75,000,000
X09	Minority & Women-Owned Business Loan	\$12,180	\$500,000	\$500,000
X70	Rural Services - Law Enforcement Grants	\$0	\$5,000,000	\$5,000,000
Z99	EPSCoR	\$3,637,049	\$16,041,299	\$6,829,969
NEW	Animal Rescue and Shelter Grants			\$50,000
NEW	Community Assistance Grant Program			\$10,000,000
Total		\$76,108,469	\$507,488,957	\$283,874,094
Grand Total		\$105,353,763	\$539,964,874	\$291,931,658

FUNDING SOURCES

Administration & Shared Services Funding Sources		2023-2024 Actual	%
Fund Balance	4000005	\$54,300,863	58.32
General Revenue	4000010	\$3,608,348	3.88
Federal Revenue	4000020	\$315,697	0.34
Transfer from DWS	4000316	\$3,072,634	3.30
Other	4000370	\$949,366	1.02
Workforce 2000	4000740	\$28,652,160	30.77
Shared Services Transfer	4000760	\$2,212,733	2.38
Total Funds		\$93,111,801	100.00
Excess Appropriation/(Funding)		(\$64,128,648)	
Grand Total		\$28,983,153	
Division of Economic Development Funding Sources		2023-2024 Actual	%
Fund Balance	4000005	\$133,475,680	57.75
General Revenue	4000010	\$19,349,674	8.37
Federal Revenue	4000020	\$37,491,231	16.22
Cash Fund	4000045	\$1,035,568	0.45
Inter-agency Fund Transfer	4000316	\$726,118	.31
Restricted Reserve Fund	4000755	\$35,000,000	15.14
Shared Services Transfer	4000760	(\$1,636,671)	-0.71
Amendment 82 Bond	4000765	\$5,278,063	2.28
Total Funds		\$231,126,073	100.00

CHANGE LEVEL REQUESTS – Administration & Shared Services

*Change levels in salary and match line items are due to adjustments for employees as authorized by law.

SAEF State Apprenticeship Expansion (Appropriation BJ8)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900046	State Apprentice Expansion Formula	\$0	\$1,130,150	\$1,130,150
Total		\$0	\$1,130,150	\$1,130,150

- Increase due to alignment of appropriation with actual grant funding and program goals and to consolidate appropriations (BJ8 and E25) that share the same purpose and federal funding source.

OSD - Apprenticeship Expansion (Appropriation E25)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5050009	Conference & Travel Expenses	\$4,750	\$0	(\$4,750)
5060010	Professional Fees	\$164,000	\$0	(\$164,000)
Total		\$168,750	\$0	(\$168,750)

- Decrease due to alignment of appropriation with actual grant funding and program goals and to consolidate appropriations (BJ8 and E25) that share the same purpose and federal funding source.

Office of Skills Development (Appropriation Z09)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$100,000	\$353,000	\$253,000
5050009	Conference & Travel Expenses	\$25,000	\$35,000	\$10,000
5900047	Apprenticeship Program	\$3,500,000	\$1,511,456	\$1,988,544
5900049	Industry Certification Testing	\$50,000	\$0	(\$50,000)
Total		\$3,675,000	\$1,899,456	\$2,201,544

- Adjustments due to the merge of program operations for two appropriations (Z09 and Z10) and to support costs related to rent, office supplies, and related travel expenses.

Office of Skills Development Program (Appropriation Z10)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$143,000	\$0	(\$143,000)
5050009	Conference & Travel Expenses	\$10,000	\$0	(\$10,000)
5900047	Apprenticeship Program	\$1,611,456	\$0	(\$1,611,456)
Total		\$1,764,456	\$0	(\$1,764,456)

- Adjustments due to the merge of program operations for two appropriations (Z09 and Z10) and to support costs related to rent, office supplies, and related travel expenses.

Construction Industry Craft Training Program (Appropriation Z11)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$12,000	\$32,000	\$20,000
5050009	Conference & Travel Expenses	\$7,500	\$10,000	\$2,500
Total		\$19,500	\$42,000	\$22,500

- Increases to cover expenses related to Arkansas becoming a State Apprenticeship Agency (SAA) State, and to support rent.

CHANGE LEVEL REQUESTS - Division of Economic Development Commission

*Change levels in salary and match line items are due to adjustments for employees as authorized by law.

Super Projects (Appropriation 1MZ)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900046	Super Projects	\$200,000,000	\$6,000,000	(\$194,000,000)
Total		\$200,000,000	\$6,000,000	(\$194,000,000)

- Decreased to better align budget with projected expenditures.

Community Assistance-Federal (Appropriation 2SQ)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900047	Flood Recovery Grants	\$615,710	\$0	(\$615,710)
Total		\$615,710	\$0	(\$615,710)

- Decreased to better align budget with projected expenditures.

Feasibility Study (Appropriation BF2)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900046	Spaceport Feasibility Study	\$950,000	\$0	(\$950,000)
Total		\$950,000	\$0	(\$950,000)

- Funding for appropriation had not been identified, therefore was not included in agency budget.

Rural AR Economic Development Initiative (Appropriation BG9)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900046	Rural AR Economic Development	\$8,800,000	\$0	(\$8,800,000)
Total		\$8,800,000	\$0	(\$8,800,000)

- Funding for appropriation had not been identified, therefore was not included in agency budget.

