

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

SCR 19

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5 By: Senators Wooldridge, Bryles
6 By: Representatives Bolin, Petrus

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9 **SENATE CONCURRENT RESOLUTION**

10 REQUESTING THE HOUSE AND SENATE INTERIM
11 COMMITTEES ON AGRICULTURE, FORESTRY, AND ECONOMIC
12 DEVELOPMENT TO STUDY THE ECONOMIC DEVELOPMENT
13 VALUE OF PROVIDING TAX EXEMPTIONS FOR ENERGY USED
14 IN THE MANUFACTURING PROCESS.

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16 **Subtitle**

17 REQUESTING AN INTERIM STUDY OF THE VALUE
18 OF TAX EXEMPTIONS FOR ENERGY USED IN THE
19 MANUFACTURING PROCESS.

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21 WHEREAS, the State of Arkansas is in global competition for capital
22 investment, from domestic and foreign-based entrepreneurs and from domestic
23 and foreign-based corporations; and

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25 WHEREAS, our state, to remain competitive, must continually reassess
26 and review the economic development policies that attract investment to
27 Arkansas; and

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29 WHEREAS, the General Assembly has in the past appointed committees to
30 review existing economic development and to make recommendations for future
31 legislative action; and

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33 WHEREAS the Eighty-Third General Assembly authorized a study of the
34 states' economic development incentives; and

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36 WHEREAS, the Fluor-Daniel study found, during the 2001-2002 interim,



1 that the State of Arkansas is at a competitive disadvantage with regard to
2 its policy of taxing energy used in the manufacturing process; and

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4 WHEREAS, there are only a few states in the United States that impose
5 such charges on the economic engines located in their respective states,

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7 NOW THEREFORE,

8 BE IT RESOLVED BY THE SENATE OF THE EIGHTY-FOURTH GENERAL ASSEMBLY OF THE
9 STATE OF ARKANSAS, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN,

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11 That the General Assembly requests the House and Senate Interim
12 Committees on Agriculture, Forestry, and Economic Development to study the
13 economic development value of creating tax exemptions on energy used in the
14 manufacturing process.

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16 BE IT FURTHER RESOLVED that the House and Senate Interim Committees on
17 Agriculture, Forestry, and Economic Development make recommendations
18 concerning the economic investment potential of tax exemptions on energy used
19 in the manufacturing process and present a comprehensive report of the
20 findings to the President Pro Tempore of the Senate and the Speaker of the
21 House of Representatives of the Eighty-Fifth General Assembly.