



Newsletter From Rep. Matthew J. Shepherd

District 97

March 6, 2026

Pre-Fiscal Session Budget Hearings

Legislators spent much of this week at the Capitol participating in Pre-Fiscal Session Budget Hearings, an important step in preparing for the upcoming Fiscal Session of the Arkansas General Assembly. The hearings allow lawmakers to begin reviewing agency budgets, ask questions, and gain a clearer understanding of the state's financial priorities before the formal budget process begins.

During the hearings, members reviewed budget requests from several of the state's largest agencies, including higher education institutions, K-12 education, the Department of Human Services, the Department of Corrections, and the Department of Health. The presentations give legislators an early opportunity to evaluate spending trends and consider how proposed budgets align with state priorities. In addition to agency requests, lawmakers also reviewed Governor Sanders' proposed budget recommendations. The proposal calls for a 3% increase in spending while continuing to focus on key priorities.

A significant portion of the proposed budget focuses on education. The plan includes \$122 million in additional funding for the Education Freedom Account program created under Arkansas LEARNS, which enrolled a record 44,000 students this school year, along with a \$70 million reserve to support future program growth.

The proposal also allocates \$53.4 million for the state's new employee pay plan, with much of the funding directed toward salary increases for correctional officers and state troopers. Additional investments include \$6 million for higher education, \$7 million for drug task forces, \$5 million to improve Arkansas' SNAP error rate, and \$6 million for the 10:33 Initiative aimed at helping individuals transition from crisis to career.

The legislative calendar will soon accelerate. Lawmakers may begin pre-filing bills on Monday, March 9, ahead of the Fiscal Session, which officially begins April 8. Until then, legislators will continue reviewing budget proposals and preparing for the decisions that will shape the state's next budget.

