

Stricken language will be deleted and underlined language will be added.

State of Arkansas
92nd General Assembly
Fiscal Session, 2020

A Bill

SENATE BILL 20

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO REAPPROPRIATE THE BALANCES OF CAPITAL
IMPROVEMENT APPROPRIATIONS FOR THE DEPARTMENT OF
COMMERCE; AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE DEPARTMENT OF COMMERCE
REAPPROPRIATION.

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

SECTION 1. REAPPROPRIATION - SKILLS DEVELOPMENT FUND. There is hereby appropriated, to the Department of Commerce, to be payable from the Skills Development Fund, for the Department of Commerce - Office of Skills Development the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 1 of Act 272 of 2019, for personal services, operating expenses, equipment and grants for comprehensive statewide workforce development programs, in a sum not to exceed\$40,000,000.

SECTION 2. REAPPROPRIATION - DEVELOPMENT AND ENHANCEMENT FUND AND CAPITAL PROJECTS - RURAL SERVICES DIVISION. There is hereby appropriated, to the Department of Commerce, to be payable from the Development and Enhancement Fund, for the Department of Commerce - Arkansas Economic Development Commission - Rural Services Division the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 3 of Act 276 of 2019, 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, 2020, the balance of the appropriation provided in Item (B) of Section 3 of Act 276 of 2019, 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, amphitheatres, recreation centers, libraries and cemeteries, in a sum not to exceed\$39,588.

(C) Effective July 1, 2020, the balance of the appropriation provided in Item (C) of Section 3 of Act 276 of 2019, 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, 2020, the balance of the appropriation provided in Item (D) of Section 3 of Act 276 of 2019, 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, amphitheatres, recreation centers, fire protection and cemeteries, in a sum not to exceed\$51,863.

SECTION 3. REAPPROPRIATION - ECONOMIC DEVELOPMENT INCENTIVE PROGRAM - CREATE REBATE. There is hereby appropriated, to the Department of Commerce, to be payable from the Economic Development Incentive Fund of the Arkansas Economic Development Commission, for the Department of Commerce - Arkansas Economic Development Commission, the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 2 of Act 276 of 2019, 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\$31,186,225.

(B) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 2 of Act 771 of 2019, for financial incentives to companies locating a new facility or expanding an existing facility with the

State of Arkansas and for companies that hire and maintain specified levels of employment, as identified in signed financial agreements with the Arkansas Economic Development Commission, in a sum not to exceed\$37,500,000.

SECTION 4. REAPPROPRIATION - DEVELOPMENT AND ENHANCEMENT FUNDS - DIVISION OF SCIENCE AND TECHNOLOGY. There is hereby appropriated, to the Department of Commerce, to be payable from the Development and Enhancement Fund, for the Department of Commerce - Arkansas Economic Development Commission - Division of Science and Technology the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 4 of Act 276 of 2019, for matching funds for a grant from the National Science Foundation, in a sum not to exceed\$8,453.

SECTION 5. REAPPROPRIATION - QUICK ACTION CLOSING FUND. There is hereby appropriated, to the Department of Commerce, to be payable from the Economic Development Incentive Quick Action Closing Fund, for the Department of Commerce - Arkansas Economic Development Commission the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 6 of Act 276 of 2019, for incentives to attract new business and economic development to the State by the Arkansas Economic Development Commission, in a sum not to exceed\$5,720,475.

(B) Effective July 1, 2020, the balance of the appropriation provided in Item (B) of Section 6 of Act 276 of 2019, for incentives to attract new business and economic development to the State, in a sum not to exceed\$18,727,888.

SECTION 6. REAPPROPRIATION - MINORITY AND WOMEN OWNED BUSINESS LOAN MOBILIZATION. There is hereby appropriated, to the Department of Commerce, to be payable from the Minority and Women-Owned Loan Mobilization Revolving Fund, for the Department of Commerce - Arkansas Economic Development Commission the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 7 of Act 276 of 2019, 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\$282,376.

SECTION 7. REAPPROPRIATION - DEVELOPMENT AND ENHANCEMENT FUNDS. There is hereby appropriated, to the Department of Commerce, to be payable from the Development and Enhancement Fund, for the Department of Commerce - Arkansas Economic Development Commission the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (D) of Section 1 of Act 276 of 2019, 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\$601,732.

(B) Effective July 1, 2020, the balance of the appropriation provided in Item (E) of Section 1 of Act 276 of 2019, 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\$475,000.

(C) Effective July 1, 2020, the balance of the appropriation provided in Item (C) of Section 8 of Act 276 of 2019, 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\$12,677.

(D) Effective July 1, 2020, the balance of the appropriation provided in Item (E) of Section 8 of Act 276 of 2019, 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.

