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Michael Preston
Secretary of Commerce,
Executive Director
Arkansas Economic
Development Commission

October 3, 2022

Senator Terry Rice, Chair
Representative Jeff Wardlaw, Chair
Arkansas Legislative Council
Room 315, State Capitol
Little Rock, AR 72202

Dear Senator Rice and Representative Wardlaw:

Please find enclosed the following reports for your review:

- The FY 2022 Quick Action Closing Fund Annual Report, which is an accounting of the incentive fund as required by Act 510 of 2007; and
- The CY 2021 Annual Report for the Arkansas Economic Development Commission as required under Act 1282 of 2001.

Calendar year 2021 was a year of economic recovery in Arkansas. As the state began to move past the impacts of the COVID-19 pandemic, the Arkansas Economic Development Commission worked with companies to sign incentive agreements for 56 projects that are projected to create and/or retain 4,488 jobs and stimulate approximately \$1.1 million in new capital investment. The projected average wage of jobs tied to these projects is \$22.21. The cost benefit ratio of these projects was \$7.24/\$1, the highest cost benefit to the state to date.

If you have any questions, or if I can be of any assistance, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Preston".

Michael Preston
Executive Director



GOVERNOR'S QUICK ACTION CLOSING FUND REPORT FY 2022

ARKANSAS
INC



The Governor's Quick Action Closing Fund (QACF) is an essential tool for economic development in Arkansas. The QACF allows the Governor to act quickly and decisively in a highly competitive recruitment situation to finalize an agreement with a company to locate an economic development project in the state. The program has increased the ability of the Arkansas Economic Development Commission to secure commitments with companies that have created new jobs and new investments.

Since 2007, QACF has assisted companies to propose 101 job creation and/or retention projects in Arkansas. These projects cumulatively have proposed the creation and/or retention of 33,505 jobs at an average hourly wage of \$22.30 and projected new investment of \$6.85 billion. As of June 30, 2021, these 101 projects have created and retained 28,302 jobs.

In addition, fourteen new digital product and motion picture projects signed QACF agreements in fiscal year 2022. These projects had cumulative budgets of \$29,386,000 and 387 proposed jobs.

The Quick Action Closing Fund is a vital economic development tool. The continued annual appropriation of this fund along with the support from the General Assembly and the Governor has assisted the Arkansas Economic Development Commission to successfully win quality economic development projects.

Expenditures and Commitments of the Governor's Quick Action Closing Fund

Expenditures 2007-2021	\$157,250,221.26
FY 2022 expenditures	51,914,891.00
Committed funds	42,838,372.00
Projects offered but not yet accepted	9,584,392.00
Remaining QACF balance	40,475,597.00
FY 22 Clawbacks/loans repayments	(1,011,483.35)
Total	\$301,051,989.91



Annual Report of Expenditures for Fiscal Period July 1, 2021 – June 20, 2022

Company Name	Location	Date	Purpose	Amount
NBC Universal, LLC	NWA	9/27/2021	Film Incentive - Rebate	\$25,100.00
Caretaker Productions, LLC	Little Rock	11/19/2021	Film Incentive - Rebate	75,938.00
Revolution Plastics Holdings, LLC	Little Rock	12/2/2021	Equipment, Infrastructure & Renovations	450,000.00
Chariot Productions, LLC	Little Rock	12/8/2021	Film Incentive - Rebate	33,214.00
Bridger Film, LLC	Lonoke	12/13/2021	Film Incentive - Rebate	75,591.00
SCA Pharmaceuticals LLC	Little Rock	12/14/2021	Equipment, Infrastructure & Renovations	750,000.00
Hazardous Duty Movie, LLC	Bentonville	3/9/2022	Film Incentive - Rebate	55,140.00
Big River Steel Holdings, LLC	Osceola	5/17/2022	Equipment and infrastructure	50,000,000.00
ASG Films LLC	Little Rock	6/27/2022	Film Incentive - Rebate	79,711.00
UP2U Films	Harrison	7/7/2022	Film Incentive - Rebate	370,197.00
Total Fiscal Year 2022				\$51,914,891.00



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