

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.

Act 2086 of the Regular Session

As Engrossed: S3/21/05 S4/6/05

A Bill

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

SENATE BILL 78

5 By: Joint Budget Committee
6
7

For An Act To Be Entitled

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL
10 SERVICES AND OPERATING EXPENSES FOR THE
11 DEPARTMENT OF ECONOMIC DEVELOPMENT FOR THE
12 BIENNIAL PERIOD ENDING JUNE 30, 2007; AND FOR
13 OTHER PURPOSES.
14

Subtitle

15
16 AN ACT FOR THE DEPARTMENT OF ECONOMIC
17 DEVELOPMENT APPROPRIATION FOR THE
18 2005-2007 BIENNIUM.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. REGULAR SALARIES. There is hereby established for the
25 Department of Economic Development for the 2005-2007 biennium, the following
26 maximum number of regular employees whose salaries shall be governed by the
27 provisions of the Uniform Classification and Compensation Act (Arkansas Code
28 §§21-5-201 et seq.), or its successor, and all laws amendatory thereto.
29 Provided, however, that any position to which a specific maximum annual
30 salary is set out herein in dollars, shall be exempt from the provisions of
31 said Uniform Classification and Compensation Act. All persons occupying
32 positions authorized herein are hereby governed by the provisions of the
33 Regular Salaries Procedures and Restrictions Act (Arkansas Code §21-5-101),
34 or its successor.
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					Maximum Annual	
				Maximum	Salary Rate	
	Item	Class		No. of	Fiscal Years	
	No.	Code	Title	Employees	2005-2006	2006-2007
5	(1)	9900	ADED DIRECTOR	1	\$113,749	\$116,365
6	(2)	9813	ADED DEPUTY DIRECTOR	1	\$97,446	\$99,817
7	(3)	9910	ADED ENERGY DIR OF ESTABLISH INDUST	1	\$90,710	\$92,980
8	(4)	9817	DIR OF MINORITY BUSINESS PROGRAMS	1	\$90,710	\$92,980
9	(5)	9814	ADED DIRECTOR MARKETING	1	\$90,710	\$92,980
10	(6)	9812	ADED DIRECTOR INDUST FINANCE	1	\$90,710	\$92,980
11	(7)	9811	ADED DEPUTY DIR ECONOMIC DEV PLANNI	1	\$90,710	\$92,980
12	(8)	9810	ADED DIR ECON DEVELOPMENT	1	\$90,710	\$92,980
13	(9)	9793	ED DEPUTY DIRECTOR TRAINING	1	\$90,710	\$92,980
14	(10)	9816	POL C COMPLIANCE ASST COORD	1	\$86,069	\$88,254
15	(11)	9755	ADED ENVIRONMENTAL CONSULTANT	1	\$86,069	\$88,254
16	(12)	9754	ADED ADMR/EVAL/PLAN&MGMT SYSTEM	1	\$68,004	\$69,846
17	(13)	7355	ADED INVESTMENTS MANAGER/ASIA	1	\$68,004	\$69,846
18	(14)	906Z	ADED RESEARCH MANAGER	1	GRADE	25
19	(15)	977Z	STATE ENERGY DEPUTY DIRECTOR	1	GRADE	25
20	(16)	R379	STATE ECONOMIC DEVELOPER III	19	GRADE	25
21	(17)	R080	STATISTICAL ANALYSIS MANAGER	1	GRADE	24
22	(18)	D100	DP SENIOR PROJECT LEADER	1	GRADE	23
23	(19)	E051	TRAINING PROJECT MANAGER	3	GRADE	22
24	(20)	R127	ENERGY CONSERVATION PROGRAM ADMR	2	GRADE	22
25	(21)	909Z	PROGRAM SUPPORT MANAGER	2	GRADE	22
26	(22)	A032	AGENCY FISCAL MANAGER	2	GRADE	22
27	(23)	A008	ACCOUNTING SUPERVISOR II	1	GRADE	21
28	(24)	N293	DEVELOPMENT SPECIALIST	1	GRADE	21
29	(25)	D036	SR PROGRAMMER/ANALYST	1	GRADE	21
30	(26)	E049	INDUSTRIAL COORDINATOR	13	GRADE	21
31	(27)	R348	COMMUNITY DEVELOPMENT CONSULTANT	5	GRADE	21
32	(28)	D121	USER SUPPORT ANALYST	2	GRADE	20
33	(29)	N333	MEDIA SPECIALIST	1	GRADE	20
34	(30)	R004	STATE ENERGY PROGRAM COORDINATOR	2	GRADE	20
35	(31)	R266	MANAGEMENT PROJECT ANALYST II	7	GRADE	20
36	(32)	A038	FINANCIAL ANALYST	1	GRADE	20

1	(33)	A110	ACCOUNTANT II	1	GRADE 19
2	(34)	R150	RESEARCH PROJECT ANALYST	2	GRADE 19
3	(35)	R168	GRANTS COORDINATOR II	2	GRADE 19
4	(36)	D128	P C SUPPORT SPECIALIST	1	GRADE 18
5	(37)	N328	INFORMATION OFFICER II	1	GRADE 18
6	(38)	V040	PURCHASE AGENT II/PURCHASE AGENT	1	GRADE 18
7	(39)	R190	PERSONNEL OFFICER II	2	GRADE 17
8	(40)	N290	COMMERCIAL ARTIST II/GRAPHIC ART II	2	GRADE 17
9	(41)	R010	ADMINISTRATIVE ASSISTANT II	8	GRADE 17
10	(42)	R148	RESEARCH ASSISTANT	1	GRADE 15
11	(43)	K041	EXECUTIVE SECY/ADMINISTRATIVE SECY	3	GRADE 14
12	(44)	K153	SECRETARY II	<u>5</u>	GRADE 13
13			MAX. NO. OF EMPLOYEES	108	