SECTION 8. REAPPROPRIATION - INNOVATE ARKANSAS. There is hereby appropriated, to the Department of Commerce - Arkansas Economic Development Commission, to be payable from the Innovate Arkansas Fund, for the Department of Commerce - Arkansas Economic Development Commission the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 9 of Act 276 of 2019, for personal services and operating expenses, in a sum not to exceed\$96,312.

SECTION 9. REAPPROPRIATION - CAPITAL IMPROVEMENT PROJECTS, GRANTS AND PROGRAMS. There is hereby appropriated, to the Department of Commerce, to be payable from the Development and Enhancement Fund, for the Department of Commerce - Arkansas Economic Development Commission the following:

(A) Effective July 1, 2020, the balance of the appropriation provided in Section 1 of Act 494 of 2019, for statewide grants to organizations that provide spay and neuter services, in a sum not to exceed\$120,000.

(B) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 3 of Act 771 of 2019, for grants to eligible entities for improvements, construction, renovation, major maintenance, operating expenses and repairs for airports,, in a sum not to exceed\$100,000.

(C) Effective July 1, 2020, the balance of the appropriation provided in Item (A) of Section 1 of Act 771 of 2019, for grants and/or loans to state agencies, community-based non-profit organizations, fire departments, counties, municipalities or subdivisions thereof, or other eligible entities for operating, construction, improvements, equipment, renovation, and/or maintenance expenses associated with public buildings, public lands, community centers, memorials, parks, amphitheaters, museums, recreation centers, fire protection, law enforcement, libraries, senior centers, and cemeteries, in a sum not to exceed\$30,000,000.

(D) Effective July 1, 2020, the balance of the appropriation provided in Item (B) of Section 1 of Act 771 of 2019, 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.

(E) Effective July 1, 2020, the balance of the appropriation provided in Item (C) of Section 1 of Act 771 of 2019, 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\$15,000,000.

(F) Effective July 1, 2020, the balance of the appropriation provided in Item (D) of Section 1 of Act 771 of 2019, for vital infrastructure needs, programs, grants, and/or loans for public buildings, water treatment systems, environmental concerns, energy needs, telecommunications, sewer systems, and cost-effective energy efficient improvements and technologies, in a sum not to exceed\$22,000,000.

(G) Effective July 1, 2020, the balance of the appropriation provided in Item (E) of Section 1 of Act 771 of 2019, for Public Safety Grants to eligible entities for personal services, operating expenses, equipment, maintenance, repair and upgrade associated with the provision of fire protection, search and rescue, security enhancement, telecommunications, emergency medical service, and disaster relief and recovery, in a sum not to exceed\$10,000,000.

(H) Effective July 1, 2020, the balance of the appropriation provided in Item (F) of Section 1 of Act 771 of 2019, for community improvement grants for equipment, repair, maintenance, construction, renovation, improvement and upgrade of public buildings and facilities, in a sum not to exceed

.....\$5,000,000.

(I) Effective July 1, 2020, the balance of the appropriation provided in Item (G) of Section 1 of Act 771 of 2019, for grant matching funds and/or loans to state agencies, cities, counties, community-based non-profit organizations and other eligible entities applying for consideration with a granting organization that requires matching funds for projects, to maximize contributions, provide cash assistance, or match contributions to ensure grant funding or contract, in a sum not to exceed\$10,000,000.

(J) Effective July 1, 2020, the balance of the appropriation provided in Item (H) of Section 1 of Act 771 of 2019, for the purpose of providing grants and/or loans to state agencies, cities, counties, community-based non-profit organizations and other entities determined by the Arkansas Economic Development Commission to be eligible to: (1) undertake public works projects and/or job training efforts which support private sector job creation opportunities; (2) alleviate conditions which constitute a threat to public health and wellbeing; (3) partially defray the cost of providing access to publicly owned industrial parks, and/or technology parks; (4) provide for the expansion of the aircraft and aerospace industry; (5) provide for port, rail and waterway economic development projects; (6) provide for technology based economic development projects; (7) provide for industrial site development costs (including, but not limited to land acquisition, construction, renovation, and equipment acquisition); (8) provide for development of intermodal facilities (including, but not limited to port and/or waterway projects, rail spur construction and/or road and highway improvement); (9) pay the costs of environmental mitigation projects; (10) provide for construction and/or improvement of water and sewer systems, in a sum not to exceed\$30,000,000.

(K) Effective July 1, 2020, the balance of the appropriation provided in Item (I) of Section 1 of Act 771 of 2019, for funding for an investment in Arkansas’s 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.

(L) Effective July 1, 2020, the balance of the appropriation provided in Item (J) of Section 1 of Act 771 of 2019, 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\$75,000,000.

SECTION 10. 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 11. 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 12. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the

effectiveness of this Act on July 1, 2020 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2020 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2020.