

State of Arkansas
91st General Assembly
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A Bill

HOUSE BILL 1484

By: Representative Shepherd

By: Senator Rapert

For An Act To Be Entitled

AN ACT TO MAKE TECHNICAL CORRECTIONS TO TITLE 15 OF
THE ARKANSAS CODE CONCERNING ECONOMIC DEVELOPMENT;
AND FOR OTHER PURPOSES.

Subtitle

TO MAKE TECHNICAL CORRECTIONS TO TITLE 15
OF THE ARKANSAS CODE CONCERNING ECONOMIC
DEVELOPMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 15-3-101(9), concerning the definitions to be used in relation to the Division of Science and Technology of the Arkansas Economic Development Commission, is repealed as obsolete.

~~(9) "Investment fund" means the fund created by § 15-3-120
{repealed};~~

SECTION 2. Arkansas Code § 15-3-109(b), concerning the power of the Division of Science and Technology of the Arkansas Economic Development Commission to carry out programs, is amended to read as follows to remove obsolete language:

(b) In establishing and maintaining the programs authorized by this section, the executive director may utilize moneys ~~drawn from the investment fund and such other moneys~~ as are lawfully available to the executive director for supporting the purposes of the Division of Science and Technology of the Arkansas Economic Development Commission.



SECTION 3. Arkansas Code § 15-3-122(a), concerning the purchase of qualified securities by the Division of Science and Technology of the Arkansas Economic Development Commission, is amended to read as follows to update obsolete language:

(a) The Arkansas Economic Development Commission may utilize ~~the investment fund moneys as appropriated by the General Assembly~~ to purchase qualified securities issued by enterprises as a part of a scientific and technological project for the purpose of raising the initial capitalization for such projects subject to the conditions set forth in this section.

SECTION 4. Arkansas Code § 15-4-1026(a)(3)(B), concerning eligibility for a tax credit for purchases of an equity interest in a capital development corporation, are amended to read as follows to clarify a reference:

(B) Transactions in which one (1) or more persons purchase equity interests in a capital development company and the proceeds of the purchases are invested by the capital development company at the direction of the purchasers into one (1) or more venture capital funds or private equity funds that have investment policies which conform to all or a portion of the capital development company's investment policy, if the governing board reviews and does not object to the use of the proceeds by the venture capital funds or private equity funds; and

SECTION 5. Arkansas Code § 15-4-1224 is repealed as obsolete.

~~15-4-1224. Tax credit.~~

~~(a)(1) The original purchaser of common stock of a corporation or a unit of interest of a limited liability company shall be entitled to a credit against any Arkansas income tax liability or premium tax liability which may be imposed on such a purchaser for any tax year commencing on or after January 1, 1999, for common stock purchased from a corporation or units of interest of a limited liability company and retained during any of the calendar years 1999-2003.~~

~~(2) The credit shall be determined in the following manner:~~

~~(A)(i)(a) The credit is an amount equal to thirty three and one third percent (33 1/3%) of the actual purchase price paid for the stock of a corporation to the corporation or for the units of interest of a~~

~~limited liability company to the limited liability company, which shall include any fees or commissions to underwriters or sales agents paid by the company.~~

~~(b) However, the total amount of fees and commissions to underwriters or sales agents for which a credit may be taken shall not exceed fifteen percent (15%) of the actual purchase price. Any fees or commissions in excess of fifteen percent (15%) of the total purchase price shall not be considered in calculating the amount of the credit determined in this section.~~

~~(ii) If any shares or units of interest, once purchased from the company, are then sold or otherwise disposed of prior to five (5) years elapsing from the date of purchase, the maximum amount of any credit shall be reduced a pro rata amount. In addition, any distribution from the company to the holder of the common stock or the unit of interest that is not a dividend or distribution within the meaning of § 15-4-1215 shall be deemed a sale of that portion of the original purchase price of the common stock or unit of interest on the date of such distribution for application of the credit reduction calculated under this subdivision (a)(2)(A);~~

~~(B) In any one (1) tax year, the credit allowed by this section shall not exceed fifty percent (50%) of the net Arkansas state income tax or premium tax liability of the taxpayer after all other credits and reductions in tax have been calculated;~~

~~(C)(i) Any credit in excess of the amount allowed by subdivision (a)(2)(B) of this section for any one (1) tax year may be carried forward and applied against Arkansas state income tax or premium tax for the next succeeding tax year and annually thereafter for a total period of three (3) years next succeeding the year in which the credit arose, subject to the provisions of subdivision (a)(2)(B) of this section, or until the credit is exhausted, whichever occurs first.~~

~~(ii) However, any credit arising under the County and Regional Industrial Development Company Act, § 15-4-1201 et seq., shall be allowed to be carried forward to years past December 31, 1999, subject to the three-year carry forward rules of this subdivision (a)(2)(C).~~

~~(iii) In no event will the credit allowed by this section be allowed for any tax year ending after December 31, 2006; and~~

~~(D) Any original purchaser of common stock or units of~~

~~interest who seeks to qualify for and maintain the income tax credit or premium tax credit provided in this section must obtain and attach to its annual income tax or premium tax return a certified statement from the company issuing the common stock or units of interest stating:~~