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15 SECTION 2. *EXTRA HELP – STATE OPERATIONS.* There is hereby authorized, for
 16 the Department of Economic Development – State Operations for the 2005-2007
 17 biennium, the following maximum number of part-time or temporary employees,
 18 to be known as "Extra Help", payable from funds appropriated herein for such
 19 purposes: one (1) temporary or part-time employees, when needed, at rates of
 20 pay not to exceed those provided in the Uniform Classification and
 21 Compensation Act, or its successor, or this act for the appropriate
 22 classification.

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24 SECTION 3. *APPROPRIATION - STATE OPERATIONS.* There is hereby appropriated,
 25 to the Department of Economic Development, to be payable from the Department
 26 of Economic Development Fund Account, for personal services and operating
 27 expenses of the Department of Economic Development - State Operations for the
 28 biennial period ending June 30, 2007, the following:

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30	ITEM	FISCAL YEARS	
31	<u>NO.</u>	<u>2005-2006</u>	<u>2006-2007</u>
32	(01) REGULAR SALARIES	\$ 2,643,958	\$ 2,718,487
33	(02) EXTRA HELP	10,000	10,000
34	(03) PERSONAL SERVICES MATCHING	714,386	728,176
35	(04) MAINT. & GEN. OPERATION		
36	(A) OPER. EXPENSE	1,397,457	1,397,457

1	(B) CONF. & TRAVEL	18,811	18,811
2	(C) PROF. FEES	2,214,315	2,214,315
3	(D) CAP. OUTLAY	0	0
4	(E) DATA PROC.	0	0
5	(05) FAR EAST TRADE/INDUSTRY RECRUITMENT	100,000	100,000
6	(06) LATIN AMERICAN TRADE DEVELOPMENT	<u>150,000</u>	<u>150,000</u>
7	TOTAL AMOUNT APPROPRIATED	<u>\$ 7,248,927</u>	<u>\$ 7,337,246</u>

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9 SECTION 4. APPROPRIATION - COMMUNITY ASSISTANCE (CDBG) - FEDERAL. There is
 10 hereby appropriated, to the Department of Economic Development, to be payable
 11 from the federal funds as designated by the Chief Fiscal Officer of the
 12 State, for personal services and operating expenses of the Department of
 13 Economic Development - Community Assistance - Federal for the biennial period
 14 ending June 30, 2007, the following:

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16	ITEM	FISCAL YEARS	
17	<u>NO.</u>	<u>2005-2006</u>	<u>2006-2007</u>
18	(01) REGULAR SALARIES	\$ 227,167	\$ 233,979
19	(02) PERSONAL SERVICES MATCHING	69,587	70,868
20	(03) MAINT. & GEN. OPERATION		
21	(A) OPER. EXPENSE	60,600	60,600
22	(B) CONF. & TRAVEL	25,000	25,000
23	(C) PROF. FEES	52,040	52,040
24	(D) CAP. OUTLAY	0	0
25	(E) DATA PROC.	0	0
26	(04) GRANTS/AIDS - CDBG	<u>36,987,130</u>	<u>36,987,130</u>
27	TOTAL AMOUNT APPROPRIATED	<u>\$ 37,421,524</u>	<u>\$ 37,429,617</u>

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29 SECTION 5. APPROPRIATION - MOTION PICTURE DEVELOPMENT OFFICE. There is
 30 hereby appropriated, to the Department of Economic Development, to be payable
 31 from the Department of Economic Development Fund Account, for personal
 32 services and operating expenses of the Department of Economic Development -
 33 Motion Picture Development Office for the biennial period ending June 30,
 34 2007, the following:

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36	ITEM	FISCAL YEARS	
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<u>NO.</u>		<u>2005-2006</u>	<u>2006-2007</u>
(01)	REGULAR SALARIES	\$ 68,004	\$ 69,846
(02)	PERSONAL SERVICES MATCHING	16,624	16,971
(03)	MAINT. & GEN. OPERATION		
(A)	OPER. EXPENSE	6,500	6,500
(B)	CONF. & TRAVEL	0	0
(C)	PROF. FEES	5,000	5,000
(D)	CAP. OUTLAY	0	0
(E)	DATA PROC.	<u>0</u>	<u>0</u>
	TOTAL AMOUNT APPROPRIATED	<u>\$ 96,128</u>	<u>\$ 98,317</u>

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12 SECTION 6. APPROPRIATION - ESTABLISHED INDUSTRIES DIVISION - STATE. There
 13 is hereby appropriated, to the Department of Economic Development, to be
 14 payable from the Department of Economic Development Fund Account, for
 15 personal services and operating expenses of the Department of Economic
 16 Development - Established Industries Division - State for the biennial period
 17 ending June 30, 2007, the following:

