

State of Arkansas
91st General Assembly
Fiscal Session, 2018

As Engrossed: H2/27/18
A Bill

SENATE BILL 105

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO REAPPROPRIATE THE BALANCES OF CAPITAL
IMPROVEMENT APPROPRIATIONS FOR THE ARKANSAS ECONOMIC
DEVELOPMENT COMMISSION; AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE ARKANSAS ECONOMIC
DEVELOPMENT COMMISSION REAPPROPRIATION.

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

SECTION 1. REAPPROPRIATION - GENERAL IMPROVEMENT FUNDS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the General Improvement Fund or its successor fund or fund accounts, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 1 of Act 468 of 2017, for a transfer to the Economic Development Incentive Quick Action Closing Fund, for incentives to attract new business and economic development to the state, in a sum not to exceed\$50,000,000.

(B) Effective July 1, 2018, the balance of the appropriation provided in Item (B) of Section 1 of Act 468 of 2017, for funding for an investment in Arkansas' workforce through training incentives for companies located in Arkansas to upgrade skills of their existing workforce, or for a potential new workforce, and to build capacity within Arkansas to supply on-going training needs of Arkansas companies and to increase participation in the State's school-to-work initiatives, in a sum not to exceed\$3,000,000.

(C) Effective July 1, 2018, the balance of the appropriation provided



in Item (C) of Section 1 of Act 468 of 2017, for payments on bonds issued for economic development projects authorized under Amendment 82 to the Constitution of the State of Arkansas of 1874, in a sum not to exceed\$7,000,000.

(D) Effective July 1, 2018, the balance of the appropriation provided in Item (D) of Section 1 of Act 468 of 2017, for funding for grants and/or loans to state agencies, cities, counties, community-based non-profit organizations and other eligible entities to undertake public works projects and/or job training efforts which support private sector job creation opportunities, alleviate conditions which constitute a threat to public health and well-being, or partially defray the costs of providing access to publicly owned industrial parks, and/or technology parks; to provide grants and/or loans for the expansion of the aircraft and aerospace industry; grants and/or loans for port and waterway economic development projects; grants and/or loans for technology based economic development projects; grants and/or loans for industrial site development costs (including, but not limited to land acquisition, construction, renovation, and equipment acquisition); development of intermodal facilities (including, but not limited to port and waterway projects, rail spur construction and road and highway improvements); grants and/or loans to pay the costs of environmental mitigation projects; and for construction and/or improvement of water and sewer systems, in a sum not to exceed\$20,000,000.

(E) Effective July 1, 2018, the balance of the appropriation provided in Item (E) of Section 1 of Act 468 of 2017, for funding for grants and/or loans to state agencies, cities, counties, community-based non-profit organizations and other eligible entities to support economic stimulus activities throughout the State, in a sum not to exceed\$10,000,000.

(F) Effective July 1, 2018, the balance of the appropriation provided in Item (F) of Section 1 of Act 468 of 2017, for a transfer to the Arkansas Acceleration Fund for the Arkansas business technology accelerator program, in a sum not to exceed\$2,000,000.

(G) Effective July 1, 2018, the balance of the appropriation provided in Item (G) of Section 1 of Act 468 of 2017, for allocation by the Executive Director of the Arkansas Economic Development Commission for activities associated with the implementation of the State’s strategic plan for economic development, in a sum not to exceed\$500,000.

SECTION 2. REAPPROPRIATION - ECONOMIC DEVELOPMENT INCENTIVE PROGRAM - CREATE REBATE. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Economic Development Incentive Fund of the Arkansas Economic Development Commission, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 2 of Act 468 of 2017, for financial incentives to companies locating a new facility or expanding an existing facility within the State of Arkansas and for companies that hire and maintain specified levels of employment, as identified in signed financial agreements, in a sum not to exceed\$37,500,000.

SECTION 3. REAPPROPRIATION - GENERAL IMPROVEMENT AND CAPITAL PROJECTS - RURAL SERVICES DIVISION. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the General Improvement Fund or its successor fund or fund accounts, for the Arkansas Economic Development Commission - Rural Services Division the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 1 of Act 715 of 2017, for grants to counties, municipalities, or subdivisions thereof, or other eligible entities for operating, construction, improvements, equipment, renovation, and maintenance expenses for African American cemeteries, in a sum not to exceed\$9,857.

(B) Effective July 1, 2018, the balance of the appropriation provided in Item (B) of Section 1 of Act 715 of 2017, for grants to counties, municipalities, or subdivisions thereof, or other eligible entities for operating, construction, improvements, equipment, renovation, and maintenance expenses associated with public buildings, community centers, memorials, parks, amphitheaters, recreation centers, libraries and cemeteries, in a sum not to exceed\$39,588.

