

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 *As Engrossed: H3/14/03 H3/19/03 H3/25/03*

2 84th General Assembly

A Bill

3 Regular Session, 2003

HOUSE BILL 2835

4

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

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11 *ONE ARKANSAS: THE ARKANSAS ECONOMIC DEVELOPMENT*
12 *EXPANSION ACT.*

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Subtitle

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16 *ONE ARKANSAS: THE ARKANSAS ECONOMIC*
17 *DEVELOPMENT EXPANSION ACT.*

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

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21 SECTION 1. Arkansas Code Title 20, Chapter 10, is amended to add an
22 additional subchapter to read as follows:

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25-10-401. Findings - Purpose.

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(a) The General Assembly finds:

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

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

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

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

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(5) Seventy-two percent (72%) of all current jobs in the Delta



1 Region of Arkansas, Louisiana, and Mississippi are provided through small and
2 minority owned businesses;

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

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

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

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

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

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20 25-10-402. Definition.

21 For purposes of this subchapter:

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

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

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27 25-10-403. Agency contracting - Diversity.

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

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

35 (2) Requests for proposals and requests for qualifications shall
36 provide that an applicant unable to include minority owned businesses may

1 explain the circumstances preventing minority inclusion.

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3 25-10-404. Data recording and tracking.

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

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

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

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

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

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

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

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

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

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

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

15-4-303. Advisory Council.

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

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

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

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

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

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

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

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

/s/ Elliott, et al