~~(i) The name and address of the original purchaser;~~

~~(ii) The number of shares or units of interest purchased;~~

~~(iii) The amount paid by the original purchaser for the common stock or units of interest, specifying what portion of the original purchase price consisted of fees or commissions to the underwriter or sales agent;~~

~~(iv) The date of purchase of the common stock or units of interest;~~

~~(v) The number of shares or units of interest of the original purchase still owned by the original purchaser; and~~

~~(vi) The amount and date of distributions made from the company to the purchaser and whether or not such distributions are ones made pursuant to § 15-4-1215.~~

~~(b)(1) For the purpose of ascertaining the gain or loss from the sale or other disposition of common stock in a corporation or units of interest in a limited liability company, the original purchaser of the common stock or the units of interest shall reduce his or her basis in the stock or units by the amount of the tax credits previously deducted under this section.~~

~~(2)(A) The original purchaser's basis in the stock or the units shall be further reduced by ten percent (10%) of the original purchase price for any shares of stock or any units of interest sold or otherwise disposed of before five (5) years have elapsed from the date of purchase.~~

~~(B) This reduced basis shall be used by the original purchaser when calculating tax due under the Income Tax Act of 1929, § 26-51-101 et seq.~~

SECTION 6. Arkansas Code § 15-4-1407(c)(3)(A), concerning requirements for product development contracts under the Inventors' Assistance Act, is amended to read as follows to clarify the language of the provision:

(3)(A) Authorization for the center to receive a fee not to exceed an amount equal to:

(i) Ten percent (10%) of all royalties from the product for a period not to exceed ten (10) years from the first day after royalties are first received by the inventor;

(ii) One percent (1%) of the gross sales revenue for a period not to exceed ten (10) years from the first day after the product reaches the commercial state; ~~and/or~~

(iii) An equitable percentage of any consideration received from the sale, licensing, or transfer of any interest in intellectual property or proprietary products; or

(iv) Any combination of amounts under subdivisions (c)(3)(A)(i)-(iii) of this section.

SECTION 7. Arkansas Code § 15-4-1606(5), concerning limitations that apply to all financial incentive plans negotiated by the Arkansas Economic Development Commission, is amended to read as follows to remove obsolete language:

(5) Recipients of benefits under this subchapter are precluded from receiving benefits under ~~§ 2-8-101 et seq. [repealed]~~ and the Arkansas Economic Development Act of 1995, § 15-4-1901 et seq.

SECTION 8. Arkansas Code § 15-4-1704(e), concerning the sales and use tax refund and the tax credit under the Arkansas Enterprise Zone Act of 1993, is amended to read as follows to make stylistic changes and clarify a reference:

(e) If the business does not continuously and throughout the project term meet the requirements of subdivisions ~~(b)(1)-(8)~~ (b)(1)-(9) of this section, then that business ~~will~~ shall automatically be disqualified from receiving any benefits under this section and ~~will~~ shall be required to repay any tax benefits already received under this subchapter, plus penalty and interest, as allowed by law.

SECTION 9. Arkansas Code § 15-4-2714(a), concerning coordination with other economic development programs under the Consolidated Incentive Act of 2003, is amended to read as follows to clarify a reference:

(a) Eligible businesses that sign a financial incentive agreement with the Arkansas Economic Development Commission before March 3, 2003, shall be

provided only the benefits for which they are qualified under any of the following:

- (1) ~~Biotechnology Training and Development Act, § 2-8-101 et seq. [repealed];~~
- (2) Arkansas Economic Development Incentive Act of 1993, § 15-4-1601 et seq.;
- (3) (2) Arkansas Enterprise Zone Act of 1993, § 15-4-1701 et seq.;
- (4) (3) Arkansas Economic Development Act of 1995, § 15-4-1901 et seq.; and
- (5) (4) Economic Investment Tax Credit Act, § 26-52-701 et seq. +
and
- (6) ~~Arkansas Emerging Technology Development Act of 1999, § 15-4-2101 et seq. [repealed].~~

SECTION 10. Arkansas Code Title 15, Chapter 4, Subchapter 29, is repealed as obsolete.

~~Subchapter 29~~

~~—Arkansas Workforce Investment Board and Adult Education Study Committee~~

~~15-4-2901. Legislative findings and intent.~~

~~(a) The General Assembly recognizes that adequate educational opportunities for adults are critical to the economic and social development of the state.~~

~~(b) The General Assembly finds that over four hundred ninety-one thousand eight hundred sixty-three (491,863) adults eighteen (18) years of age or older, approximately twenty five percent (25%) of the adult population in Arkansas, lack a high school diploma or have not passed a high school equivalency test, and thus there is a critical need for adult education and training services.~~

~~(c) It is the intent of this legislation to ensure that the limited funds available for adult education and training services are having the greatest possible impact on improving the skills and employment and earnings prospects of adults in Arkansas.~~

~~15-4-2902. Establishment—Members.~~

~~(a) There is established a committee to be known as the "Arkansas Workforce Investment Board and Adult Education Study Committee".~~