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<u>ITEM</u>	<u>NO.</u>	<u>FISCAL YEARS</u>	
		<u>2005-2006</u>	<u>2006-2007</u>
(01)	REGULAR SALARIES	\$ 390,919	\$ 401,821
(02)	PERSONAL SERVICES MATCHING	104,204	106,224
(03)	MAINT. & GEN. OPERATION		
(A)	OPER. EXPENSE	86,500	86,500
(B)	CONF. & TRAVEL	0	0
(C)	PROF. FEES	35,000	35,000
(D)	CAP. OUTLAY	0	0
(E)	DATA PROC.	<u>0</u>	<u>0</u>
	TOTAL AMOUNT APPROPRIATED	<u>\$ 616,623</u>	<u>\$ 629,545</u>

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31 SECTION 7. APPROPRIATION - STATE ENERGY PLAN - FEDERAL. There is hereby
 32 appropriated, to the Department of Economic Development, to be payable from
 33 the federal funds as designated by the Chief Fiscal Officer of the State, for
 34 personal services and operating expenses of the Department of Economic
 35 Development - State Energy Plan - Federal for the biennial period ending June
 36 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 349,466	\$ 359,792
(02) PERSONAL SERVICES MATCHING	111,775	113,719
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	166,675	166,675
(B) CONF. & TRAVEL	29,573	29,573
(C) PROF. FEES	368,685	368,685
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	0	0
(04) ENERGY CONSERVATION GRANTS AND AID	<u>653,179</u>	<u>653,179</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 1,679,353</u>	<u>\$ 1,691,623</u>

SECTION 8. APPROPRIATION - BUSINESS DEVELOPMENT - STATE. There is hereby appropriated, to the Department of Economic Development, to be payable from the Department of Economic Development Fund Account, for personal services and operating expenses of the Department of Economic Development - Business Development - State for the biennial period ending June 30, 2007, the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 173,426	\$ 178,176
(02) PERSONAL SERVICES MATCHING	47,955	48,819
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	8,000	8,000
(B) CONF. & TRAVEL	5,000	5,000
(C) PROF. FEES	0	0
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	<u>0</u>	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 234,381</u>	<u>\$ 239,995</u>

SECTION 9. EXTRA HELP - INDUSTRY TRAINING. There is hereby authorized, for the Department of Economic Development - Industry Training for the 2005-2007 biennium, the following maximum number of part-time or temporary

1 employees, to be known as "Extra Help", payable from funds appropriated
 2 herein for such purposes: ten (10) temporary or part-time employees, when
 3 needed, at rates of pay not to exceed those provided in the Uniform
 4 Classification and Compensation Act, or its successor, or this act for the
 5 appropriate classification.

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7 SECTION 10. APPROPRIATION - INDUSTRY TRAINING. There is hereby
 8 appropriated, to the Department of Economic Development, to be payable from
 9 the Department of Economic Development Fund Account, for personal services
 10 and operating expenses of the Department of Economic Development - Industry
 11 Training for the biennial period ending June 30, 2007, the following:

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13 ITEM	FISCAL YEARS	
14 NO.	2005-2006	2006-2007
15 (01) REGULAR SALARIES	\$ 301,128	\$ 309,584
16 (02) EXTRA HELP	10,000	10,000
17 (03) PERSONAL SERVICES MATCHING	80,415	81,974
18 (04) MAINT. & GEN. OPERATION		
19 (A) OPER. EXPENSE	236,500	236,500
20 (B) CONF. & TRAVEL	7,475	7,475
21 (C) PROF. FEES	0	0
22 (D) CAP. OUTLAY	0	0
23 (E) DATA PROC.	0	0
24 (05) INDUSTRY TRAINING PROGRAM	<u>1,060,545</u>	<u>1,060,545</u>
25 TOTAL AMOUNT APPROPRIATED	<u>\$ 1,696,063</u>	<u>\$ 1,706,078</u>

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27 SECTION 11. APPROPRIATION - STATE MATCHING GRANTS. There is hereby
 28 appropriated, to the Department of Economic Development, to be payable from
 29 the Department of Economic Development Fund Account, for state matching of
 30 federal grants to the Arkansas Economic Development Commission of the
 31 Department of Economic Development for the biennial period ending June 30,
 32 2007, the following:

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34 ITEM	FISCAL YEARS	
35 NO.	2005-2006	2006-2007
36 (01) STATE MATCHING OF FEDERAL GRANTS	<u>\$ 228,500</u>	<u>\$ 228,500</u>

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 2 SECTION 12. APPROPRIATIONS - INCENTIVE PLANS - CASH. There is hereby
 3 appropriated, to the Department of Economic Development, to be payable from
 4 cash funds as defined by Arkansas Code 19-4-801 of the Department of Economic
 5 Development, for expenses of assisting industries in the negotiation of
 6 financial incentive plans of the Arkansas Economic Development Commission of
 7 the Department of Economic Development for the biennial period ending June
 8 30, 2007, the following:

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ITEM	FISCAL YEARS	
NO.	2005-2006	2006-2007
(01) FINANCIAL INCENTIVE PLANS - EXPENSES	\$ 15,000	\$ 15,000