(C) Effective July 1, 2018, the balance of the appropriation provided in Item (C) of Section 1 of Act 715 of 2017, for community improvement grants to counties, for operating, construction, improvements, equipment, renovation, and maintenance expenses associated with county fairs and rodeos, in a sum not to exceed\$5,625.

(D) Effective July 1, 2018, the balance of the appropriation provided

in Item (E) of Section 1 of Act 715 of 2017, for grants to fire departments, counties, municipalities, or subdivisions thereof, or other eligible entities for operating, construction, improvements, equipment, renovation, and maintenance expenses associated with public buildings, community centers, memorials, parks, amphitheaters, recreation centers, fire protection and cemeteries, in a sum not to exceed\$51,863.

SECTION 4. REAPPROPRIATION - GENERAL IMPROVEMENT FUNDS - DIVISION OF SCIENCE AND TECHNOLOGY. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the General Improvement Fund or its successor fund or fund accounts, for the Arkansas Economic Development Commission - Division of Science and Technology the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 2 of Act 715 of 2017, for matching funds for a grant from the National Science Foundation, in a sum not to exceed\$8,453.

SECTION 5. REAPPROPRIATION - BOND PROCEEDS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Bond Proceeds for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 3 of Act 715 of 2017, for economic development projects authorized under Amendment 82 to the Constitution of the State of Arkansas of 1874, in a sum not to exceed\$225,000,000.

SECTION 6. REAPPROPRIATION - CASH FUNDS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the cash funds as defined by Arkansas Code 19-4-801, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 4 of Act 715 of 2017, for grants for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment for compressed natural gas demonstration stations, in a sum not to exceed\$100,000.

SECTION 7. REAPPROPRIATION - ECONOMIC DEVELOPMENT INCENTIVE FUNDS.

There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Economic Development Incentive Fund of the Arkansas Economic Development Commission, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (B) of Section 5 of Act 715 of 2017, for financial incentives to companies locating a new facility or expanding an existing facility within the state of Arkansas and for companies that hire and maintain specified levels of employment, as identified in signed financial agreements, in a sum not to exceed\$18,324,077.

(B) Effective July 1, 2018, the balance of the appropriation provided in Item (C) of Section 5 of Act 715 of 2017, for financial incentives to companies locating a new facility or expanding an existing facility within the state of Arkansas and for companies that hire and maintain specified levels of employment, as identified in signed financial agreements, in a sum not to exceed\$37,500,000.

SECTION 8. REAPPROPRIATION - ALTERNATIVE MOTOR FUEL DEVELOPMENT FUNDS.

There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Alternative Motor Fuel Development Fund, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 6 of Act 715 of 2017, for rebates, grants, and incentives for compressed natural gas and liquefied natural gas refueling stations and qualified clean-burning motor vehicle property, in a sum not to exceed\$5,000,000.

SECTION 9. REAPPROPRIATION - QUICK ACTION CLOSING FUND. There is

hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Economic Development Incentive Quick Action Closing Fund, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (B) of Section 7 of Act 715 of 2017, for incentives to attract new business and economic development to the State by the Arkansas Economic Development Commission, in a sum not to exceed\$13,283,599.

(B) Effective July 1, 2018, the balance of the appropriation provided

in Item (A) of Section 7 of Act 715 of 2017, for incentives to attract new business and economic development to the State , in a sum not to exceed\$18,727,888.

SECTION 10. REAPPROPRIATION - MINORITY BUSINESS LOAN MOBILIZATION.

There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Minority Loan Mobilization Revolving Fund, or its successor fund or fund accounts, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 8 of Act 715 of 2017, for promoting the development of minority business enterprises in the State, increasing the ability of minority business enterprises to compete for state contracts, and sustaining the economic growth of minority business enterprises in the State, in a sum not to exceed\$293,569.

SECTION 11. REAPPROPRIATION - GENERAL IMPROVEMENT FUNDS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the General Improvement Fund or its successor fund or fund accounts, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 9 of Act 715 of 2017, for the promotion of the movie/film office for the production of full length movies in the State of Arkansas, in a sum not to exceed\$8,682.

(B) Effective July 1, 2018, the balance of the appropriation provided in Item (B) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$115,000.

(C) Effective July 1, 2018, the balance of the appropriation provided in Item (C) of Section 9 of Act 715 of 2017, for grants to cities, counties,

planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects and construction and improvement of water and sewer systems, in a sum not to exceed\$20,000.

