

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**

A BILL ACT 698 OF 1991
SENATE BILL 433

4 **By: Senators Jewell, Lewellen and Edwards**

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For An Act To Be Entitled

8 "AN ACT TO ESTABLISH THE MINORITY ECONOMIC DEVELOPMENT
9 PROGRAM; TO ESTABLISH GOALS FOR STATE AGENCIES TO AID
10 MINORITY BUSINESSES; TO AID MINORITY BUSINESSES IN
11 OBTAINING STATE AGENCY CONTRACTS; AND FOR OTHER PURPOSES."

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

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15 SECTION 1. This Act shall be known and may be cited as the "Minority
16 Business Economic Development Act".

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18 SECTION 2. The Arkansas General Assembly finds it is the policy of the
19 State of Arkansas to support equal opportunity, as well as economic
20 development in every sector. The Arkansas General Assembly hereby recognizes
21 as the purpose of this act to support to the fullest all possible
22 participation of firms owned and controlled by Minority persons in state
23 funded and directed public construction programs, and in the purchase of goods
24 and services for the state. The annual procurement goal of ten percent (10%)
25 for state agencies with Minority businesses each year is hereby established.

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27 SECTION 3. As used in this Act, unless the context otherwise requires:

28 (1) "Advisory council" or "council" means the Advisory Council to the
29 Division of Minority Enterprise created under Arkansas Code 15-4-303;

30 (2) "Division" means Minority Business Development Division of the
31 Arkansas Industrial Development Commission;

32 (3) "Director" means Director of the Minority Business Development
33 Division of the Arkansas Industrial Development Commission;

34 (4) "Exempt" and "non-exempt" means goods and services classified as
35 either exempt or non-exempt for the purpose of administering this Act as shall
36 be determined by the Office of State Purchasing and the Division of Minority

1 Business Development submitted to the Advisory Council for their review and
2 consideration for the purposes of this Act;

3 (5) "Minority" means a black citizen or black lawful permanent resident
4 of the state of Arkansas;

5 (6) "Procurement" means buying, purchasing, renting, leasing, otherwise
6 acquiring any goods or services;

7 (7) "State agency" means all departments, offices, boards, commissions
8 and institutions of the State, including the state-supported institutions of
9 higher education;

10 (8) "State contract" means all types of state agreements, regardless of
11 what they may be called, for the purchase of commodities and services and for
12 the disposal of surplus commodities and services not otherwise exempt.

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14 SECTION 4. (a) Within ninety (90) days from effective date of this
15 Act, each state agency shall submit to the Division, the council and the
16 Office of State Purchasing a minority purchasing plan which shall outline the
17 agency's plan to reach its' goals for the current fiscal year.

18 (b) The Minority Purchasing plan shall include but not be limited to:

19 (1) The name of the state agency;

20 (2) A policy statement signed by the agency head expressing a
21 commitment to use minority businesses in all aspects of contracting to the
22 maximum extent feasible;

23 (3) The name of the coordinator or procurement officer in the
24 agency who is responsible for developing and administering the compliance
25 plan;

26 (4) The time table for the agency to reach its goals under the
27 plan and the manner in which the agency intends to reach its goals; and

28 (5) Any other procedures the agency deems necessary to comply
29 with the goals and the compliance plan.

30 (c) The Council shall require each state agency to produce within
31 fifteen (15) days of the close of each six (6) month period, beginning with
32 the six (6) month of June, ending December 31, 1991, a report summing up total
33 procurement for all contracts except exempt contracts of the agency, the
34 dollar value and the percentage of the contracts of the agency awarded to
35 small businesses and small disadvantaged businesses.

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SECTION 5. Each state agency shall designate an individual as its minority business officer. The minority officer shall be the person within the agency with whom the Division and the Council shall work in its efforts to accomplish the goals of this Act. Upon the appointment of the minority business officer in each state agency, the agency shall notify the Division and the Office of State Purchasing.

SECTION 6. There is hereby established a formal relationship between the Advisory Council to the Division of Minority Enterprise and the minority business officer. The Minority business and small disadvantaged business officer shall be the liaison to the Council and shall be responsible for submitting to the Council any reports and documents under this Act. Their duties in relation to this Act shall be considered official duty in the conduct of State business. The Council's duties and responsibilities shall be to:

- (1) review reports and interpret each agency's achievement of its goals;
- (2) advise the Governor when an agency has not reached its goals;
- (3) make annual reports to the Governor;
- (4) recommend to the state agency and the Division and Office of State Purchasing corrective actions to strengthen minority business opportunities in the State; and
- (5) conduct public hearings when necessary to obtain public input and support for the purpose of carrying out this Act.

SECTION 7. (a) The Minority Business Development Division and the Office of State Purchasing shall serve as the principal coordinator of the initiative to insure the successful implementation of this Act.

(b) The Division and Office of State Purchasing shall provide assistance to minority businesses seeking contract opportunities with various state agencies.

(c) The Division and Office of State Purchasing shall maintain a directory of all minority business officers for each state agency.

(d) The Division and Office of State Purchasing shall provide

1 management and technical assistance to any state agency who is experiencing
2 difficulties in complying with this Act.

3 (e) The Division and Office of State Purchasing shall maintain a
4 current directory of minority businesses and shall make the directory
5 available to each state agency and minority business officer. The Division
6 shall serve as a central clearing house for information on state contracts,
7 including a record of all pending state contracts upon which minority
8 businesses may participate.

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10 SECTION 8. To insure that minority businesses are not financially
11 hindered due to delays in payment by state agencies entering into contracts
12 with minority businesses under the provisions of this Act, state agencies
13 shall accelerate payment to minority vendors to preclude accounts receivable
14 problems of minority businesses caused by the State of Arkansas.

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16 SECTION 9. The Minority Business Development Division and the Office of
17 State Purchasing upon the approval of the Council, shall determine the
18 classifications of contracts to be exempted from the goals established by this
19 Act, whenever there exists an insufficient number of minority businesses to
20 insure adequate competition.

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22 SECTION 10. All provisions of this act of a general and permanent
23 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
24 Code Revision Commission shall incorporate the same in the Code.

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26 SECTION 11. If any provision of this act or the application thereof to
27 any person or circumstance is held invalid, such invalidity shall not affect
28 other provisions or applications of the act which can be given effect without
29 the invalid provision or application, and to this end the provisions of this
30 act are declared to be severable.

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32 SECTION 12. All laws and parts of laws in conflict with this act are
33 hereby repealed.

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APPROVED: 3-22-91

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