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14 SECTION 13. APPROPRIATIONS - CENTURY TUBE SCHOLARSHIP PROGRAM. There is
 15 hereby appropriated, to the Department of Economic Development, to be payable
 16 from cash funds as defined by Arkansas Code 19-4-801 of the Department of
 17 Economic Development, for a scholarship for American students to study in
 18 Japan from funds received from the Century Tube Company for the Arkansas
 19 Economic Development Commission of the Department of Economic Development for
 20 the biennial period ending June 30, 2007, the following:

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ITEM	FISCAL YEARS	
NO.	2005-2006	2006-2007
(01) CENTURY TUBE SCHOLARSHIP PROGRAM EDUCATIONAL EXPENSES	\$ 5,981	\$ 5,981

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27 SECTION 14. APPROPRIATIONS - TRADE AND INTERNATIONAL INVESTMENT DIVISION.
 28 There is hereby appropriated, to the Department of Economic Development, to
 29 be payable from cash funds as defined by Arkansas Code 19-4-801 of the
 30 Department of Economic Development, for marketing expenses of the Arkansas
 31 Economic Development Commission of the Department of Economic Development for
 32 the biennial period ending June 30, 2007, the following:

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ITEM	FISCAL YEARS	
NO.	2005-2006	2006-2007
(01) TRADE AND INTERNATIONAL INVESTMENT		

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1 services and operating expenses of the Department of Economic Development -
 2 Industrial Coordinator Program for the biennial period ending June 30, 2007,
 3 the following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) REGULAR SALARIES	\$ 563,245	\$ 580,096
(02) PERSONAL SERVICES MATCHING	155,810	158,978
(03) MAINT. & GEN. OPERATION		
(A) OPER. EXPENSE	87,200	87,200
(B) CONF. & TRAVEL	12,550	12,550
(C) PROF. FEES	0	0
(D) CAP. OUTLAY	0	0
(E) DATA PROC.	<u>0</u>	<u>0</u>
TOTAL AMOUNT APPROPRIATED	<u>\$ 818,805</u>	<u>\$ 838,824</u>

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 17 SECTION 18. APPROPRIATION - SUPER PROJECTS. There is hereby appropriated,
 18 to the Department of Economic Development, to be payable from the Economic
 19 Development Superprojects Project Fund, for Super Projects of the Department
 20 of Economic Development for the biennial period ending June 30, 2007, the
 21 following:

ITEM NO.	FISCAL YEARS	
	2005-2006	2006-2007
(01) SUPER PROJECTS	<u>\$ 200,000,000</u>	<u>\$ 200,000,000</u>

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 27 SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 28 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY
 29 FORWARD. The unexpended balances of appropriation provided for the
 30 expenditures of federal funds as provided for ~~the Community Development~~
 31 ~~Program in Section 4 of this Act~~ on June 30, ~~2004~~ 2006, shall be carried
 32 forward and made available for expenditures for the ~~Community Development~~
 33 ~~Block Grant Program same purpose~~ for the fiscal year ending June 30, ~~2005~~
 34 2007.

35 The provisions of this section shall be in effect only from July 1, ~~2003~~
 36 2005 through June 30, ~~2005~~ 2007.

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2 SECTION 20. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
3 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. CARRY
4 FORWARD. At the close of the fiscal year ending June 30, ~~2004~~ 2006, any
5 unexpended appropriation provided for the Century Tube Scholarship Program,
6 ~~not to exceed \$30,000, within the appropriation for the Administration and~~
7 ~~Support Program~~ shall be carried forward and made available for the same
8 purposes for the fiscal year ending June 30, ~~2005~~ 2007. The provisions of
9 this section shall be in effect only from July 1, ~~2003~~ 2005 through June 30,
10 ~~2005~~ 2007.

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12 SECTION 21. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
13 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. INDUSTRY
14 TRAINING PROGRAM EXPENSES. In addition to training expenses, funds made
15 available to support the appropriation for INDUSTRY TRAINING PROGRAM ~~EXPENSES~~
16 ~~within the appropriation for the Business Development Program~~ herein shall
17 may be used to acquire capital equipment necessary to enhance the
18 capabilities of the Arkansas Industry Training Programs and for expenses
19 necessary to assist in carrying on the Existing Worker Training Program.
20 When not in use in an AITP managed course of training, the equipment
21 purchased under this provision shall be stored at a location to be determined
22 by the Executive Director, ADED. The provisions of this section shall be in
23 effect only from July 1, ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

24
25 SECTION 22. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
26 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FOREIGN
27 OFFICE OPERATIONS. The Arkansas Department of Economic Development is hereby
28 authorized to enter into contractual arrangements with private and/or public
29 companies, corporations or organizations for the purpose of operating foreign
30 offices. At such time as any of the foreign offices are being operated under
31 such a contractual arrangement, no Overseas Program personnel as authorized
32 by Arkansas Code 15-4-211 shall be employed concurrently with a contractual
33 arrangement with a company, corporation or organization. Arkansas Code 15-4-
34 211 shall not be deemed restrictive in its language so as to preclude the use
35 of standard Professional Services Contracts for the operation of the foreign
36 offices and/or payment of such contracts from the special line items as

1 established by legislative appropriation for the operation of said foreign
2 offices. The provisions of this section shall be in effect only from July 1,
3 ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

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5 SECTION 23. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
6 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MULTI-USE
7 FACILITIES. The Arkansas Department of Economic Development (ADED) shall
8 structure its annual update to the Five Year Consolidated Plan and the new
9 Five Year Consolidated Plan to reflect the legislative intent for a priority
10 to be placed on the use of Community Development Block Grant (CDBG) funds for
11 Multi-use facilities that will offer combined facilities for programs
12 commonly offered in separate facilities such as senior centers, public health
13 centers, childcare centers and community centers. ADED shall report the
14 methodology for complying with this priority to the ~~CDBG subcommittee of~~
15 Legislative Council. The provisions of this section shall be in effect only
16 from July 1, ~~2003~~ 2005 through June 30, ~~2005~~ 2007.

