

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 988 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: H3/21/07

A Bill

HOUSE BILL 2216

5 By: Representative Saunders
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For An Act To Be Entitled

9 AN ACT TO AMEND PROVISIONS OF ARKANSAS LAW
10 PERTAINING TO THE SCIENCE AND TECHNOLOGY
11 AUTHORITY; AND FOR OTHER PURPOSES.
12

Subtitle

13 AN ACT TO AMEND PROVISIONS OF ARKANSAS
14 LAW PERTAINING TO THE SCIENCE AND
15 TECHNOLOGY AUTHORITY.
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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 § 15-3-108 is amended to read as follows:
22 15-3-108. Nature, powers, and duties generally.

23 (a) The Arkansas Science and Technology Authority shall be a body
24 corporate and politic, having the powers and jurisdiction hereinafter
25 enumerated and additional powers as conferred upon it by the General Assembly
26 or by the people of this state.

27 (b) The authority is authorized and designated to engage in
28 undertakings, programs, enterprises, and activities involving agriculture,
29 manufacturing, medical and health care, transportation, public utility
30 services, research and development, and other programs involving the
31 establishment and encouragement of science and technological research.

32 (c) The authority and its board, employees, and agents shall be immune
33 from civil liability for performing the duties of the authority under this
34 chapter.

35 ~~(e)~~(d) In the furtherance of its purposes, the authority shall have



1 all the powers necessary to carry out its purposes, which shall include, but
2 not be limited to:

3 (1) Make, amend, and repeal bylaws, rules, and regulations for
4 the management of its affairs;

5 (2) Adopt an official seal;

6 (3) Sue and be sued in its own name;

7 (4) Make contracts and execute all instruments necessary or
8 convenient for carrying out its business;

9 (5) Acquire, own, hold, dispose of, and encumber real or
10 personal property of any nature, both tangible and intangible, or any
11 interest therein;

12 (6) Enter into agreements or other transactions with any
13 federal, state, county, or municipal agency and with any individual,
14 corporation, firm, association, or any other entity involving science and
15 technology;

16 (7) Acquire real property or an interest in real property by
17 purchase or foreclosure when such an acquisition is necessary or appropriate
18 to protect or secure any investment or loan in which the authority has an
19 interest;

20 (8) Sell, transfer, and convey any such property to a buyer, and
21 in the event the sale, transfer, or conveyance cannot be effected with
22 reasonable promptness or at a reasonable price, lease the property to a
23 tenant;

24 (9) Invest any funds appropriated by the state and held in
25 reserve in funds not required for immediate disbursement, in investments that
26 may be lawful for fiduciaries in the State of Arkansas, and invest funds
27 received from gifts, grants, donations, and other operations of the authority
28 in investments that would be lawful for a private corporation having purposes
29 similar to the authority;

30 (10) Borrow money and give guaranties, provided that the
31 indebtedness and other obligations of the authority shall be payable solely
32 out of its own resources and shall not constitute a pledge of the full faith
33 and credit of the State of Arkansas or any of its revenues;

34 (11) Appoint officers, employees, consultants, agents, and
35 advisors and prescribe their duties;

36 (12) Appear in its own behalf before boards, commissions,

1 departments, or other agencies of municipal, county, state, or federal
2 government;

3 (13) Procure insurance against any losses in connection with its
4 properties in amounts from insurers that may be necessary or desirable;

5 (14) Consent, subject to the provisions of any contract with
6 noteholders, whenever it deems it necessary or desirable in the fulfillment
7 of the purposes of this chapter, to the modifications with respect to the
8 rate of interest, time payment, or of any installment, of principal and
9 interest, or any terms of any contract or agreement of any kind to which the
10 authority is a party;

11 (15)(A) Accept any and all donations, grants, bequests, and
12 devises, conditional or otherwise, of money, property, services, or other
13 things of value which may be received from the federal government or any
14 agency thereof, any governmental agency, or any institution, person, firm, or
15 corporation, public or private, to be held, used, or applied for any or all
16 of the purposes specified in this chapter in accordance with the terms and
17 conditions of any such grant.

