

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

State of Arkansas
95th General Assembly
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A Bill

HOUSE BILL 1802

By: Representatives Warren, Barnett, K. Brown, Childress, Cozart, Dalby, Eaton, Furman, Gramlich, Henley, McGrew, McGruder, Milligan, Nazarenko, Painter, J. Richardson, Rye, Wing
By: Senators J. Petty, K. Hammer, R. Murdock, D. Wallace

For An Act To Be Entitled

AN ACT TO CREATE THE TALENT RECRUITMENT GRANT PROGRAM; TO PROVIDE INCENTIVES FOR INDIVIDUALS TO RELOCATE TO THE STATE; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE TALENT RECRUITMENT GRANT PROGRAM; AND TO PROVIDE INCENTIVES FOR INDIVIDUALS TO RELOCATE TO THE STATE.

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

SECTION 1. Arkansas Code Title 14, Chapter 173, is amended to add an additional subchapter to read as follows:

Subchapter 2 – Talent Recruitment Grant Program

14-173-201. Definitions.

(1) "Applicant" means an entity applying for a talent recruitment grant under this subchapter;

(2) "Individual" means a person who:

(A) Resides outside of the state at the time he or she applies for an incentive under this subchapter; and

(B) Either:

(i) Receives an annual salary of at least fifty-five thousand dollars (\$55,000) for a remote work position in which the person will continue to be employed after relocating to the state; or

(ii) Has been offered and has accepted an offer of



full-time employment in the state; and

(3) "Individual goal" means the total number of individuals an applicant seeks to successfully incentivize to relocate to a municipality in the state through a talent recruitment program.

14-173-202. Talent Recruitment Grant Program – Creation and funding.

(a) The Talent Recruitment Grant Program is created to award grants for talent recruitment programs to incentivize individuals outside of the state to relocate to municipalities in the state.

(b) The Association of Arkansas Development Organizations shall administer the program.

(c)(1) The award of grants under this subchapter is contingent on the availability of funds.

(2) Funding for the program may be from a combination of federal, state, and private funds, including without limitation:

(A) Any funds authorized or provided for by law;

(B) Contributions from private entities, including without limitation grants, donations, and investments; and

(C) Other available funding methods, including without limitation public grants.

14-173-203. Talent recruitment grants.

(a) An applicant shall submit an application to the Association of Arkansas Development Organizations in the form and manner required by the association.

(b) To be eligible for a talent recruitment grant under the Talent Recruitment Grant Program, an applicant shall:

(1) Be either a:

(A) Municipality in the state; or

(B) Nonprofit organization in the state that has a mission that includes one (1) or more of the following:

(i) Economic development;

(ii) Workforce and talent development; or

(iii) Community development;

(2) Provide a talent recruitment plan that identifies the:

(A) Applicant's proposed incentives and criteria for

awarding incentives under this subchapter;

(B) Total estimated costs of the applicant's talent recruitment program, including separate estimates of the costs associated with the design, administration, marketing, and incentive initiatives of the talent recruitment program;

(C) Estimated state and local tax impact of the applicant's talent recruitment program;

(D) Estimated total economic impact of the applicant's talent recruitment program; and

(E) Applicant's individual goal and the estimated cost of the talent recruitment program per individual relocated to the state;

(3) Demonstrate the applicant's ability to contribute at least twenty percent (20%) of the total cost for the applicant's talent recruitment program, including local investments and in-kind donations; and

(4) If the applicant has previously received a talent recruitment grant under this subchapter, demonstrate that the applicant met its individual goal for each previous grant awarded under this subchapter.

(c) After approving an application under this section, the association shall disburse:

(1) Fifty percent (50%) of the talent recruitment grant award to the recipient upon approval of the application; and

(2)(A) Fifty percent (50%) of the talent recruitment grant award to the recipient when the recipient demonstrates that the recipient has successfully met at least one-half (1/2) of the recipient's individual goal.

(B) If a recipient of a talent recruitment grant under this subchapter fails to meet at least one-half (1/2) of the recipient's individual goal, the association shall not disburse the remaining fifty percent (50%) of the talent recruitment grant award to the recipient.

(d) Talent recruitment grants awarded under this subchapter shall:

(1) Be awarded on an annual basis; and

(2) Not exceed five hundred thousand dollars (\$500,000) per applicant in a fiscal year.

14-173-204. Talent recruitment programs – Application for incentives.

(a) An individual may submit an application to a talent recruitment program established by a recipient of a talent recruitment grant under this

subchapter for incentives for relocating to the state.

(b) A recipient of a talent recruitment grant under this subchapter shall approve or deny applications received under this section in accordance with the talent recruitment plan approved by the Association of Arkansas Development Organizations.

14-173-205. Reporting requirement.

A recipient of a talent recruitment grant under this subchapter shall provide quarterly reports to the Association of Arkansas Development Organizations detailing the following data concerning the outcomes of the recipient's talent recruitment program:

(1) The total number of applications the talent recruitment grant recipient received from individuals;

(2) The total number of applications the talent recruitment grant recipient approved for incentives under § 14-173-204;

(3) The cost of the talent recruitment grant recipient's talent recruitment program per individual who was approved for incentives under § 14-173-204;

(4) The annual income and the occupation of each individual who was approved for incentives under § 14-173-204; and

(5) The economic impact of the recipient's talent recruitment program, including without limitation the total state and local tax revenue generated from and consumer spending by individuals who were approved for incentives under § 14-173-204.