~~(b) The Arkansas Workforce Investment Board and Adult Education Study Committee shall consist of twenty six (26) members as follows:~~

~~(1)(A) Thirteen (13) members appointed by the Arkansas Workforce Development Board.~~

~~(B) Ten (10) of the members appointed by the board shall be representatives from a workforce center in each of the ten (10) local workforce investment areas of the state; and~~

~~(2)(A) Thirteen (13) members appointed by the Adult Education Section of the Department of Career Education.~~

~~(B) Ten (10) of the members appointed by the section shall be representatives from an adult education program in each of the ten (10) local workforce investment areas of the state.~~

~~(c) The appointed Arkansas Workforce Investment Board and Adult Education Study Committee members shall be residents of the State of Arkansas at the time of appointment and throughout their terms.~~

~~(d)(1) If a vacancy occurs in an appointed position for any reason, the vacancy shall be filled in the same manner as the original appointment.~~

~~(2) The new appointee shall serve for the remainder of the unexpired term.~~

~~(e) The board and the section shall each name one (1) member to serve as cochairs of the Arkansas Workforce Investment Board and Adult Education Study Committee.~~

~~(f)(1) The Arkansas Workforce Investment Board and Adult Education Study Committee shall meet at times and places that either of the cochairs deems necessary, but no meetings shall be held outside of the State of Arkansas.~~

~~(2) A majority of the members of the Arkansas Workforce Investment Board and Adult Education Study Committee shall constitute a quorum for the purpose of transacting business.~~

~~(3) All actions of the Arkansas Workforce Investment Board and Adult Education Study Committee shall be by a majority vote of the full membership of the Arkansas Workforce Investment Board and Adult Education Study Committee.~~

~~(g) The Arkansas Workforce Investment Board and Adult Education Study~~

~~Committee shall:~~

~~(1) Review the programs and services offered by workforce centers and adult education programs and determine if those entities offer duplicative services;~~

~~(2) Determine the extent to which workforce centers and adult education programs are coordinating services to create a seamless system of education and training opportunities for adults; and~~

~~(3) Make specific recommendations for reducing unnecessary duplication of services and improving the coordination of services between workforce centers and adult education programs in the form of a written report to the Governor, the House Committee on Education, and the Senate Committee on Education on or before September 1, 2004, and an oral report to the House Committee on Education and the Senate Committee on Education as directed by the Chair of the House Committee on Education and the Chair of the Senate Committee on Education.~~

~~(h)(1) The section and the board shall provide staff and meeting space to the Arkansas Workforce Investment Board and Adult Education Study Committee.~~

~~(2)(A) Members of the Arkansas Workforce Investment Board and Adult Education Study Committee shall serve without pay except members who receive compensation incidental to their regular employment.~~

~~(B) Members of the Arkansas Workforce Investment Board and Adult Education Study Committee may receive expense reimbursement in accordance with § 25-16-902, to be paid by the section or the board to the entities' respective appointees and to the extent money is available.~~

SECTION 11. Arkansas Code § 15-4-3703(2), concerning the definitions used under the Arkansas Workforce Innovation and Opportunity Act, is amended to read as follows to remove obsolete language:

(2) "Core programs" means:

(A) Youth, adult, and dislocated worker programs funded by the Workforce Innovation and Opportunity Act, Pub. L. No. 113-128;

(B) Adult education and literacy activities;

(C) Employment services funded by the Wagner-Peyser Act, 29 U.S.C. § 49 et seq.; and

(D) Subchapter 1 of the Rehabilitation Act of 1973, 29

U.S.C. § 701 et seq., other than 29 U.S.C. ~~§ 112 [repealed]~~, § 732, or 29 U.S.C. § 741;

SECTION 12. Arkansas Code § 15-4-3703(3)(D), concerning the definition of "one-stop partner program" under the Arkansas Workforce Innovation and Opportunity Act, is amended to read as follows to remove obsolete language:

(D) Subchapter 1 of the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq., other than 29 U.S.C. ~~§ 112 [repealed]~~, § 732, or 29 U.S.C. § 741;

SECTION 13. Arkansas Code § 15-4-3704(o), concerning the Arkansas Workforce Development Board, is amended to read as follows to clarify the application of the subsection:

(o) A simple majority of members ~~in attendance~~ shall constitute a quorum.

SECTION 14. Arkansas Code § 15-4-3707(c)(2)(C)(vii), concerning requirements for operational plans for state operating systems under the Arkansas Workforce Innovation and Opportunity Act, is amended to read as follows to remove obsolete language:

(vii) The privacy safeguards incorporated in the system, including safeguards required by ~~§ 444 of the National Defense Education Program, 20 U.S.C. §§ 401-589, and~~ the General Education Provisions Act, 20 U.S.C. § 1221 et seq., and other applicable federal laws;

SECTION 15. Arkansas Code § 15-5-103(17), concerning the definitions used under the Arkansas Development Finance Authority Act, is amended to read as follows to update an obsolete reference:

(17) "Loans" means loans made for the purposes of financing any of the activities authorized within this subchapter, including:

(A) Working capital and the acquisition of accounts, as "account" is defined in § 4-9-106 4-9-102, to finance working capital;

