

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
92nd General Assembly  
Regular Session, 2019

As Engrossed: S4/3/19 H4/5/19  
**A Bill**

SENATE BILL 632

By: Senators J. English, Irvin, J. Hendren

By: Representative S. Meeks

### **For An Act To Be Entitled**

AN ACT TO AUTHORIZE THE ARKANSAS ECONOMIC DEVELOPMENT  
COMMISSION TO SUPPORT A CYBER ALLIANCE IN ORDER TO  
REDUCE CYBER RISKS AND ENCOURAGE ECONOMIC  
DEVELOPMENT; AND FOR OTHER PURPOSES.

### **Subtitle**

TO AUTHORIZE THE ARKANSAS ECONOMIC  
DEVELOPMENT COMMISSION TO SUPPORT A CYBER  
ALLIANCE IN ORDER TO REDUCE CYBER RISKS  
AND ENCOURAGE ECONOMIC DEVELOPMENT.

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

SECTION 1. Arkansas Code Title 25, Chapter 26, is amended to add an  
additional subchapter to read as follows:

#### Subchapter 3 – Arkansas Cyber Initiative Act

##### 25-26-301. Title.

This act shall be known and may be cited as the "Arkansas Cyber  
Initiative Act".

##### 25-26-302. Legislative intent.

The General Assembly finds that:

- (1) Malicious cyber activity continues to grow rapidly;
- (2) Critical infrastructure and state networks are primary  
targets for hackers, including transnational organized crime and national



state actors;

(3) Arkansas is home to national and global private sector companies that are considerable targets in the financial services, food and supply chain, and electric grid sectors;

(4) As the private sector owns and operates the vast majority of the critical infrastructure in the United States, including Arkansas, it is critical that a cyber-capability response involve private sector companies;

(5) The Arkansas Cyber Initiative will be part of the newly formed American Cyber Alliance and will develop cyber capacity in Arkansas with regard to innovation, workforce development, and intelligence and operations; and

(6) The Arkansas Cyber Initiative will help mitigate cyber risks in Arkansas, develop educational best practices, provide enhanced threat assessment and response capabilities for public and private sectors in Arkansas, and advance opportunities for economic development in Arkansas.

25-26-303. Arkansas Cyber Initiative – Creation – Powers and duties.

Unless otherwise provided by law, the Arkansas Economic Development Commission may work with universities, colleges, government agencies, and the private business sector to establish a cyber alliance to be known as the "Arkansas Cyber Initiative" that will support collaborations for the purpose of improving cyber security and the economy of the state through:

(1) Improving cyber infrastructure;

(2) Increasing the focus on cyber job-creating research activities; and

(3) Expanding cyber job-creating research activities toward producing more knowledge-based and high-technology cyber jobs in this state.

25-26-304. Areas of collaboration.

The Arkansas Cyber Initiative may:

(1) Identify specific areas where scientific research and innovation may contribute to the creation and growth of knowledge-based and high-technology cyber jobs in Arkansas;

(2) Determine specific areas in which financial investment and engagement from government agencies or private businesses located in Arkansas could be enhanced or increased if resources were made available to assist in

developing a robust cyber security infrastructure;

(3) Advise universities of the cyber-related talent needs of Arkansas businesses;

(4) Improve the exchange of innovation and workforce collaboration for the mutual benefit of universities, government agencies, and private businesses;

(5) Encourage collaborations between private businesses or private business sector representatives and universities in the areas of research identified by the alliance;

(6) Recommend government investments in cyber infrastructure for the reduction of cyber risks and enhancement of economic development opportunities;

(7) Hold an annual cyber summit to engage corporate leadership and academia;

(8) Facilitate economic development activities relating to cyber security;

(9) Pursue funding from public and private sources to facilitate the work of the initiative;

(10) Facilitate outreach to rural communities and municipalities; and

(11) Provide operational cyber support for government agencies and private business located in Arkansas by:

(A) Implementing enhanced cyber threat assessment and mitigation capability at unclassified and classified levels;

(B) Assessing the cyber networks and infrastructure of this state;

(C) Providing best practices and professional development training for people employed in cyber security;

(D) Assisting with responses to critical cyber incidents in this state;

(E) Developing uncleared and cleared apprenticeship programs related to cyber security; and

(F) Fostering collaboration with the State Cyber Security Office for the ongoing improvement of cybersecurity efforts across government entities.

25-26-305. Contracts on behalf of the Arkansas Cyber Initiative.

(a) In order to assist the Arkansas Cyber Initiative in achieving the objectives identified in this subchapter, the Arkansas Economic Development Commission may contract with a person or an entity recommended by the initiative for activities consistent with the purpose of this subchapter.

(b) When contracting with a person or an entity under this subchapter, the commission shall not be bound by the provisions of the Arkansas procurement law requiring competitive bids if compliance with the procurement law creates a security risk.

25-26-306. Freedom of Information Act of 1967 – Exemption.

The Arkansas Cyber Initiative is exempt from complying with the Freedom of Information Act of 1967, § 25-19-101 et seq. if compliance with the act creates a security risk.

SECTION 2. Arkansas Code Title 19, Chapter 6, Subchapter 4, is amended to add an additional section to read as follows:

19-6-840. Arkansas Cyber Initiative Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a special revenue fund to be known as the “Arkansas Cyber Initiative Fund”.

(b) The fund shall consist of:

(1) All moneys appropriated to the fund by the General Assembly;  
and

(2) Any gifts, contributions, grants, or bequests received from federal, private, or other sources.

(c) The fund shall be used by the Arkansas Economic Development Commission for the purposes set out in the Arkansas Cyber Initiative Act, § 25-26-301 et seq.

*/s/J. English*