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18 SECTION 24. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. PUBLIC
20 PARTICIPATION. Arkansas Department of Economic Development (ADED) shall make
21 additional efforts to increase non-traditional public participation in its
22 annual update to the Five Year Consolidated Plan and the new Five Year
23 Consolidated Plan. These efforts shall be in addition to current public
24 notification methods. Notification should be considered through direct mail-
25 out to mayors and county judges, contacts with planning and development
26 districts, contact with the Department of Rural Services, submissions to
27 grant notification publications, and publication on ADED's web page. ADED is
28 encouraged to develop additional innovative public awareness strategies.
29 The provisions of this section shall be in effect only from July 1, ~~2003~~ 2005
30 through June 30, ~~2005~~ 2007.

31
32 SECTION 25. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. RURAL
34 DEVELOPMENT. From the funds appropriated for COMMUNITY DEVELOPMENT GRANTS
35 within the Community Development Program in this Act for Community
36 Assistance-Federal, the Arkansas Department of Economic Development (ADED)

1 shall allocate \$500,000 per fiscal year to the Rural Development Set-Aside
2 from the Economic Development Set-Aside, as defined in ADED's Consolidated
3 Plan filed with the federal Department of Housing and Urban Development.
4 Funds allocated to the Rural Development Set-Aside are to be used exclusively
5 for grants to rural communities as defined in the Consolidated Plan. The
6 provisions of this section shall be in effect only from July 1, ~~2003~~ 2005
7 through June 30, ~~2005~~ 2007.

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9 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. GRANT
11 REVIEW. The Arkansas Department of Economic Development (ADED) shall review
12 all applications for grant funds from the Rural Development Set-Aside and
13 shall certify to the Department of Rural Services those applications eligible
14 for grant funds under ADED and federal guidelines. The Department of Rural
15 Services alone shall decide which grant applications will be funded, and ADED
16 shall disburse grant funds from the Rural Development Set-Aside to those
17 applicants receiving final approval by the Department of Rural Services. ADED
18 and the Department of Rural Services shall promulgate rules and regulations
19 governing the application for and disbursement of grant funds from the Rural
20 Development Set-Aside, and an annual report of the disposition of these grant
21 funds shall be made to the Legislative Joint Auditing Committee. The
22 provisions of this section shall be in effect only from July 1, ~~2003~~ 2005
23 through June 30, ~~2005~~ 2007.

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25 SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE
26 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
27 PROVISION - FOREIGN OFFICES. If at any time during the 2005-2007 biennium,
28 the Director determines that market conditions warrant, the Arkansas Economic
29 Development Commission is hereby authorized to transfer appropriation, after
30 receiving the approval of the Chief Fiscal Officer of the State and prior
31 review by the Legislative Council or Joint Budget Committee, between either
32 of the two Foreign Offices (Far East Trade/Industrial Recruitment and Latin
33 American Trade Development) in Section 3 of this Act for the purpose of
34 responding to changes in the world markets. The provisions of this section
35 shall be in effect only from July 1, 2005 through June 30, 2007.

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1 SECTION 28. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE
2 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
3 PROVISION. If at any time during the 2005-2007 biennium, savings are
4 accomplished in the appropriation provided for "Far East Trade/Industry
5 Recruitment", "Latin American Trade", and "Regular Salaries" in Section 3 of
6 this Act, such appropriation savings may be transferred to the appropriations
7 made for "Maintenance and General Operations" in Section 3 of this Act after
8 prior review by the Legislative Council or Joint Budget Committee. In
9 addition, if at any time during the 2005-2007 biennium, savings are
10 accomplished in the appropriation provided for "Maintenance and General
11 Operations" in Section 3 of this Act, such appropriation savings may be
12 transferred to the appropriation for "Far East Trade/Industry Recruitment"
13 and "Latin American Trade" in Section 3 of this Act, after prior review by
14 the Legislative Council or Joint Budget Committee. The provisions of this
15 section shall be in effect only from July 1, 2005 through June 30, 2007.
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17 SECTION 29. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE
18 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
19 PROVISION. After receiving approval from the Chief Fiscal Officer of the
20 State and prior review by the Legislative Council or Joint Budget Committee,
21 the Director of the Arkansas Economic Development Commission is authorized to
22 transfer appropriation from any line item appropriation authorized in Section
23 4 of this Act to any other line item authorized in Section 4 of this Act. The
24 provisions of this section shall be in effect only from July 1, 2005 through
25 June 30, 2007.
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27
28 SECTION 30. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE
29 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FLEXIBILITY
30 RESTRICTIONS. The carry forward and transfer flexibility provided to the
31 Arkansas Economic Development Commission within this Act relating to the
32 appropriation in Section 4 shall be used only when necessary to carry out the
33 Community Development Block Grant Program. The provisions of this section
34 shall be in effect only from July 1, 2005 through June 30, 2007.
35

