

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.

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001

# A Bill

SENATE BILL 797

4  
5 By: Senator B. Johnson  
6 By: Representative Napper

## For An Act To Be Entitled

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10 AN ACT TO AMEND THE ARKANSAS ECONOMIC DEVELOPMENT  
11 INCENTIVE ACT TO REDEFINE THE TERMS "DISTRIBUTION  
12 CENTER", "HIGH UNEMPLOYMENT", AND "OFFICE SECTOR"; TO  
13 ADDRESS OUT-OF-STATE SALES REQUIREMENTS; AND FOR  
14 OTHER PURPOSES.

## Subtitle

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17 TO AMEND THE ARKANSAS ECONOMIC  
18 DEVELOPMENT INCENTIVE ACT TO REDEFINE  
19 THE TERMS "DISTRIBUTION CENTER", "HIGH  
20 UNEMPLOYMENT", AND "OFFICE SECTOR"; TO  
21 ADDRESS OUT-OF-STATE SALES REQUIREMENTS

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

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26 SECTION 1. Arkansas Code 15-4-1602(5) is amended to read as follows:

27 (5) "Distribution center" means a facility for the reception, storage,  
28 or shipping;

29 (A) of a business' own products or products which the  
30 business wholesales to retail businesses or ships to its own retail outlets;  
31 or

32 (B) Of products owned by other companies with which the business  
33 has contracts for storage and shipping if seventy-five percent (75%) of the  
34 sales revenues are from out-of-state customers; or

35 (C) Of products for sale to the general public if seventy-five  
36 percent (75%) of the sales revenues are from out-of-state customers;

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SECTION 2. Arkansas Code 15-4-1602(9) is amended to read as follows:

(9) "High unemployment" means an unemployment rate equal to or in excess of ten percent (10%) or more than three percent (3%) above one hundred fifty percent (150%) of the state's average unemployment rate for the preceding calendar year as specified by statewide annual labor force statistics compiled by the Arkansas Employment Security Department, when the state's annual average unemployment rate is six percent (6%) or below. When the state's annual average unemployment rate is above six percent (6%), "high unemployment" means equal to or in excess of three percent (3%) above the state's average unemployment rate for the preceding calendar year as specified by statewide annual labor force statistics compiled by the Arkansas Employment Security Department;

SECTION 3. Arkansas Code 15-4-1602(11) is amended to read as follows:

(11) "Office sector ~~business~~" means control centers that influence the environment in which data processing, customer service, credit accounting, telemarketing, claims processing, and other administrative functions that act as production centers are performed.

SECTION 4. Arkansas Code 15-4-1605(1)(B)(ii) is amended to read as follows:

(ii) All businesses in this group must employ twenty-five (25) or more net new full-time permanent employees, derive at least ~~sixty percent (60%)~~ seventy-five percent (75%) of their revenue from out-of-state sales, and have no retail sales to the general public;

SECTION 5. Arkansas Code 15-4-1605(1)(D)(ii) is amended to read as follows:

(ii) All businesses in this group must derive at least ~~sixty percent (60%)~~ seventy-five percent (75%) of their revenue from out-of-state sales, and have no retail sales to the general public;

SECTION 6. Arkansas Code 15-4-1605(1)(E) is amended to read as follows:

(E) A distribution center with no retail sales to the general public,

1 unless seventy-five percent (75%) of the sales revenues are from out-of-state  
2 customers, and which will employ one hundred (100) or more net new full-time  
3 permanent employees;

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