(B) Loans made to financial institutions for the purpose of funding or as security for loans made for the purpose of accomplishing any of the purposes of this subdivision (17);

(C) Loans made to nonprofit corporations and affiliated

organizations for the purpose of such entities' providing funds and loans for healthcare project costs as defined in this section; and

(D) Reserves and expenses appropriate or incidental to all such loans described in this subdivision (17);

SECTION 16. Arkansas Code § 15-5-204(b), concerning the prohibition on personal interests in contracts under the Arkansas Development Finance Authority Act, is amended to read as follows to make stylistic changes and to correct a reference to a criminal offense:

(b) Any member, officer, employee, or agent of the authority who ~~shall be~~ is found guilty of violating ~~the provisions of this section shall be~~ is barred from public employment in the state in any capacity ~~whatsoever~~ for a period of five (5) years from the date he or she was ~~adjudged~~ found guilty of ~~the misdemeanor violating this section~~, in addition to such other penalties as may be provided by law.

SECTION 17. Arkansas Code § 15-5-407(a)(1), concerning the Bond Guaranty Reserve Account, is amended to read as follows to make stylistic changes and remove obsolete language:

(a)(1) The Arkansas Development Finance Authority ~~is authorized to~~ may establish a Bond Guaranty Reserve Account in an Arkansas financial institution or institutions that are members of the Federal Deposit Insurance Corporation ~~or the Federal Savings and Loan Insurance Corporation~~ ~~abolished~~.

SECTION 18. Arkansas Code § 15-5-407(a)(2), concerning the Bond Guaranty Reserve Account, is amended to read as follows to make stylistic changes and remove obsolete language:

(2) The account shall be in the name of the authority, and the amount ~~thereof~~ in the account in excess of that insured by the Federal Deposit Insurance Corporation ~~or the Federal Savings and Loan Insurance Corporation~~ ~~abolished~~ must shall be secured by, and the authority ~~is authorized to~~ may invest account funds in:

(A) Direct obligations of, or obligations which are guaranteed by, the United States;

(B) Obligations, debentures, notes, or other evidences of

indebtedness issued or guaranteed by any of the following:

- (i) Bank for Cooperatives;
- (ii) Export-Import Bank of the United States;
- ~~(iii) Farmers Home Administration [abolished];~~
- ~~(iv) (iii)~~ Federal Financing Bank;
- ~~(v) (iv)~~ Federal Home Loan Bank System;
- ~~(vi) (v)~~ Federal Home Loan Mortgage Corporation;
- ~~(vii) (vi)~~ Federal Housing Administration;
- ~~(viii) (vii)~~ Federal Intermediate Credit Bank;
- ~~(ix) (viii)~~ Federal Land Bank;
- ~~(x) (ix)~~ Federal National Mortgage Association; or
- ~~(xi) (x)~~ Government National Mortgage Association;

(C) Repurchase agreements with financial institutions acting as principal or agent for securities described in subdivisions (a)(1) and (2) of this section, if the securities are delivered to the authority or trustee on its behalf;

(D) Obligations issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States or temporary notes, preliminary loan notes, or project notes issued by public agencies or municipalities, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States;

(E) Certificates of deposit or time deposits or similar banking arrangements with a bank or banks or savings and loan association or associations, insured by the Federal Deposit Insurance Corporation ~~or savings and loan association or associations insured by the Federal Savings and Loan Insurance Corporation [abolished]~~; and

(F) Investment agreements, capital notes, or banking arrangements with financial institutions or holding companies ~~thereof~~ of financial institutions approved by the Board of Directors of the Arkansas Development Finance Authority, and to provide for the sale of any such investment agreements, capital notes, or banking arrangements and for the reinvestment of the proceeds ~~thereof~~ of the sale.

SECTION 19. Arkansas Code § 15-5-703(12), concerning the definitions

used under the Arkansas Development Finance Authority Small Business Act of 1989, is repealed as obsolete.

~~(12) "Small business" means business enterprises with fewer than fifty (50) employees and less than one million dollars (\$1,000,000) in gross sales or receipts;~~

SECTION 20. Arkansas Code § 15-10-801(c), concerning the Arkansas Alternative Energy Commission, is amended to read as follows to remove obsolete language:

(c)~~(1)~~ The Governor shall appoint a chair for the commission.

~~(2) The chair shall call the first meeting of the commission within sixty (60) days after July 31, 2009.~~

SECTION 21. Arkansas Code § 15-11-306 is amended to read as follows to make stylistic changes, correct references, and remove duplicative language addressed in other sections in the subchapter:

15-11-306. Authority to lease facilities.

(a)~~(1)~~ The Department of Parks and Tourism ~~is authorized to~~ may lease existing buildings and facilities ~~deemed suitable therefor by the department for operation as tourist information bureaus~~ at or near the major highway points of entry into this state, ~~may provide for the staffing and operation in buildings or facilities of tourist information centers,~~ and may pay the necessary cost of maintenance, upkeep, and operation ~~thereof~~ of the leased buildings and facilities.

