

1 **State of Arkansas**
2 **78th General Assembly**
3 **First Extraordinary Session, 1992**
4 **By: Senators Wilson, Bradford, and Bearden**

A Bill ACT 59 OF 1992

Call Item 6
SENATE BILL 35

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE TITLE 15, CHAPTER 4,
SUBCHAPTER 2; TO CREATE THE ARKANSAS AVIATION AND
AEROSPACE COMMISSION; TO ESTABLISH THE FUNCTIONS, POWERS
AND DUTIES OF THE COMMISSION; TO DECLARE AN EMERGENCY; AND
FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code Title 15, Chapter 4, Subchapter 2 is hereby amended by adding the following new sections to read as follows:

"15-4-214. Creation. There is created and established at the seat of government of this state a commission to be known as the Arkansas Aviation and Aerospace Commission, hereinafter referred to as the commission."

15-4-215. Members. (a) The commission shall consist of eleven (11) members, who shall be residents and qualified electors of this state;

(b) The commission shall include eight (8) members who shall be appointed by the Governor, subject to confirmation by the Arkansas Senate. The three remaining members of the commission shall be the Executive Director of the Arkansas Industrial Development Commission, the President of the Arkansas Development Finance Authority, and Chief Fiscal Officer of the State of Arkansas;

(c) The Governor shall appoint two (2) members from each congressional district as the districts were constituted at the time of the passage of this act;

(d) The eight (8) members so appointed by the Governor shall be representatives of the private sector of the state; and four (4) of the members so appointed shall be persons with knowledge and experience in the fields of: aviation and aerospace manufacturing, operation or repair; banking

1 and finance; business and industry; and education;

2 (e) In addition to the eleven (11) members of the commission,
3 there shall be one (1) nonvoting ex officio member representing the membership
4 of the Arkansas Senate, as appointed by the Senate President Pro Tempore; and
5 one (1) nonvoting ex officio member representing the membership of the
6 Arkansas House of Representatives, as appointed by the Speaker of the House;

7 (f) Members shall be appointed for terms of four (4) years each.
8 The initial members shall draw lots to provide for staggered terms as
9 follows: One-fourth (1/4) for four year term, one-fourth (1/4) for three year
10 term, one-fourth (1/4) for two year term and one-fourth (1/4) for one year
11 term. Thereafter, appointments shall be for terms running four (4) years from
12 January 14 of the year of appointment. Ex officio members shall serve two-
13 year terms. Members shall hold office for the terms of their appointments and
14 until their successors shall have been appointed and qualified;

15 (g) In the event of a vacancy in the membership of the
16 commission, such vacancy shall be filled by appointment by the Governor for
17 the remainder of the unexpired portion of the term of the member;

18 (h) A member of the commission may be removed by the Governor for
19 cause, stated in writing, after a hearing thereon, or upon joint address by a
20 majority of both houses of the General Assembly at a special or regular
21 session thereof;

22 (i) Members of the commission shall serve without pay and shall
23 not receive reimbursement for expenses incurred.

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25 15-4-216. Organization and Meetings. (a) Members shall annually
26 elect from their membership one (1) member as chairman and one (1) member as
27 vice-chairman;

28 (b) The Executive Director of the Department of Industrial
29 Development shall be ex officio secretary of the commission, and the
30 Department of Industrial Development shall provide staff support as required
31 for the administration and operation of the commission;

32 (c) The commission shall adopt, and may modify, rules for the
33 conduct of its business and shall keep a public record of its transactions,
34 findings, and determinations;

35 (d) The rules shall provide for regular meetings and for special

1 meetings at the call of the chairman, or upon the request of at least five (5)
2 members;

3 (e) A quorum shall consist of not less than eight (8) members
4 present at any regular or special meeting, and an affirmative vote of such
5 number shall be necessary for the disposition of any business.

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7 15-4-217. Objectives and Purposes. The objectives and purposes of the
8 commission shall be to:

9 (a) Foster and encourage the establishment, location, expansion,
10 and development of the aviation and aerospace industry in the state;

11 (b) Create new job opportunities for Arkansas citizens at wage
12 scales which are greater than the state average for manufacturing industries;

13 (c) Assign resources to educate and train Arkansas citizens to a
14 new and higher level of skills for high technology industries;

15 (d) Provide competitive inducements to attract new and expanding
16 aviation and aerospace employers;

17 (e) Assist in building and equipping new or expanded aviation and
18 aerospace manufacturing and infrastructure facilities within the state;

19 (f) Aid local and regional governmental entities in the
20 establishment, location, expansion and development of aviation and aerospace
21 industries in all regions of the state.