(D) Effective July 1, 2018, the balance of the appropriation provided in Item (D) of Section 9 of Act 715 of 2017, for funding for grants and/or loans to state agencies, cities, counties, community-based non-profit organizations and other eligible entities to undertake public works projects and/or job training efforts which support private sector job creation opportunities, alleviate conditions which constitute a threat to public health and well-being, or partially defray the costs of providing access to publicly owned industrial parks, and/or technology parks; to provide grants and/or loans for the expansion of the aircraft and aerospace industry; grants and/or loans for port and waterway economic development projects; grants and/or loans for technology based economic development projects; grants and/or loans for industrial site development costs (including, but not limited to land acquisition, construction, renovation, and equipment acquisition); development of intermodal facilities (including, but not limited to port and waterway projects, rail spur construction and road and highway improvements); grants and/or loans to pay the costs of environmental mitigation projects; and for construction and/or improvement of water and sewer systems, in a sum not to exceed\$250,000.

(E) Effective July 1, 2018, the balance of the appropriation provided in Item (E) of Section 9 of Act 715 of 2017, for providing funding for grants to cities and counties to provide financial assistance necessary to undertake public works projects and/or job training efforts which support private sector job creation opportunities, alleviate conditions which constitute a threat to public health and well-being, or partially defray the costs of providing access to publicly owned industrial parks; and for grants and/or loans for the expansion of the aircraft and aerospace industry; and for grants and/or loans for port and waterway economic development projects; and for grants and/or loans to support technology based economic development

projects, in a sum not to exceed\$507,353.

(F) Effective July 1, 2018, the balance of the appropriation provided in Item (F) of Section 9 of Act 715 of 2017, for providing funding for grants to cities and counties to provide financial assistance necessary to undertake public works projects and/or job training efforts which support private sector job creation opportunities, alleviate conditions which constitute a threat to public health and well-being, or partially defray the costs of providing access to publicly owned industrial parks; and for grants and/or loans for the expansion of the aircraft and aerospace industry; and for grants and/or loans to support technology based economic development projects, in a sum not to exceed\$856,840.

(G) Effective July 1, 2018, the balance of the appropriation provided in Item (G) of Section 9 of Act 715 of 2017, for funding for grants and/or loans to state agencies, cities, counties, community-based non-profit organizations and other eligible entities to undertake public works projects and/or job training efforts which support private sector job creation opportunities, alleviate conditions which constitute a threat to public health and well-being, or partially defray the costs of providing access to publicly owned industrial parks, and/or technology parks; and to provide grants and/or loans for the expansion of the aircraft and aerospace industry; and for grants and/or loans for port and waterway economic development projects; and for grants and/or loans for technology based economic development projects; and for grants and/or loans for industrial site development costs (including, but not limited to land acquisition, construction, renovation, and equipment acquisition); and for development of intermodal facilities (including, but not limited to port and waterway projects, rail spur construction and road and highway improvements); and for grants and/or loans to pay the costs of environmental mitigation projects; and for construction and/or improvement of water and sewer systems, in a sum not to exceed\$1,023,950.

(H) Effective July 1, 2018, the balance of the appropriation provided in Item (H) of Section 9 of Act 715 of 2017, for rebates, grants, and incentives for compressed natural gas and liquefied natural gas refueling stations and qualified clean-burning motor vehicle property; for grants and/or loans to state agencies, cities, counties, municipalities, planning and development districts, community-based non-profit organizations and other

eligible entities to support economic stimulus activities in Northwest Arkansas, undertake public works projects and/or job training efforts which support private sector job creation *opportunities*; and/or alleviate conditions which constitute a threat to public health and well-being; grants and/or loans for technology based economic development projects; grants and/or loans for operating, construction, improvements, equipment, renovation, and maintenance expenses associated with public buildings, community centers, memorials, parks, amphitheaters, recreation centers, libraries and cemeteries, in a sum not to exceed
\$800,500.

(I) Effective July 1, 2018, the balance of the appropriation provided in Item (I) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$27,335.

(J) Effective July 1, 2018, the balance of the appropriation provided in Item (J) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$3,000.

(K) Effective July 1, 2018, the balance of the appropriation provided in Item (K) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of

intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$18,000.

(L) Effective July 1, 2018, the balance of the appropriation provided in Item (L) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction, and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$45,000.

(M) Effective July 1, 2018, the balance of the appropriation provided in Item (M) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$16,250.

(N) Effective July 1, 2018, the balance of the appropriation provided in Item (N) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects and construction and improvement of water and sewer systems, in a sum not to exceed\$5,000.