~~(2) Tourist information centers shall be for the purpose of furnishing information to tourists entering this state with respect to the various attractions, opportunities, facilities, and other resources of this state which are of interest to tourists or which provide accommodations for their use or convenience while visiting this state.~~

~~(3) The department shall promulgate reasonable rules and regulations regarding the operation of such tourist information centers.~~

(b) ~~In the event that~~ If it becomes necessary for the department to cease to operate any tourist information ~~center~~ bureau in the state as a result of the shortage of funds, the State Parks, Recreation, and Travel Commission shall lease the tourist information ~~center~~ bureau facility to a municipality or county in which ~~it~~ the tourist information bureau is located

or to a nonprofit organization approved by the commission for an annual lease payment of ten dollars (\$10.00) per year to be operated by the lessee in a manner approved by the commission.

SECTION 22. Arkansas Code § 15-11-604 is repealed as obsolete.

~~15-11-604. Transfer of powers and duties.~~

~~All powers, duties, functions, and responsibilities of the Keep Arkansas Beautiful Commission, created by Executive Order 89-4, are transferred to the Keep Arkansas Beautiful Commission created by this subchapter, and all similar commissions, whether created by law or executive order, are abolished.~~

SECTION 23. Arkansas Code § 15-12-101 is amended to read as follows to make stylistic changes, correct references, and clarify conflicting language:

15-12-101. Creation – Members – Meetings.

(a) There is established the Arkansas Natural and Cultural Resources Council, which shall consist of eleven (11) voting members as follows:

- (1) The Director of the Department of Parks and Tourism;
- (2) The Director of the Department of Arkansas Heritage;
- (3) The Chair of the State Parks, Recreation, and Travel

Commission or his or her designee;

(4) The Chair of the Arkansas Natural Heritage Commission or his or her designee;

- (5) The Commissioner of State Lands;

(6)(A) Two (2) resident electors of this state appointed by the Governor as public members who are representatives of recreation groups, conservation groups, or other groups interested in the wise use, preservation, and conservation of Arkansas's natural or cultural resources.

(B) One (1) member appointed under this subdivision (a)(6) shall represent rural areas, and the Governor shall consult the Arkansas Forestry Association before making the appointment.

(C) One (1) member appointed under this subdivision (a)(6) shall represent urban areas, and the Governor shall consult the organizations described in subdivision (a)(6)(A) of this section before making the appointment;

- (7)(A) One (1) member appointed by the Governor subject to

confirmation by the Senate to represent Arkansas cities and towns.

(B) ~~This~~ The member appointed under subdivision (a)(7)(A) of this section shall serve a term of two (2) years or until his or her successor is appointed and qualified.

(C) The Governor shall consult the Arkansas Municipal League before making an appointment under this subdivision (a)(7);

(8)(A) One (1) member appointed by the Governor subject to confirmation by the Senate to represent Arkansas counties.

(B) ~~This~~ The member appointed under subdivision (a)(8)(A) of this section shall serve a term of two (2) years or until his or her successor is appointed and qualified.

(C) The Governor shall consult the County Judges' Association of Arkansas before making an appointment under this subdivision (a)(8);

(9) One (1) member appointed by the Speaker of the House of Representatives; and

(10) One (1) member appointed by the President Pro Tempore of the Senate.

~~(b) The appointments under subdivisions (a)(6)-(8) of this section shall be made by the Governor and the Governor shall consult the organizations described in subdivisions (a)(6)-(8) before making the appointments.~~

~~(c)(1) One (1) member appointed under subdivision (a)(6) of this section shall represent rural areas and the Governor shall consult the Arkansas Forestry Association before making the appointment.~~

~~(2) The other member appointed under subdivision (a)(6) of this section shall represent urban areas.~~

~~(d) Members appointed under subdivisions (a)(7) and (8) of this section shall serve for four-year terms.~~

~~(e)~~ (b) Members of the council shall serve without pay. However:

(1)(A) The Director of the Department of Parks and Tourism, the Director of the Department of Arkansas Heritage, the Chair of the State Parks, Recreation, and Travel Commission or his or her designee, and the Chair of the Arkansas Natural Heritage Commission or his or her designee may receive expense reimbursement for attending meetings of the council as provided by § 25-16-902.

(B) ~~These allowances~~ Expense reimbursement under subdivision (b)(1)(A) of this section shall be paid from funds appropriated for the support of ~~their respective agencies~~ the Department of Parks and Tourism, the Department of Arkansas Heritage, the State Parks, Recreation, and Travel Commission, and the Arkansas Natural Heritage Commission, respectively; and

(2)(A) The appointees to the council under subdivisions (a)(6)-(10) of this section, including the city and county representatives on the council, ~~shall be entitled to~~ may receive expense reimbursement for reasonable and necessary expenses incurred for meals, lodging, and travel in attending council meetings.

(B) ~~Expenses~~ Expense reimbursement under subdivision (b)(2)(A) of this section shall be paid from funds appropriated for the support of the Department of Arkansas Heritage.

~~(f)~~ (c) All action by the council shall be taken by the vote of a majority of the members of the council.

~~(g)-(1)~~ (d)(1) The council shall organize by choosing one (1) of its voting members to serve as Chair of the Arkansas Natural and Cultural Resources Council and shall elect such other officers as deemed necessary for the functioning of the council.