36 SECTION 31. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE

1 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
2 PROVISION - INDUSTRY TRAINING. If during either year of the 2005-2007 fiscal
3 biennium, the Industry Training Division effects savings in Item (05),
4 INDUSTRY TRAINING PROGRAM, of Section 10 of this Act, such savings may be
5 transferred to item (02), Extra Help or item (04), Maintenance and General
6 Operations, of Section 10 of this Act, after obtaining approval of the Chief
7 Fiscal Officer of the State and after prior review by the Legislative Council
8 or Joint Budget Committee. In addition, if any savings are effected in either
9 year of the 2005-2007 fiscal biennium in item (04), Maintenance and General
10 Operations, of Section 10 of this Act, such savings may be transferred to
11 item (05), Industry Training Program, of Section 10 of this Act, after
12 obtaining approval of the Chief Fiscal Officer of the State and after prior
13 review by the Legislative Council or Joint Budget Committee. The provisions
14 of this section shall be in effect only from July 1, 2005 through June 30,
15 2007.

16
17 SECTION 32. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE
18 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
19 PROVISION - INDUSTRY TRAINING PROGRAM. During either fiscal year of the
20 2005-2007 biennium any savings accomplished in line item (02) of Section 10
21 of this Act, Extra Help, may be transferred to line item (04) of Section 10
22 of this Act, Maintenance and General Operation after prior review by the
23 Legislative Council or Joint Budget Committee. The provisions of this section
24 shall be in effect only from July 1, 2005 through June 30, 2007.

25
26 SECTION 33. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE
27 NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER OF
28 FUNDS. Immediately upon the effective date of this Act, the Chief Fiscal
29 Officer of the State shall transfer on his books and those of the State
30 Treasurer and the Auditor of State all remaining balances held in the
31 Industry and Aerospace Development Fund to the Executive Discretionary
32 Division of the 85th Session Projects Account within the General Improvement
33 Fund, or its successor fund or fund accounts, for the sole benefit of the
34 Department of Economic Development for providing funding for grants to cities
35 and counties to provide financial assistance necessary to undertake public
36 works projects and/or job training efforts which support private sector job

1 creation opportunities, alleviate conditions which constitute a threat to
2 public health and well being, or partially defray the costs of providing
3 access to publicly owned industrial parks; and for expansion of the aircraft
4 and aerospace industry, and for port and waterway economic development
5 projects.

6
7 SECTION 34. Arkansas Title 15, Chapter 4, Subchapter 15 is repealed.

8 ~~15-4-1501. Creation.~~

9 ~~There is created and established at the seat of government of this state a~~
10 ~~commission to be known as the "Arkansas Aviation and Aerospace Commission",~~
11 ~~hereinafter referred to as the "commission".~~

12 ~~15-4-1502. Members.~~

13 ~~(a) The Arkansas Aviation and Aerospace Commission shall consist of~~
14 ~~thirteen (13) members who shall be residents and qualified electors of this~~
15 ~~state.~~

16 ~~(b) The commission shall include eight (8) members who shall be appointed~~
17 ~~by the Governor subject to confirmation by the Senate. Three (3) members of~~
18 ~~the commission shall be the Director of the Department of Economic~~
19 ~~Development, the President of the Arkansas Development Finance Authority, and~~
20 ~~the Chief Fiscal Officer of the State.~~

21 ~~(c) The Governor shall appoint two (2) members from each congressional~~
22 ~~district as the districts were constituted at the time of the passage of this~~
23 ~~subchapter.~~

24 ~~(d) The eight (8) members so appointed by the Governor shall be~~
25 ~~representatives of the private sector of the state, and four (4) of the~~
26 ~~members so appointed shall be persons with knowledge and experience in the~~
27 ~~fields of:~~

28 ~~(1) Aviation and aerospace manufacturing, operation, or repair;~~

29 ~~(2) Banking and finance;~~

30 ~~(3) Business and industry; and~~

31 ~~(4) Education.~~

32 ~~(e) There shall be one (1) member appointed by the President Pro Tempore~~
33 ~~of the Senate and one (1) member appointed by the Speaker of the House of~~
34 ~~Representatives.~~

35 ~~(f)(1) Members appointed by the Governor shall serve for terms of four~~
36 ~~(4) years each.~~

1 ~~(2) Members appointed by the Speaker of the House of Representatives~~
2 ~~and President Pro Tempore of the Senate shall serve two-year terms.~~

3 ~~(3) Members shall hold office for the terms of their appointments and~~
4 ~~until their successors shall have been appointed and qualified.~~

5 ~~(g) In the event of a vacancy in the membership of the commission, the~~
6 ~~vacancy shall be filled by appointment by the appointing authority for the~~
7 ~~remainder of the unexpired portion of the term of the member.~~

8 ~~(h) A member of the commission may be removed by the appointing authority~~
9 ~~for cause stated in writing after a hearing thereon or upon joint address by~~
10 ~~a majority of both houses of the General Assembly at a special or regular~~
11 ~~session thereof.~~

12 ~~(i) Members of the commission shall serve without pay but may receive~~
13 ~~expense reimbursement in accordance with § 25-16-901 et seq.~~

14
15 ~~15-4-1503. Organization and meetings.~~

16 ~~(a) Members shall annually elect from their membership one (1) member as~~
17 ~~chair and one (1) member as vice chair.~~