MEP SCOIN (Appropriation BW5)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5010000	Regular Salaries	\$0	\$11,000	\$11,000
5010002	Additional Fringe Benefits	\$0	\$3,146	\$3,146
5050009	Conference & Travel Expenses	\$0	\$30,335	\$30,335
5060010	Professional Fees	\$0	\$37,927	\$37,927
5900046	Supply Chain Optimization and Intelligence Network	\$0	\$317,592	\$317,592
Total		\$0	\$400,000	\$400,000

- Receipt of miscellaneous federal grant to assist small and medium-sized manufacturers. Increase to establish the appropriation in the Agency's operating appropriation bill and to operate the Manufacturing Extension Partnership (MEP) National Supply Chain Optimization and Intelligence Network (SCOIN) program.

Econ Dev Incentive - Payroll Rebate (Appropriation CF5)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5100004	Grants and Aid	\$0	\$37,500,000	\$37,500,000
Total		\$0	\$37,500,000	\$37,500,000

- Increase to establish the appropriation in the Agency's operating appropriation bill and to continue operation of the payroll rebate program.

Econ Dev Incentive - Recycle Tax Credit (Appropriation CF6)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5100004	Grants and Aid	\$0	\$42,000,000	\$42,000,000
Total		\$0	\$42,000,000	\$42,000,000

- Increase to establish the appropriation in the Agency's operating appropriation bill and to continue operation of the payroll rebate program.

New Markets Performance Program (Appropriation M70)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5110014	Refunds/Reimbursements	\$875,781	\$142,266	(\$733,515)
Total		\$875,781	\$142,266	(\$733,515)

- Decrease in line item to align appropriation with anticipated funding.

AEDC-Rural Service Div-State Operations (Appropriation T88)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5100004	Grants and Aid - Rural Community Grants	\$400,000	\$500,000	\$100,000
5900046	Rural Fire Protection Grants	\$1,000,000	\$900,000	(\$100,000)
Total		\$1,400,000	\$1,400,000	\$0

- Reallocation of \$100,000 from Rural Fire Protection Grants line item to Grants and Aid to align appropriation with anticipated expenditures.

Seed Capital Investment-Cash in Treasury (Appropriation U09)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5120013	Investments	\$1,540,000	\$1,040,000	(\$500,000)
Total		\$1,540,000	\$1,040,000	(\$500,000)

- Decreased to better align budget with anticipated expenditures.

Science & Technology-State Operations (Appropriation U11)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5100004	Grants and Aid - Arkansas Research Match	\$292,653	\$1,092,653	\$800,000
5900048	Arkansas Acceleration Fund Program	\$12,400,000	\$11,600,000	(\$800,000)
Total		\$12,692,653	\$12,692,653	(0)

- Reallocation from Grants and Aid to better align budget with anticipated expenditures.

Energy Efficiency - Cash in Treasury (Appropriation U13)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$100,000	\$0	(\$100,000)
Total		\$100,000	\$0	(\$100,000)

- Expenditure of appropriation was contingent upon available funding. No funding received.

AR Manufacturing Extension Network-Fed (Appropriation U14)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5020002	Operating Expenses	\$139,171	\$269,550	\$130,379
5100004	Grants and Aid	\$275,000	\$0	(\$275,000)
5900046	Field Services	\$376,120	\$800,000	\$423,880
Total		\$790,291	\$1,069,550	\$279,259

- Decreased to align appropriation with anticipated expenditures and program goals.

Arkansas Acceleration Fund (Appropriation U16)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5100004	Grants and Aid	\$100,000,000	\$5,000,000	(\$95,000,000)
Total		\$100,000,000	\$5,000,000	(\$95,000,000)

- Decreased to align appropriation with anticipated expenditures.

STEM Education - Cash (Appropriation U17)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900046	STEM Program Expenses	\$40,000	\$0	(\$40,000)
Total		\$40,000	\$0	(\$40,000)

- Expenditure of appropriation was contingent upon available funding. No funding received.

Rural Services Conference Cash (Appropriation U28)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5900046	Conference Expenses	\$100,000	\$150,000	\$50,000
Total		\$100,000	\$150,000	\$50,000

- Increase to align appropriation with anticipated funding.

EPSCoR (Appropriation Z99)

Commitment Item		2024-2025	2025-2026	
		Authorized	Legislative	Change Level
5100004	Grants and Aid - Research and Education	\$14,223,777	\$5,000,000	(\$9,223,777)
Total		\$14,223,777	\$5,000,000	(\$9,223,777)

- Decreased due to discontinuation of federal grant supporting the program.

POSITIONS

Total Authorized Positions FY2026: 129 (Secretary's Office - 59, AEDC - 70)

Total Authorized Positions FY2025: 133 (Secretary's Office - 35, Office of Skills Development - 13, AEDC - 85)

Increase / (Decrease): (4)

Extra Help Positions FY2026: 7 (AEDC - 7)

SPECIAL LANGUAGE REVISIONS

NEW Reallocation of Resources language added authorizing the Secretary to request a transfer of positions, appropriation, programs, and funds between divisions or other budgetary units of the department, from the Chief Fiscal officer of the State with approval of the Governor and prior approval by the Legislative Council or Joint Budget Committee. Transfers are limited to submitting no more than two individual transaction requests during any fiscal year.