(2) The Director of the Department of Arkansas Heritage shall serve as Secretary of the Arkansas Natural and Cultural Resources Council and shall serve as disbursing officer of any funds appropriated for or administered by the council.

~~(h)~~ (e) The council shall meet on call of the chair or upon written request of not fewer than four (4) voting members or at such times as provided in rules adopted by the council.

SECTION 24. Arkansas Code § 15-12-103(b)(1)(E), concerning the disposition of revenues by the Arkansas Natural and Cultural Resources Council, is amended to read as follows to clarify a reference:

(E) In funding state park improvements, the council should initially emphasize the restoration or renovation of existing facilities and historic structures within the state park system.

SECTION 25. Arkansas Code § 15-20-309(1), concerning the rights,

powers, and duties of the Arkansas Natural Heritage Commission, is amended to read as follows to make stylistic changes and clarify references:

(1)(A) To receive gifts, grants, donations, fee conveyances, or transfers of money and property, both real and personal, from private and public sources, or federal, or either, and to sell or dispose of such property, real and personal, or either, as the commission deems advisable.

(B) Any ~~and all~~ funds and income from any ~~and all~~ property ~~so furnished~~ described in subdivision (1)(A) of this section shall be ~~placed~~ deposited into the State Treasury into the ~~Department of Arkansas Heritage Federal Fund~~ Department of Arkansas Heritage Endowment Trust Fund and expended in the same manner as other state moneys are expended, upon vouchers drawn by the Director of the Arkansas Natural Heritage Commission; and

SECTION 26. Arkansas Code § 15-20-313 is amended to read as follows to make stylistic changes and remove obsolete language:

15-20-313. Designation of areas of local significance.

(a) The system and each portion ~~thereof~~ of the system are declared to be areas of local significance within the meaning of ~~§ 4(f) [repealed]~~ of the ~~Department of Transportation Act of 1966, and of § 138 of the Federal Aid Highway Act of 1968~~ 23 U.S.C. § 138. ~~Nothing in this subchapter shall~~

(b) This chapter does not prohibit or prevent any project or activity ~~now or hereafter~~ authorized or undertaken pursuant to an act of the United States Congress.

SECTION 27. Arkansas Code §§ 15-20-318 and 15-20-319 are amended to read as follows to make stylistic changes and clarify references:

15-20-318. Use of funds.

Any ~~and all~~ moneys, funds, and property described in § 15-20-309 shall be used solely for the purpose of carrying out ~~the provisions of~~ § 15-20-308.

15-20-319. Deposit of moneys.

Any ~~and all~~ moneys ~~so~~ collected under § 15-20-317 shall be ~~placed~~ deposited into a bank account created specifically for the continuing operation of the natural heritage data system developed by the Nature Conservancy.

SECTION 28. Arkansas Code § 15-20-502 is amended to read as follows to make stylistic changes, clarify references, and clarify a criminal offense:

15-20-502. Rules ~~and regulations~~ – Enforcement – Penalties.

(a) The Arkansas Natural Heritage Commission ~~shall have the authority to~~ may promulgate rules ~~and regulations~~ establishing policies governing the use and protection of a natural areas area.

(b) ~~Any~~ A person violating ~~any of the rules and regulations~~ a rule promulgated by the commission governing a natural areas area upon conviction shall be fined not less than twenty-five dollars (\$25.00) nor more than two hundred fifty dollars (\$250), or imprisoned for not less than ten (10) days nor more than thirty (30) days for each ~~and every offense~~ violation.

(c) ~~Any~~ A law enforcement officer ~~shall have the right to~~ may issue ~~citations~~ a citation to and ~~to~~ apprehend ~~persons detected~~ a person violating ~~any rules or regulations~~ a rule promulgated by the commission for use and protection of a natural areas area and take ~~offenders~~ the person before ~~any~~ a court having jurisdiction in the county where the ~~offense is~~ violation was committed.

(d) The Director of the Arkansas Natural Heritage Commission may apply to the circuit court of any county in which a violation of this subchapter is occurring or in which the director has reasonable cause to believe a violation of this subchapter is about to occur, and ~~that~~ the circuit court shall have jurisdiction to grant a temporary or permanent injunction restraining any person from violating this subchapter without requiring the director to post bond during the pendency of ~~this~~ the action described in this subsection.

(e)(1) In addition to criminal penalties ~~set forth in~~ under subsection (b) of this section, ~~any~~ a person who violates ~~any rules and regulations~~ a rule promulgated by the commission governing a natural areas area or who causes ~~such~~ a violation by his or her employee or agent ~~shall be~~ is liable for a civil penalty of five hundred dollars (\$500) or three (3) times the value of the damages caused, whichever is the greater, and the penalty ~~to~~ shall be recovered in an action brought by the Attorney General or the commission's attorney in the proper circuit court.

(2) The civil penalty described in subdivision (e)(1) of this

section shall be used to restore the natural area or to secure the preservation of similar areas.