18 ~~(b) The Director of the Department of Economic Development shall be ex~~
19 ~~officio Secretary of the Arkansas Aviation and Aerospace Commission, and the~~
20 ~~Department of Economic Development shall provide staff support as required~~
21 ~~for the administration and operation of the commission.~~

22 ~~(c) The commission shall adopt and may modify rules for the conduct of~~
23 ~~its business and shall keep a public record of its transactions, findings,~~
24 ~~and determinations.~~

25 ~~(d) The rules shall provide for regular meetings and for special meetings~~
26 ~~at the call of the chair or upon the request of at least five (5) members.~~

27 ~~(e) A quorum shall consist of not fewer than eight (8) members present at~~
28 ~~any regular or special meeting, and an affirmative vote of that number shall~~
29 ~~be necessary for the disposition of any business.~~

30 ~~15-4-1504. Objectives and purposes.~~

31 ~~The objectives and purposes of the Arkansas Aviation and Aerospace~~
32 ~~Commission shall be to:~~

33 ~~(1) Foster and encourage the establishment, location, expansion, and~~
34 ~~development of the aviation and aerospace industry in the state;~~

35 ~~(2) Create new job opportunities for Arkansas citizens at wage scales~~
36 ~~which are greater than the state average for manufacturing industries;~~

1 ~~(3) Assign resources to educate and train Arkansas citizens to a new~~
2 ~~and higher level of skills for high technology industries;~~

3 ~~(4) Provide competitive inducements to attract new and expanding~~
4 ~~aviation and aerospace employers;~~

5 ~~(5) Assist in building and equipping new or expanded aviation and~~
6 ~~aerospace manufacturing and infrastructure facilities within the state; and~~

7 ~~(6) Aid local and regional governmental entities in the establishment,~~
8 ~~location, expansion, and development of aviation and aerospace industries in~~
9 ~~all regions of the state.~~

10 ~~15-4-1505. Functions, powers, and duties.~~

11 ~~(a) The Arkansas Aviation and Aerospace Commission shall have and be~~
12 ~~subject to all functions, powers, and duties imposed upon it by this~~
13 ~~subchapter.~~

14 ~~(b) For the purpose of regulating its own procedures and carrying out its~~
15 ~~functions, the commission shall have the authority from time to time to make,~~
16 ~~amend, and enforce all reasonable rules or regulations not inconsistent with~~
17 ~~law which will aid in the performance of any of the functions, powers, or~~
18 ~~duties conferred or imposed upon it by law.~~

19 ~~(c) The commission may purchase, receive, lease as lessee, or in any~~
20 ~~other manner acquire, own, hold, maintain, sell, exchange, and use any and~~
21 ~~all real or personal property or any interest therein.~~

22 ~~(d) It shall be the function, power, and duty of the commission to~~
23 ~~administer the fund known as the "Arkansas Aviation and Aerospace Industry~~
24 ~~Development Fund", hereinafter "fund".~~

25 ~~(e) The Secretary of the Arkansas Aviation and Aerospace Commission shall~~
26 ~~provide quarterly reports to the Chief Fiscal Officer of the State regarding~~
27 ~~failure of any recipient of funds to comply with the terms of any~~
28 ~~disbursement agreement, the criteria set out in this subchapter, or any rule~~
29 ~~or regulation promulgated by the Chief Fiscal Officer of the State with~~
30 ~~regard to the fund.~~

31 ~~15-4-1506. Receipt of loans and financial assistance.~~

32 ~~(a) Any entity of local government or airport authority, hereinafter the~~
33 ~~"applicant", who qualifies under the criteria provided in this subchapter and~~
34 ~~other criteria as determined by the Arkansas Aviation and Aerospace~~
35 ~~Commission, may receive loans or other financial assistance from the Arkansas~~
36 ~~Aviation and Aerospace Industry Development Fund for expenses related to~~

1 ~~establishment, relocation, expansion, or development of aviation and~~
2 ~~aerospace industries in the State of Arkansas.~~

3 ~~(b) Any governing body of a municipal airport wherein is located a~~
4 ~~military installation slated for closure or any governing body of a municipal~~
5 ~~airport located within thirty (30) miles of a military installation slated~~
6 ~~for closure by the Federal Base Realignment and Closure Commission, provided~~
7 ~~that the military installation exceeds thirty thousand (30,000) acres of~~
8 ~~total land area, for which the governing body has received a federal grant~~
9 ~~for development of the municipal airport, shall hereinafter be referred to as~~
10 ~~a "special target applicant" and may receive loans or other financial~~
11 ~~assistance from the fund for expenses related to establishment, relocation,~~
12 ~~expansion, or development of aviation and aerospace industries without~~
13 ~~qualifying for all the criteria required in this subchapter.~~

14
15 ~~15-4-1507. Loan criteria.~~

16 ~~(a) The Arkansas Aviation and Aerospace Commission shall have the~~
17 ~~authority to determine the structure, amount, and nature of any loan or other~~
18 ~~financial assistance from the fund, subject to the following criteria, except~~
19 ~~that special target applicants do not have to meet the criteria in~~
20 ~~subdivisions (a)(1) and (2) of this section:~~

21 ~~(1) The applicant shall provide certification that not fewer than~~
22 ~~fifty (50) net new full-time equivalent jobs will be created as a result of~~
23 ~~the financial assistance provided under this subchapter;~~

