

1 **State of Arkansas**  
2 **80th General Assembly**  
3 **Regular Session, 1995**

# A Bill

**ACT 590 OF 1995**  
**HOUSE BILL 1575**

4 **By: Representatives Baker, Lancaster, and Malone**  
5 **By: Senators Bookout, Bell, Bradford, Gwatney, and Walters**

## For An Act To Be Entitled

8 "AN ACT TO AMEND THE ARKANSAS ECONOMIC DEVELOPMENT AND  
9 INCENTIVE ACT OF 1993 TO PROVIDE THAT DISTRIBUTION CENTERS  
10 MAY QUALIFY FOR BENEFITS UNDER THE ACT AND TO CLARIFY THAT  
11 THE DEPARTMENT OF FINANCE AND ADMINISTRATION IS AUTHORIZED  
12 TO VERIFY THE QUALIFICATIONS OF PROGRAM PARTICIPANTS; AND  
13 FOR OTHER PURPOSES."

## Subtitle

14  
15  
16 "TO AMEND THE 1993 ECONOMIC DEVELOPMENT  
17 AND INCENTIVE ACT TO INCLUDE  
18 DISTRIBUTION CENTERS AND TO CLARIFY THE  
19 AUTHORITY TO VERIFY PARTICIPANTS  
20 QUALIFICATIONS."

21  
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23  
24 SECTION 1. Ark. Code Ann. § 15-4-1602 is hereby amended to add a new  
25 subsection (11) to read as follows:

26 "(11) Distribution Center means a facility for the reception,  
27 storage, or shipping of a business' own products or products which the  
28 business wholesales to retail businesses or ships to its own retail outlets."

29  
30 SECTION 2. Ark. Code Ann. § 15-4-1605 is hereby amended to read as  
31 follows:

32 "(1) Be either:

33 (A) An industry that comes within the Standard Industrial Classification  
34 numbers 20 - 39 which will employ one hundred (100) or more new  
35 permanent employees;

36 (B) An office sector business which will employ one hundred (100) or

1 more new permanent employees and not make retail sales to the general  
2 public;

3 (C) A corporate headquarters which will employ fifty (50) or more new  
4 permanent employees and not make retail sales to the general public; or

5 (D) A distribution center which will employ one hundred (100) or more  
6 new permanent employees and not make retail sales to the general public;

7 (2) Hire the requisite number of new permanent employees within twenty-  
8 four (24) months of the date the financial incentive plan was entered into  
9 with the department;

10 (3) Agree to certify to the Department of Finance and Administration the  
11 number of new permanent employees and the new permanent employees' payroll  
12 once the number of new permanent employees reaches the requisite number  
13 provided in subdivision (1) of this section, and recertify the number and  
14 payroll of the net new employees annually thereafter during the term of the  
15 financial incentive plan, so that the Department of Finance and Administration  
16 can determine the amount of money to be deposited into the fund; and"

17 (4) Agree to certify to the Department of Finance and Administration  
18 within thirty (30) days after the number of net new employees falls below:

19 (A) One hundred (100) for an industry;

20 (B) One hundred (100) for an office sector business;

21 (C) Fifty (50) for a corporate headquarters; or

22 (D) One hundred (100) for a distribution center."

23

24 SECTION 3. Ark. Code Ann. §15-4-1608 is hereby amended to read as  
25 follows:

26 "(A) The Department of Finance and Administration shall have the  
27 authority to obtain whatever information necessary from participating  
28 businesses and from the Arkansas Employment Security Department to verify that  
29 businesses which have entered into financial incentive plans with the  
30 department are complying with the terms of the financial incentive plans and  
31 reporting accurate information concerning the number of employees and their  
32 payrolls to the Department of Finance and Administration.

33 (B) The Department of Finance and Administration may promulgate rules  
34 and regulations necessary for the proper administration of the provisions of  
35 this subchapter."

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34

SECTION 4. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

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

SECTION 7. EMERGENCY CLAUSE. It is hereby found and determined by the General Assembly of this state that unemployment and economic underdevelopment has reached intolerable levels in certain portions of this state and the state as a whole has been unable to compete with other state's incentive programs for the economic development; and, that the incentives afforded by this act are critical to the development and expansion of job opportunities in the state. Therefore, an emergency is declared to exist and this act, being necessary for the preservation of the public peace, health, and safety shall be in full force and effect immediately upon its passage and approval.

APPROVED: 3-13-95