SECTION 29. Arkansas Code § 15-20-802(e)(2), concerning the authority of the Arkansas Natural Resources Commission to pledge and sell loans and other securities, is amended to read as follows to remove obsolete language:

(2) All proceeds from the sale or pledge of the loans or pools of loans under this subchapter shall be deposited into:

- (A) The Arkansas Water Development Fund;
- (B) ~~The Water Resources and Waste Disposal Revolving Loan Fund [abolished];~~
- ~~(C)~~ The Water, Sewer, and Solid Waste Systems Revolving Fund;
- ~~(D)~~ (C) The Arkansas Water Resources Cost Share Revolving Fund; or
- ~~(E)~~ (D) Any other fund or account or combination of funds or accounts that the commission shall direct.

SECTION 30. Arkansas Code § 15-21-504(n), concerning the duties, responsibilities, and authority of the Arkansas State Land Information Board, is amended to read as follows to correct references:

(n)(1) The board shall provide mapping services to an entity undertaking an:

- (A) Annexation, consolidation, or detachment proceeding under § 14-40-101 et seq.; or
- (B) Incorporation or disincorporation proceeding under § ~~14-38-116~~ 14-38-101 et seq.

(2) The office shall submit a consolidated report of changes in legal boundaries because of an annexation, consolidation, detachment, incorporation, or disincorporation proceeding on an annual basis to the United States Bureau of the Census's Boundary and Annexation Survey.

SECTION 31. Arkansas Code § 15-22-401 is amended to read as follows to make stylistic changes and clarify a reference:

15-22-401. Scope.

~~The provisions of this subchapter shall apply~~ This subchapter applies

to artesian wells abandoned ~~prior to passage and approval of this act~~ before March 29, 1949.

SECTION 32. Arkansas Code § 15-22-905(1)(A), concerning the powers of the Arkansas Natural Resources Commission, is amended to read as follows to clarify a reference:

(1)(A) There will be no reduction or limitation of the withdrawal of groundwater from existing wells in an alluvial aquifer for which a water right is grandfathered under the provisions of § 15-22-910(a)(1) unless alternative surface water supplies are available or can be made available at a cost to the person no greater than the operating cost of the person's wells within the critical groundwater area, including depreciation costs over the life of the well.

SECTION 33. Arkansas Code § 15-22-905(5), concerning the powers of the Arkansas Natural Resources Commission, is amended to read as follows to correct grammatical errors and clarify references:

(5) ~~Replacement Wells~~ With respect to replacement wells:

(A)(i) The owner of an existing well may construct a replacement well after abandoning the existing well.

(ii) To transfer a water right to a replacement well the owner need only submit to the commission notice of construction of a replacement well stating the location and ownership of the original well and replacement ~~wells~~ well and other relevant information required by the ~~commission;~~ and

(B) The original well must be converted to a nonregulated use or plugged in the manner prescribed by the commission; and

SECTION 34. Arkansas Code § 15-22-1212(a)(14), concerning the powers of county conservation boards, is amended to read as follows to correct grammatical errors and clarify references:

(14) Enter upon private premises for the purpose of carrying out ~~the terms of~~ this subchapter, including a determination of the capacity of the Sparta ~~well~~ Aquifer, and for compliance with the Department of Health rules ~~and regulations~~ concerning the health and safety of the water systems;

SECTION 35. Arkansas Code § 15-23-103(b), concerning the Lee Creek Development Authorization Act of 1985, is amended to read as follows to clarify a reference:

(b)(1) Authority is granted to develop that portion of the Lee Creek Waterway located in Crawford County, commencing at the three and two-tenths-mile point of Lee Creek, measured from the point of confluence of Lee Creek and the Arkansas River, and continuing from the three and two-tenths-mile point to the common boundary between the states of Arkansas and Oklahoma.

(2)(A) The grant of authority for development as set forth in this subsection includes, but is not limited to, the authority to construct any bridge, causeway, dam, dike, or other structure necessary to the development of the designated portion of Lee Creek and the impoundment of water thereon.

(B) However, the appropriate permits for the construction of ~~such structures are~~ a structure described in subdivision (b)(2)(A) of this section shall be obtained from the responsible agencies of the State of Arkansas as otherwise provided by law.

SECTION 36. Arkansas Code § 15-31-113(b), concerning legislative findings relating to the Arkansas Forestry Commission, is amended to read as follows to remove obsolete language:

(b) The purpose of this section and §§ 15-31-114 and ~~5-38-201~~ ~~{repealed}~~ is to establish that fines generated by law enforcement activities of the commission be deposited into the State Forestry Fund.

SECTION 37. Arkansas Code § 15-31-204 is amended to read as follows to make stylistic changes, clarify references, and clarify a criminal offense:

15-31-204. Employee interest in the purchase of estimated timber.

(a) ~~No~~ An employee of the Arkansas Forestry Commission, ~~directly or indirectly,~~ shall not be directly or indirectly interested in the purchase of ~~the timber so~~ estimated under this subchapter.

(b) If ~~any such~~ an employee of the commission violates this section or if ~~anyone~~ a person aids or abets ~~any~~ an employee of the commission in the violation of this section, upon conviction, he or she is guilty of a violation and shall be fined in a sum of not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500) and ~~by removal~~ if employed by the

commission, he or she shall be removed from office employment with the commission.

