

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1769 of the Regular Session

1 State of Arkansas

As Engrossed: H3/4/05 S3/31/05

2 85th General Assembly

A Bill

3 Regular Session, 2005

HOUSE BILL 2072

4
5 By: Representatives Pickett, Jackson, Ledbetter

6 By: *Senator Higginbotham*

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9 **For An Act To Be Entitled**

10 AN ACT TO ENSURE THAT THE GENERAL ASSEMBLY IS
11 FULLY APPRISED OF THE COSTS AND BENEFITS OF
12 ECONOMIC INCENTIVE PROGRAMS PROVIDED UNDER THE
13 CONSOLIDATED INCENTIVE ACT OF 2003; TO REQUIRE
14 ANNUAL COST-BENEFIT ANALYSES OF ECONOMIC
15 INCENTIVE PROGRAMS PROVIDED UNDER THE
16 CONSOLIDATED INCENTIVE ACT OF 2003; TO AUTHORIZE
17 THE DIVISION OF LEGISLATIVE AUDIT TO PREPARE
18 ANNUAL COST-BENEFIT REPORTS REGARDING ECONOMIC
19 INCENTIVE PROGRAMS PROVIDED UNDER THE
20 CONSOLIDATED INCENTIVE ACT OF 2003; AND FOR OTHER
21 PURPOSES.

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23 **Subtitle**

24 AN ACT TO AUTHORIZE ANNUAL AUDITS OF
25 ECONOMIC INCENTIVE PROGRAMS.

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

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30 SECTION 1. Arkansas Code Title 15, Chapter 4, Subchapter 2 is amended
31 to add an additional section to read as follows:

32 15-4-220. Audit of economic incentive programs.

33 (a) In order to provide information to the General Assembly regarding
34 the benefits of certain economic incentive programs, the Division of
35 Legislative Audit shall prepare a cost-benefit analysis of the incentive



1 programs provided under the Consolidated Incentive Act of 2003, § 15-4-2701
2 et seq.

3 (b) The analysis may include, but not be limited to:

4 (1) The dollar amount of incentives actually provided;

5 (2) The direct and indirect state and local benefits associated
6 with each program; and

7 (3) The safeguards to protect noneconomic influences in the
8 award of incentives.

9 (c)(1) The analysis may be conducted annually on a rotating basis so
10 that each incentive program provided under the Consolidated Incentive Act of
11 2003, § 15-4-2701 et seq., is evaluated at least one (1) time every five (5)
12 years.

13 (2) Should the Division of Legislative Audit staffing be
14 insufficient to conduct the scheduled analysis in a given year, the executive
15 committee of the Legislative Joint Auditing Committee may establish the
16 priority and number of programs that can be reasonably analyzed with
17 available resources for a particular year.

18 (d)(1) All records, data, and other information from whatever source
19 that the Legislative Auditor deems necessary in the examination of the
20 incentive programs shall be made available to the Division of Legislative
21 Audit.

22 (2) However, nothing in this subsection authorizes or permits
23 publication of information protected from publication by law.

24 (3) Records and information exempt from public disclosure shall
25 remain exempt in the custody of the Division of Legislative Audit.

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27 */s/ Pickett*

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30 **APPROVED: 4/06/2005**

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