

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

State of Arkansas  
95th General Assembly  
Regular Session, 2025

# A Bill

SENATE BILL 218

By: Senator Irvin  
By: Representative Steimel

## For An Act To Be Entitled

AN ACT TO AMEND THE ARKANSAS SMALL BUSINESS  
INNOVATION RESEARCH MATCHING GRANT PROGRAM; AND FOR  
OTHER PURPOSES.

## Subtitle

TO AMEND THE ARKANSAS SMALL BUSINESS  
INNOVATION RESEARCH MATCHING GRANT  
PROGRAM.

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

SECTION 1. Arkansas Code § 15-3-703(2), concerning the definitions to be used in relation to the Arkansas Small Business Innovation Research Matching Grant Program, is amended to read as follows:

(2) “Matching grant” means a discretionary grant of up to fifty percent (50%) of the amount of a federal Small Business Innovation Research grant or Small Business Technology Transfer grant for each approved matching grant application;

SECTION 2. Arkansas Code § 15-3-703(4), concerning the definitions to be used in relation to the Arkansas Small Business Innovation Research Matching Grant Program, is amended to read as follows:

(4) “Small Business Innovation Research Program” means the federal program administered by the United States Small Business Administration according to regulations adopted pursuant to 15 U.S.C. § 638, as it existed on October 1, 2016, which provides funds for Phase I and Phase II Small Business Innovation Research grants and Small Business Technology



Transfer grants through participating federal agencies.

SECTION 3. Arkansas Code §§ 15-3-704 – 15-3-707 are amended to read as follows:

15-3-704. Administration.

(a)(1) The Arkansas Small Business Innovation Research Matching Grant Program is created.

(2) The ~~Division of Science and Technology~~ of the Arkansas Economic Development Commission shall administer the program.

(b) The ~~division~~ commission shall:

(1) Create application forms to be submitted by eligible businesses seeking a matching grant from the program;

(2) Devise an application process that:

(A) Defines the eligibility criteria for a matching grant;

and

(B) Establishes application submittal and review

processes;

(3) Define a process by which matching grants may be awarded;

and

(4) Execute standard legal grant agreements and other documentation governing the disbursement and use of matching grants.

15-3-705. Eligibility.

(a) To be eligible for a matching grant under this subchapter, an applicant shall:

(1) Be an eligible business; and

(2) Certify that:

(A) The eligible business:

(i) For Phase I applications, has received a Small Business Innovation Research grant or a Small Business Technology Transfer grant from a sponsoring agency in response to a specific federal solicitation; or

(ii) For Phase II applications, has:

(a) Submitted a final Phase I report to the sponsoring agency;

(b) Demonstrated that the sponsoring agency

has interest in the Phase II proposal; and

(c) Submitted a Phase II proposal to the sponsoring agency; and

(B) All cognizant federal ~~Small Business Innovation Research~~ grant requirements will be met.

(b) An eligible business awarded a matching grant under this subchapter shall:

(1) Remain in Arkansas for the duration of the matching grant ~~project~~ award period;

(2) Designate an Arkansas resident or employee as the principal investigator/project manager during the duration of the matching grant award period; and

(3) Be principally engaged in one (1) or more of the following targeted business activities:

- (A) Advanced materials and manufacturing systems;
- (B) Agriculture, food, and environmental sciences;
- (C) Biotechnology, bioengineering, and life sciences;
- (D) Information technology;
- (E) Transportation logistics; and
- (F) Bio-based products.

15-3-706. Application requirements.

(a) To request a matching grant under this subchapter, an applicant shall complete and submit the application forms prescribed by the ~~Division of Science and Technology of the~~ Arkansas Economic Development Commission under § 15-3-704.

(b) An applicant shall submit an application for each federal Phase I and federal Phase II grant proposal for which the applicant is requesting a matching grant.

(c) The ~~division~~ commission shall:

(1) Review applications:

(A) In order of receipt, as determined by the date and time stamp of receipt; and

(B) In accordance with rules promulgated by the ~~division~~ commission under § 15-3-709; and

(2) Not consider an incomplete or noncompliant application and

shall return an incomplete or a noncompliant application without further review;

~~(3) Review each application with the advice and recommendation of the Commercialization Committee of the Board of Directors of the Division of Science and Technology of the Arkansas Economic Development Commission; and~~

~~(4) Provide advice to the Director of the Arkansas Economic Development Commission concerning the applications for matching grants reviewed by the division.~~

(d)(1) Applications submitted to the ~~division~~ commission are subject to the Freedom of Information Act of 1967, § 25-19-101 et seq.

(2) To the extent an applicant believes that information in an application is confidential or otherwise exempt under the Freedom of Information Act of 1967, § 25-19-101 et seq., the applicant shall specifically designate in writing the information the applicant believes to be confidential or exempt and the basis for the confidentiality or exemption on that portion of the application in which the information appears.

15-3-707. Matching grant awards.

(a) A matching grant awarded under this subchapter:

(1) Shall not:

(A) Be awarded under this subchapter unless offered in writing by the Director of the Arkansas Economic Development Commission; and

(B) Exceed fifty percent (50%) of the federal Small Business Innovation Research award or the Small Business Technology Transfer award, up to:

(i) Fifty thousand dollars (\$50,000) for a matching grant awarded to match a federal Phase I award; and

(ii) One hundred thousand dollars (\$100,000) for a matching grant awarded to match a federal Phase II award; and

(2) Subject to funding and the discretion of the director, may be offered to an eligible applicant that successfully completes the application process.

(b) The matching grant agreement between the ~~Division of Science and Technology of the~~ Arkansas Economic Development Commission and the eligible applicant shall delineate all requirements of the matching grant.

(c) At least fifty-one percent (51%) of the amount awarded for the matching grant shall be spent in Arkansas.

(d) Disbursements for matching grants shall be made on a reimbursable basis, payable when invoices and financial reports are submitted to and approved by the ~~division~~ commission.

~~(e) An eligible business shall not receive more than three (3) matching grants under this subchapter.~~

SECTION 4. Arkansas Code § 15-3-709 is amended to read as follows:  
15-3-709. Rules.

The ~~Division of Science and Technology of the~~ Arkansas Economic Development Commission shall promulgate rules to carry out the purposes of this subchapter.