

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Senator Bearden**

A Bill

ACT 857 OF 1995
SENATE BILL 709

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 15-4-1506 AND ARKANSAS
9 CODE § 15-4-1507 TO PROVIDE LOCAL AIRPORT AUTHORITIES WITH
10 QUALIFYING CLOSED MILITARY AIRFIELDS WITH SPECIAL TARGET
11 STATUS TO QUALIFY FOR FINANCIAL ASSISTANCE FROM THE
12 AVIATION AND AEROSPACE INDUSTRY DEVELOPMENT FUND; AND FOR
13 OTHER PURPOSES."

Subtitle

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15 "TO PROVIDE QUALIFYING LOCAL AIRPORT
16 AUTHORITIES WITH SPECIAL STATUS TO
17 QUALIFY FOR FINANCIAL AID FROM THE
18 AVIATION AND AEROSPACE INDUSTRY
19 DEVELOPMENT FUND."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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24 SECTION 1. Arkansas Code § 15-4-1506 is amended to read as follows:
25 "15-4-1506. Receipt of loans and financial assistance.

26 (a) Any entity of local government or airport authority, hereinafter
27 the _applicant_, who qualifies under the criteria provided in this subchapter
28 and other criteria as determined by the Arkansas Aviation and Aerospace
29 Commission, may receive loans or other financial assistance from the fund for
30 expenses related to establishment, relocation, expansion, or development of
31 aviation and aerospace industries in the State of Arkansas.

32 (b) Any entity of local government or airport authority wherein is
33 located a closed military installation and which has a runway of more than ten
34 thousand feet (10,000 ft.) in length and which has received approval for a
35 federal matching grant for redevelopment of the military airfield, hereinafter
36 the _special target applicant_, may receive loans or other financial

1 assistance from the fund for expenses related to establishment, relocation,
2 expansion, or development of aviation and aerospace industries without
3 qualifying for all the criteria required in this subchapter."
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5 SECTION 2. Arkansas Code § 15-4-1507 is amended to read as follows:
6 "15-4-1507. Loan criteria.

7 (a) The commission shall have the authority to determine the structure,
8 amount and nature of any loan or other financial assistance from the fund,
9 subject to the following criteria, except special target applicants do not
10 have to meet criteria in subdivisions (a)(1) and (a)(2) of this subsection:

11 (1) The applicant shall provide certification that not less than
12 fifty (50) net new full-time-equivalent jobs will be created as a result of
13 the financial assistance provided hereunder;

14 (2) The applicant shall provide certification that the jobs
15 created shall generate a quarterly average weekly wage per employee equal to
16 or greater than one hundred ten percent (110%) of the state average weekly
17 wage per employee for manufacturing industries for the immediately preceding
18 calendar year as reported in the Covered Employment and Earnings report
19 published by the Arkansas Employment Security Department;

20 (3) Any applicant or special target applicant receiving financial
21 assistance from the Aviation and Aerospace Industry Development Fund shall
22 make available to the commission such employee and wage information as may be
23 required by the commission to verify compliance with the requirements of this
24 section.

25 (b) The commission shall establish procedures to quantify the benefit
26 and return to the state and its citizens from the provision of financial
27 assistance from the fund. The commission shall establish as a goal the return
28 of any state investment made hereunder within eight (8) years of the provision
29 of financial assistance. The state's return shall be measured using the
30 following criteria:

- 31 (1) Number of jobs;
- 32 (2) Level of pay per job;
- 33 (3) Company's capital investment;
- 34 (4) Length of commitment of jobs by the company;
- 35 (5) Training and educational needs;

- 1 (6) Take-back provisions;
- 2 (7) Public and private participation in project funding; and
- 3 (8) Other criteria as established by the commission.

4 The commission in applying the formula shall determine that funding the
5 project will result in economic activity within the state that provides a
6 revenue-neutral or revenue-positive impact on the state's current general
7 revenues. Special target applicants do not have to meet the criteria
8 specified in this subsection to measure the return to the state or to meet the
9 goal of a return of any state investment within eight (8) years.

10 (c) The Director of the Department of Industrial Development shall
11 enter into an agreement with each successful applicant or special target
12 applicant that shall include the specific terms and conditions of the
13 financial assistance to be provided. These terms shall include a take-back
14 provision in the event the applicant fails to meet the terms of the agreement.
15 Any legal recourse set out by these provisions shall be pursued by the Chief
16 Fiscal Officer of the State.

17 (d) Any applicant or special target applicant receiving assistance from
18 the fund shall be liable to repay any assistance received if it does not
19 comply with the terms of any disbursement agreement, the criteria set out in
20 this subchapter, except where special target applicants are exempt, and any
21 rule or regulation promulgated by the Chief Fiscal Officer of the State with
22 regard to the Arkansas Aviation and Aerospace Industry Development Fund. The
23 repayment shall be made to the Chief Fiscal Officer of the State and credited
24 to the fund. The Chief Fiscal Officer of the State may bring any lawful
25 action to recover any amount for which the recipient is liable."

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27 SECTION 3. All provisions of this act of general and permanent nature
28 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
29 Revision Commission shall incorporate the same in the Code.

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31 SECTION 4. If any provisions of this act or the application thereof to
32 any person or circumstance is held invalid, the invalidity shall not affect
33 other provisions or applications of the act which can be given effect without
34 the invalid provisions or application, and to this end the provisions of this
35 act are declared to be severable.

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SECTION 5. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: 3-31-95

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