18 (B) Receipt of each such donation or grant shall be
19 detailed in the annual report of the authority.

20 (C) This report shall include the identity of the donor or
21 lender, the nature of the transaction, and any conditions attaching thereto;

22 (16) Trade, buy, or sell qualified securities;

23 (17) Finance, conduct, or cooperate in the financing or
24 conducting of scientific, technological, business, financial, or other
25 investigations which are related or likely to lead to business and economic
26 development involving science and technology by making and entering into
27 contracts or other appropriate arrangements, including the provision of
28 grants, loans, and other forms of assistance;

29 (18) Solicit, study, and assist in the preparation of business
30 plans and proposals of new or established science and technologically
31 oriented businesses and advance the state of science in Arkansas for those
32 purposes;

33 (19) Prepare, publish, and distribute, with or without charge as
34 the authority may determine, such technological studies, reports, bulletins,
35 and other materials as it deems appropriate, subject only to the maintenance
36 and responsibility for confidentiality of the client's proprietary

1 information;

2 (20) Organize, conduct, sponsor, or cooperate in and assist the
3 conduct of special institutes, conferences, demonstrations, and studies
4 relating to the stimulation and formulation of basic science, applied
5 science, and technologically oriented businesses and studies relating to the
6 formulation of scientific or technologically oriented business and industry
7 endeavors;

8 (21) Own and possess patents, copyrights, and proprietary
9 processes and enter into contracts and establish charges for the use of such
10 patents, copyrights, and proprietary processes involving science or
11 technology;

12 (22) Provide and pay for advisory services and technical
13 assistance that may be necessary or desirable to carry out the purposes of
14 this chapter;

15 (23) Exercise any other powers necessary for the operation and
16 functioning of the authority within the purposes authorized in this chapter;

17 (24)(A) Provide scientific and technological data and
18 information required by the Governor, the General Assembly, or its
19 committees, and to state agencies and cities, counties, and school districts,
20 and to private citizens and groups, within the limitations of the resources
21 available to the authority.

22 (B) This service shall be in addition to any services
23 currently being provided to the General Assembly by any higher education
24 institution, committee, or any other organization; and

25 (25) Prepare, publish, amend, and distribute a research and
26 development plan to guide investments in research and commercialization,
27 strategic research, and technology-based enterprises.

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29 SECTION 2. Arkansas Code § 15-3-112 is amended to read as follows:

30 15-3-112. Prohibition on personal interest in contracts.

31 (a) No director, officer, or employee of the Arkansas Science and
32 Technology Authority, for purpose of personal gain, shall have or attempt to
33 have, directly or indirectly, any interest in any contract or agreement of
34 the authority in connection with the qualified investments or other programs
35 of the authority.

36 (b) The authority shall not invest, pursuant to § 15-3-122, in any

1 qualified security of:

2 (1) Any enterprise that is owned, wholly or partially, directly
3 or indirectly, by any director or officer; or

4 (2) Any enterprise that employs a director.

5 (c) It shall not be a violation of this section for the authority to
6 permit any college, university, or other nonprofit institution with which a
7 director is affiliated to participate in any program of the authority,
8 provided that the director shall promptly disclose the nature of the
9 affiliation to the Board of Directors of the Arkansas Science and Technology
10 Authority.

11 (d)(1) It shall not be a violation of this section for the authority
12 to permit a manufacturer or other for-profit entity with which a director is
13 affiliated to pay to the authority fees for services and receive, in return
14 for those fees, services:

15 (A) That are generally available to all manufacturers or
16 other for-profit entities; and

17 (B) Are not available to the manufacturer or other for-
18 profit entity solely due to its affiliation with a director.

19 (2)(A) A director affiliated with a manufacturer or other for-
20 profit entity that enters into a contract or an agreement pursuant to
21 subdivision (d)(1) of this section shall disclose the contract or agreement
22 in writing to the president of the authority.

23 (B) The president of the authority shall inform the board
24 of the contract or agreement at its next regularly scheduled meeting and
25 attach a copy of the written disclosure to the minutes of that meeting.

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/s/ Saunders

APPROVED: 4/3/2007