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

30 ~~(3) Any applicant or special target applicant receiving financial~~
31 ~~assistance from the Arkansas Aviation and Aerospace Industry Development Fund~~
32 ~~shall make available to the commission such employee and wage information as~~
33 ~~may be required by the commission to verify compliance with the requirements~~
34 ~~of this section.~~

35 ~~(b)(1) The commission shall establish procedures to quantify the benefit~~
36 ~~and return to this state and its citizens from the provision of financial~~

1 ~~assistance from the fund.~~

2 ~~(2) The commission shall establish as a goal the return of any state~~
3 ~~investment made under this subchapter within eight (8) years of the provision~~
4 ~~of financial assistance.~~

5 ~~(3) The state's return shall be measured using the following criteria:~~

6 ~~(A) Number of jobs;~~

7 ~~(B) Level of pay per job;~~

8 ~~(C) Company's capital investment;~~

9 ~~(D) Length of commitment of jobs by the company;~~

10 ~~(E) Training and educational needs;~~

11 ~~(F) "Take back" provisions;~~

12 ~~(G) Public and private participation in project funding; and~~

13 ~~(H) Other criteria as established by the commission.~~

14 ~~(4) In applying the formula, the commission shall determine that~~
15 ~~funding the project will result in economic activity within the state that~~
16 ~~provides a revenue neutral or revenue positive impact on the state's current~~
17 ~~general revenues.~~

18 ~~(5) Special target applicants do not have to meet the criteria~~
19 ~~specified in this subsection to measure the return to the state or to meet~~
20 ~~the goal of a return of any state investment within eight (8) years.~~

21 ~~(c)(1) The Director of the Department of Economic Development shall enter~~
22 ~~into an agreement with each successful applicant or special target applicant~~
23 ~~that shall include the specific terms and conditions of the financial~~
24 ~~assistance to be provided.~~

25 ~~(2) These terms shall include a "take back" provision in the event the~~
26 ~~applicant fails to meet the terms of the agreement.~~

27 ~~(3) Any legal recourse set out by this section shall be pursued by the~~
28 ~~Chief Fiscal Officer of the State.~~

29 ~~(d)(1) Any applicant or special target applicant receiving assistance~~
30 ~~from the fund shall be liable to repay any assistance received if it does not~~
31 ~~comply with:~~

32 ~~(A) The terms of any disbursement agreement;~~

33 ~~(B) The criteria set out in this subchapter, except when special~~
34 ~~target applicants are exempt; and~~

35 ~~(C) Any rule or regulation promulgated by the Chief Fiscal Officer~~
36 ~~of the State with regard to the fund.~~

1 ~~(2) The repayment shall be made to the Chief Fiscal Officer of the~~
2 ~~State and credited to the fund.~~

3 ~~(3) The Chief Fiscal Officer of the State may bring any lawful action~~
4 ~~to recover any amount for which the recipient is liable.~~

5 ~~15-4-1508. Enterprise zone benefits.~~

6 ~~Any industry which locates a facility at a municipal airport which~~
7 ~~qualifies as a special target applicant under § 15-4-1506 shall be entitled~~
8 ~~to the benefits of the Arkansas Enterprise Zone Act of 1993, § 15-4-1701 et~~
9 ~~seq., for that facility, regardless of whether the industry would otherwise~~
10 ~~qualify for the benefits of the Arkansas Enterprise Zone Act of 1993, § 15-4-~~
11 ~~1701 et seq.~~

12
13 SECTION 35. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized
14 by this act shall be limited to the appropriation for such agency and funds
15 made available by law for the support of such appropriations; and the
16 restrictions of the State Procurement Law, the General Accounting and
17 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
18 Procedures and Restrictions Act, or their successors, and other fiscal
19 control laws of this State, where applicable, and regulations promulgated by
20 the Department of Finance and Administration, as authorized by law, shall be
21 strictly complied with in disbursement of said funds.

22
23 SECTION 36. LEGISLATIVE INTENT. It is the intent of the General Assembly
24 that any funds disbursed under the authority of the appropriations contained
25 in this act shall be in compliance with the stated reasons for which this act
26 was adopted, as evidenced by the Agency Requests, Executive Recommendations
27 and Legislative Recommendations contained in the budget manuals prepared by
28 the Department of Finance and Administration, letters, or summarized oral
29 testimony in the official minutes of the Arkansas Legislative Council or
30 Joint Budget Committee which relate to its passage and adoption.

31
32 SECTION 37. EMERGENCY CLAUSE. It is found and determined by the General
33 Assembly, that the Constitution of the State of Arkansas prohibits the
34 appropriation of funds for more than a two (2) year period; that the
35 effectiveness of this Act on July 1, 2005 is essential to the operation of
36 the agency for which the appropriations in this Act are provided, and that in

1 the event of an extension of the Regular Session, the delay in the effective
2 date of this Act beyond July 1, 2005 could work irreparable harm upon the
3 proper administration and provision of essential governmental programs.
4 Therefore, an emergency is hereby declared to exist and this Act being
5 necessary for the immediate preservation of the public peace, health and
6 safety shall be in full force and effect from and after July 1, 2005.

7
8 */s/ Joint Budget Committee*

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10
11 *APPROVED: 4/13/2005*
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