

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

*As Engrossed: H3/9/21*

# A Bill

HOUSE BILL 1416

5 By: Representative Underwood  
6 By: Senator M. Johnson  
7

## For An Act To Be Entitled

9 AN ACT TO ENCOURAGE HOME-BASED ENTREPRENEURSHIP; TO  
10 REMOVE UNNECESSARY BARRIERS TO WORKING FROM HOME; AND  
11 FOR OTHER PURPOSES.  
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## Subtitle

15 TO ENCOURAGE HOME-BASED ENTREPRENEURSHIP;  
16 AND TO REMOVE UNNECESSARY BARRIERS TO  
17 WORKING FROM HOME.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code Title 14, Chapter 1, Subchapter 1, is amended  
23 to add an additional section to read as follows:

24 14-1-104. Home-based businesses – Legislative findings and intent –  
25 Definitions.

26 (a) The General Assembly finds that:

27 (1) Small businesses often begin at home because of lower costs  
28 and increased flexibility;

29 (2) Home-based work plays a significant role in the economy as  
30 roughly half of all businesses in the United States operate primarily out of  
31 a residence; and

32 (3) Local government can hold back entrepreneurs and limit the  
33 economy of this state by enacting ordinances that require an individual to  
34 obtain a permit to operate a business in or work from the individual's own  
35 residence.

36 (b) It is the intent of the General Assembly that this section



1 strengthen home-based work and remove unnecessary barriers to working from  
2 home.

3 (c) As used in this section:

4 (1) "Home-based work" means any occupation performed or business  
5 conducted by a resident within a residence that is clearly incidental to and  
6 secondary to the principal use of the structure for residential dwelling  
7 purposes;

8 (2) "Legislative body" means the quorum court of a county or the  
9 council, board of directors, board of commissioners, or similar elected  
10 governing body of local government;

11 (3) "Local government" means a city of the first class, a city  
12 of the second class, or an incorporated town;

13 (4) "Ordinance" means an ordinance, resolution, or other  
14 appropriate legislative enactment of a legislative body that prohibits or  
15 requires an individual to obtain approval from a local government before  
16 operating a home-based business from a residence or performing home-based  
17 work, including without limitation home occupation permits and licenses; and

18 (5) "Residence" means a permanent dwelling place, unit, or an  
19 accessory structure.

20 (d) Notwithstanding any other law, local government may license or  
21 regulate home-based work if the home-based work is not prohibited and shall  
22 only be restricted as to the following:

23 (1) Advertisements, signs, or other exterior evidence that a  
24 residence is being used for any purpose other than a residence;

25 (2) Nuisances, including without limitation odor, excessive  
26 dust, smoke, vibration, noise, light, heat, glare, or similar disturbances;

27 (3) Health, fire, and safety codes;

28 (4) Traffic, parking, building, and maintenance codes;

29 (5) Protections for children, elderly, and the infirm;

30 (6) Limitations on the number of employees, customers, and  
31 tenants at the residence;

32 (7) Prohibitions or limitations related to public health,  
33 safety, and welfare; and

34 (8) Licenses and regulations that apply to businesses without  
35 regard to location.

36 (e) This section does not supersede:

1           (1) An agreement between a homeowners' association and a  
 2 homeowner; or

3           (2) Any valid deed restrictions.

4           (f) If a local government takes enforcement action against an  
 5 individual for violating an ordinance, then the local government shall  
 6 demonstrate that the ordinance is consistent with subsection (d) of this  
 7 section.

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 9           SECTION 2. Arkansas Code § 14-17-209(a), concerning county zoning  
 10 ordinances, is amended to read as follows:

11           (a)(1) The county planning board shall have authority to prepare, or  
 12 to cause to be prepared, a zoning ordinance for all or part of the  
 13 unincorporated area of the county, which ordinance shall include both a map  
 14 and a text.

15           (2) The zoning ordinance may regulate:

16           (A) ~~the~~ The location, height, bulk, number of stories, and  
 17 the size of building;

18           (B) ~~open~~ Open space;

19           (C) ~~lot~~ Lot coverage;

20           (D) ~~density~~ Density and distribution of population; and

21           (E) ~~the~~ The uses of land, buildings, and structures.

22           (3) ~~It~~ The zoning ordinance may require off-street parking and  
 23 loading.

24           (4) ~~It~~ The zoning ordinance may provide for districts of  
 25 compatible uses, for large-scale unified development, for the control and  
 26 elimination of uses not in conformance with provisions of the ordinance, and  
 27 for such other matters as are necessary to the health, safety, and general  
 28 welfare of the county.

29           (5) The zoning ordinance shall designate districts or zones of  
 30 such shape, size, or characteristics as deemed advisable for all, or part, of  
 31 the unincorporated area of the county.

32           (6) The regulations imposed within each district or zone shall  
 33 be uniform throughout the district or zone.

34           (7) The zoning ordinance shall allow and regulate home-based  
 35 work as provided in § 14-1-104.

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1           SECTION 3. Arkansas Code § 14-56-416(a)(3), concerning municipal  
2 zoning ordinances, is amended to add an additional subdivision to read as  
3 follows:

4                               (F) The ordinance shall allow and regulate home-based work  
5 as provided in § 14-1-104.

6   /s/Underwood

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