22

23 15-4-218. Functions, Powers and Duties. (a) The commission shall have
24 and be subject to all functions, powers and duties imposed upon it by this
25 act.

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

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

34 (d) It shall be the function, power, and duty of the commission to
35 administer the fund known as the Arkansas Aviation and Aerospace Industry

1 Development Fund (hereinafter _fund_).

2 (e) The Secretary of the Commission shall provide quarterly reports to
3 the Chief Fiscal Officer of the State regarding failure of any recipient of
4 funds to comply with the terms any disbursement agreement, the criteria set
5 out in this act, or any rule or regulation promulgated by the chief fiscal
6 officer with regard to the Arkansas Aviation and Aerospace Industry
7 Development Fund.

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9 15-4-219. Any entity of local government or airport authority,
10 hereinafter the _applicant_, who qualifies under the criteria provided in this
11 act and other criteria as determined by the Aviation and Aerospace Commission,
12 may receive loans or other financial assistance from the fund for expenses
13 related to establishment, relocation, expansion, or development of aviation
14 and aerospace industries in the State of Arkansas.

15
16 15-4-220. (a) The commission shall have the authority to determine the
17 structure, amount and nature of any loan or other financial assistance from
18 the fund, subject to the following criteria:

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

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

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

32 (b) The commission shall establish procedures to quantify the benefit
33 and return to the state and its citizens from the provision of financial
34 assistance from the fund. The commission shall establish as a goal the return
35 of any state investment made hereunder within eight (8) years of the provision

1 of financial assistance. The state's return shall be measured using the
2 following criteria:

- 3 (1) Number of jobs;
- 4 (2) Level of pay per job;
- 5 (3) Company's capital investment;
- 6 (4) Length of commitment of jobs by the company;
- 7 (5) Training and educational needs;
- 8 (6) Take-back provisions;
- 9 (7) Public and private participation in project funding; and
- 10 (8) Other criteria as established by the commission.

11 The commission in applying the formula shall determine that funding the
12 project will result in economic activity within the state that provides a
13 revenue neutral or revenue positive impact on the state's current general
14 revenues.

15 (c) The Executive Director of the Arkansas Industrial Development
16 Commission shall enter into an agreement with each successful applicant that
17 shall include the specific terms and conditions of the financial assistance to
18 be provided. These terms shall include a take-back provision in the event
19 the applicant fails to meet the terms of the agreement. Any legal recourse
20 set out by these provisions shall be pursued by the chief fiscal officer of
21 the state.

22 (d) Any applicant receiving assistance from the fund shall be liable to
23 repay any assistance received if it does not comply with the terms of any
24 disbursement agreement, the criteria set out in this act, and any rule or
25 regulation promulgated by the chief fiscal officer with regard to the Arkansas
26 Aviation and Aerospace Industry Development Fund. The repayment shall be made
27 to the chief fiscal officer and credited to the fund. The chief fiscal
28 officer may bring any lawful action to recover any amount for which the
29 recipient is liable."

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31 SECTION 2. All provisions of this act of a general and permanent nature
32 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
33 Revision Commission shall incorporate the same in the Code.

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35 SECTION 3. If any provision of this act or the application thereof to

1 any person or circumstance is held invalid, such invalidity shall not affect
2 other provisions or applications of the act which can be given effect without
3 the invalid provision or application, and to this end the provisions of this
4 act are declared to be severable.

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6 SECTION 4. All laws and parts of laws in conflict with this act are
7 hereby repealed.

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9 SECTION 5. EMERGENCY. It is hereby found and determined by the
10 Seventy-Eighth General Assembly meeting in First Extraordinary Session that
11 the provisions of this act are of critical importance to provide governmental
12 goods and services to the people of the State of Arkansas and to attract new
13 industry to reduce unemployment levels in this state. Therefore, an emergency
14 is hereby declared to exist, and this act being necessary for the immediate
15 preservation of the public peace, health and safety shall be in full force and
16 effect from and after its passage and approval.

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18 /s/Sen. Wilson et. al.

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20 APPROVED: 3-19-92

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1. Proposed 3/26/22

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