

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.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/14/03 H3/19/03

A Bill

HOUSE BILL 2835

5 By: Representatives Elliott, *Chesterfield, Clemons, Dobbins, Eason, Goss, C. Johnson, Jones, Lewellen,*
6 *Penix, Thomas, White*

7 By: *Senators Wilkins, Steele, Brown*
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For An Act To Be Entitled

11 THE ARKANSAS ECONOMIC DEVELOPMENT EXPANSION ACT.

Subtitle

14 THE ARKANSAS ECONOMIC DEVELOPMENT
15 EXPANSION ACT.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. Arkansas Code Title 20, Chapter 10, is amended to add an
21 additional subchapter to read as follows:

22 25-10-401. Findings - Purpose.

23 (a) The General Assembly finds:

24 (1) To the extent minority owned businesses are given fair
25 opportunities to compete, all Arkansans benefit;

26 (2) During 2002, the State of Arkansas spent nine hundred
27 million four hundred thousand dollars (\$900,400,000) procuring goods and
28 services;

29 (3) Although the state possesses over seven thousand (7,000)
30 minority owned businesses, less than three tenths of one percent (.03%) of
31 state expenditures on goods and services was spent with minority owned
32 businesses in 2002;

33 (4) Small and minority owned businesses employ forty-eight and
34 nine tenths percent (48.9%) of the state's total employment;

35 (5) Seventy-two percent (72%) of all current jobs in the Delta
36 Region of Arkansas, Louisiana, and Mississippi are provided through small and



1 minority owned businesses;

2 (6) An increase of four thousand (4,000) jobs in small, minority
3 owned, and medium sized businesses would radiate through the state to result
4 in the creation of forty-eight thousand (48,000) new jobs;

5 (7) Expanding the profitability and spending power of these
6 businesses will allow them to provide employment opportunities and to
7 increase economic growth and development within Arkansas communities;

8 (8) Expansion of economic opportunity will reduce unemployment
9 and the need for state-supported social welfare programs, while increasing
10 the state tax base and the appeal to minority owned businesses from other
11 businesses within their industry for raw materials and production support;
12 and

13 (9) Increased economic output and employment by minority owned
14 businesses will have a positive rippling impact throughout the state.

15 (b) This subchapter is intended to expand economic opportunities for
16 Arkansas' minority communities, but is not intended to establish any quota
17 system or program.

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19 25-10-402. Definition.

20 For purposes of this subchapter:

21 (1) "Minority" means the same as in § 1-2-503; and

22 (2) "State agency" means any office, department, board,
23 commission, bureau, division, public corporation, agency, institutions of
24 higher learning, or instrumentality of this state.

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26 25-10-403. Agency contracting - Diversity.

27 (a) State agencies shall include in all requests for proposals and
28 requests for qualifications, language that encourages minority participation
29 in each request for proposals and request for qualifications issued by the
30 agency.

31 (b)(1) State agency requests for proposals and requests for
32 qualifications shall take into consideration minority inclusion in the
33 proposed project.

34 (2) Requests for proposals and requests for qualifications shall
35 provide that an applicant unable to include minority owned businesses may
36 explain the circumstances preventing minority inclusion.

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2 25-10-404. Data recording and tracking.

3 (a)(1)(A) The Director of the Office of State Procurement of the
4 Department of Finance and Administration shall track data regarding minority
5 participation in each state agency request for proposals and request for
6 qualifications that exceeds twenty-five thousand dollars (\$25,000).

7 (B) The Director of the Office of State Procurement shall
8 promulgate rules

9 (2) The data shall include, but not be limited to, information
10 regarding:

11 (A) The dollar amount for each contract awarded to a
12 minority owned business;

13 (B) The total dollar amount spent on contracts by each
14 state agency;

15 (C) The number and percentage of minority owned business
16 applications for each request for proposal and request for qualifications;
17 and

18 (D) The number and percentage of minority owned businesses
19 awarded contracts by the agency.

20 (b)(1) The Director of the Office of State Procurement shall report
21 the data required under subsection (a) of this section semiannually to the
22 Governor and to the cochairs of the Legislative Council and to the
23 Legislative Joint Audit Committee.

24 (c)(1) Each state agency shall include in its budget report to the
25 Joint Budget Committee of the Legislative Council a listing of all contracts
26 in amounts exceeding twenty-five thousand dollars (\$25,000) awarded to
27 minority owned businesses.

28 (2) The vice-president or vice-chancellor for finance of each
29 state college and university shall include in his or her budget report to the
30 Joint Budget Committee of the Legislative Council a listing of all contracts
31 in amounts exceeding twenty-five thousand dollars (\$25,000) awarded to
32 minority owned businesses.

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35 SECTION 2. Arkansas Code § 15-4-303 is amended to read as follows:
36 15-4-303. Advisory Council.

1 (a) *The Division of Minority Business Enterprise of the Department of*
2 *Economic Development shall be represented by a statewide Minority Business*
3 *Advisory Council ~~to serve~~ under the management of the division.*

4 (b) *The council shall consist of seven (7) members.*

5 (c)(1) *The Governor shall appoint three (3) members of the council*
6 *with the advice and consent of the Senate.*

7 (2) *The President Pro Tempore of the Senate shall appoint two*
8 *(2) members of the council.*

9 (3) *The Speaker of the House of Representatives shall appoint*
10 *two (2) members of the council.*

11 (d) *Except as otherwise provided by law, members of the council shall*
12 *serve without compensation.*

13 (e)(1) *The term of office of the council shall be at the pleasure of*
14 *the ~~Governor~~ appointing officer.*

15 (2) *On the effective date of this subdivision, the terms of*
16 *present members of the council shall expire.*

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18 /s/ Elliott, et al
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