SECTION 38. Arkansas Code § 15-32-304(b)(1), concerning the issuance and service of summons related to trespass and the unlawful cutting of timber, is amended to read as follows to remove obsolete language:

(b)(1) On the filing of the complaint, the clerk of the court ~~in case the complaint is filed in a court of record or the justice of the peace in case the complaint is filed with a justice of the peace~~ shall issue a summons against the persons so named in the complaint as defendants commanding them to appear as in other actions at law before the court ~~or justice~~ and show cause why the property mentioned in the complaint shall not be adjudged to be the property of the State of Arkansas.

SECTION 39. Arkansas Code § 15-32-305(a), concerning the return of an officer when no one is found in possession of unlawfully cut timber, is amended to read as follows to make stylistic changes, clarify references, and remove obsolete language:

(a) If ~~no~~ a person is not found in possession of the logs, timber, lumber, staves, shingles, shingle bolts, stocks, headings, wood, bark, stone, mineral, or other material described in the complaint required under § 15-32-303 and ~~if no~~ a person ~~claims~~ does not claim the ~~materials~~ logs, timber, lumber, staves, shingles, shingle bolts, stocks, headings, wood, bark, stone, mineral, or other material described in the complaint required under § 15-32-303, or if the officer whose duty it is to serve the summons fails to find the parties ~~therein~~ named in the summons, then, upon the return of the officer or upon the oath of the county timber inspector or other person acting under his or her authority, the clerk of the court ~~or the justice of the peace~~ shall make out a warning order and publish the warning order as is now provided by law in proceedings by attachment.

SECTION 40. Arkansas Code § 15-32-309 is amended to read as follows to make stylistic changes and remove obsolete language:

15-32-309. Trespass or waste – Communicating information ~~and filing~~ complaint.

All county sheriffs and township officers ~~are especially charged to~~

shall immediately communicate to the prosecuting attorney and county timber inspector any ~~and all~~ information received by them respecting the commission of any trespass or waste on any public lands ~~and to enter complaint against the offender before some justice of the peace.~~

SECTION 41. Arkansas Code § 15-32-311 is amended to read as follows to make stylistic changes and clarify references:

15-32-311. Payment of funds into State Treasury.

(a) All ~~money~~ moneys received from the sale of logs, timber, lumber, shingles, minerals, or other articles from public lands that were seized under ~~the provisions of~~ this subchapter ~~or~~ and all moneys recovered in legal proceedings under this subchapter for damages done ~~the~~ to public lands, after paying the county timber inspectors, prosecuting attorneys, and witnesses as provided in § 15-32-308, shall be ~~paid~~ deposited into the State Treasury to the credit of the respective funds ~~to~~ that are used to administer the public ~~which the lands belong on which such trespasses were committed.~~

(b) All other ~~money~~ moneys collected as expenses, fees, penalties, and damages for trespass on ~~such~~ public lands shall be ~~paid~~ deposited into the ~~general fund~~ General Revenue Fund.

SECTION 42. Arkansas Code § 15-45-302(b), concerning the Nongame Preservation Committee, is amended to read as follows to clarify the application of the subsection:

(b) The remaining two (2) members ~~will be~~ shall:

(1) Be appointed by the Governor subject to confirmation by the Senate for three-year terms. The Governor shall appoint two (2) members after consulting after the Governor consults with private conservation organizations from within the state; and

(2) Serve terms of three (3) years.

SECTION 43. Arkansas Code § 15-76-302(9), concerning the definitions used in relation to brine production, is amended to read as follows to correct references and make stylistic changes:

(9) “Just and equitable share of brine” of an owner in:

(A) A brine production unit or brine expansion unit containing one (1) or more production wells ~~is~~ means that part of the actual

production of brine from the brine production unit or brine expansion unit ~~which~~ that is in the same proportion to the total production of brine from the brine production unit or brine expansion unit as the interest of the owner in the brine of the brine production unit or brine expansion unit expressed in surface acres is to the total surface acreage of the brine production unit or brine expansion unit; and

(B) A brine expansion unit containing only one (1) or more injection wells ~~is~~ means that part of the average production of brine from all production wells in the adjacent brine production unit that is in the same proportion to the average production as the interest of the owner in the brine of the brine expansion unit expressed in surface acres is to the total surface acreage of the brine expansion unit;

SECTION 44. DO NOT CODIFY. CONSTRUCTION AND LEGISLATIVE INTENT.

It is the intent of the General Assembly that:

(1) The enactment and adoption of this act shall not expressly or impliedly repeal an act passed during the regular session of the Ninety-First General Assembly;

(2) To the extent that a conflict exists between an act of the regular session of the Ninety-First General Assembly and this act:

(A) The act of the regular session of the Ninety-First General Assembly shall be treated as a subsequent act passed by the General Assembly for the purpose of:

(i) Giving the act of the regular session of the Ninety-First General Assembly its full force and effect; and

(ii) Amending or repealing the appropriate parts of the Arkansas Code of 1987; and

(B) Section 1-2-107 shall not apply; and

(3) This act shall make only technical, not substantive, changes to the Arkansas Code of 1987.

APPROVED: 03/06/2017