(O) Effective July 1, 2018, the balance of the appropriation provided in Item (O) of Section 9 of Act 715 of 2017, for grants to cities, counties,

planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$20,000.

(P) Effective July 1, 2018, the balance of the appropriation provided in Item (Q) of Section 9 of Act 715 of 2017, for funding for grants and/or loans to state agencies, cities, counties, community-based non-profit organizations and other eligible entities to undertake public works projects and/or job training efforts which support private sector job creation opportunities, alleviate conditions which constitute a threat to public health and well-being, or partially defray the costs of providing access to publicly owned industrial parks, and/or technology parks; to provide grants and/or loans for the expansion of the aircraft and aerospace industry; grants and/or loans for port and waterway economic development projects; grants and/or loans for technology based economic development projects; grants and/or loans for industrial site development costs (including, but not limited to land acquisition, construction, renovation, and equipment acquisition); development of intermodal facilities (including, but not limited to port and waterway projects, rail spur construction and road and highway improvements); grants and/or loans to pay the costs of environmental mitigation projects; and for construction and/or improvement of water and sewer systems, in a sum not to exceed\$3,893,000.

(Q) Effective July 1, 2018, the balance of the appropriation provided in Item (S) of Section 9 of Act 715 of 2017, for allocation by the Executive Director of the Arkansas Economic Development Commission for activities associated with the implementation of the State’s strategic plan for economic development, in a sum not to exceed\$130,100.

(R) Effective July 1, 2018, the balance of the appropriation provided in Item (U) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including,

construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$40,000.

(S) Effective July 1, 2018, the balance of the appropriation provided in Item (W) of Section 9 of Act 715 of 2017, for grants to cities, counties, planning and development districts, and other eligible entities for land acquisition, improvements, construction, renovation, major maintenance, and purchase of equipment, industrial site development costs including, construction, renovation, and equipment acquisition, development of intermodal facilities, including port and waterway projects, rail spur construction and road and highway improvements, environmental mitigation projects, and construction and improvement of water and sewer systems, in a sum not to exceed\$20,000.

SECTION 12. REAPPROPRIATION - INNOVATE ARKANSAS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the General Improvement Fund or its successor fund or fund accounts, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 10 of Act 715 of 2017, for a transfer to the Innovate Arkansas Fund for personal services and operating expenses of the Arkansas Economic Development Commission, in a sum not to exceed\$50,000.

SECTION 13. REAPPROPRIATION - INNOVATE ARKANSAS. There is hereby appropriated, to the Arkansas Economic Development Commission, to be payable from the Innovate Arkansas Fund, for the Arkansas Economic Development Commission the following:

(A) Effective July 1, 2018, the balance of the appropriation provided in Item (A) of Section 11 of Act 715 of 2017, for personal services and operating expenses, in a sum not to exceed\$323,310.

SECTION 14. As referenced in SECTION 3, Subsection (a) of Acts 1518 and 1519 of 2013, the authorized funding for the Arkansas Economic Development Commission for rebates, grants, and incentives for compressed natural gas and

liquefied natural gas refueling stations and qualified clean-burning motor vehicle property shall also be deemed to include funding for grants and/or loans to state agencies, cities, counties, municipalities, planning and development districts, community-based non-profit organizations and other eligible entities to support economic stimulus activities in Northwest Arkansas, undertake public works projects and/or job training efforts which support private sector job creation opportunities; and/or alleviate conditions which constitute a threat to public health and well-being; grants and/or loans for technology based economic development projects; grants and/or loans for operating, construction, improvements, equipment, renovation, and maintenance expenses associated with public buildings, community centers, memorials, parks, amphitheaters, recreation centers, libraries and cemeteries.

SECTION 15. DISBURSEMENT CONTROLS. (A) No contract may be awarded nor obligations otherwise incurred in relation to the project or projects described herein in excess of the State Treasury funds actually available therefor as provided by law. Provided, however, that institutions and agencies listed herein shall have the authority to accept and use grants and donations including Federal funds, and to use its unobligated cash income or funds, or both available to it, for the purpose of supplementing the State Treasury funds for financing the entire costs of the project or projects enumerated herein. Provided further, that the appropriations and funds otherwise provided by the General Assembly for Maintenance and General Operations of the agency or institutions receiving appropriation herein shall not be used for any of the purposes as appropriated in this act.

(B) The restrictions of any applicable provisions of the State Purchasing Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law and any other applicable fiscal control laws of this State and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of any funds provided by this act unless specifically provided otherwise by law.

SECTION 16. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations

contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 17. EFFECTIVE DATE. This act is effective on and after July 1, 2018.

/s/ Joint Budget Committee

APPROVED: 3/6/18