

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 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S3/2/05
A Bill

SENATE BILL 507

5 By: Senator Bryles
6 *By: Representative Rosenbaum*
7

8
9 **For An Act To Be Entitled**

10 AN ACT TO IMPLEMENT AMENDMENT 82 TO THE ARKANSAS
11 CONSTITUTION; AND FOR OTHER PURPOSES.
12

13 **Subtitle**

14 AN ACT TO IMPLEMENT AMENDMENT 82 TO THE
15 ARKANSAS CONSTITUTION.
16

17
18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
19

20 SECTION 1. Arkansas Code Title 15, Chapter 4 is amended to add an
21 additional subchapter to read as follows:

22 15-4-3101. Title.

23 This subchapter shall be known and may be cited as the "Arkansas
24 Amendment 82 Implementation Act".
25

26 15-4-3102. Definitions.

27 As used in this subchapter:

28 (1) "Amendment 82 agreement" means a contract between the state
29 and a sponsor under which the state is to provide Amendment 82 bond financing
30 in exchange for the sponsor agreeing to make an investment and to locate a
31 new business or substantially expand an existing business in the State of
32 Arkansas in accordance with the requirements of Amendment 82 and this
33 subchapter. The agreement shall contain, at minimum, the following
34 provisions:

35 (A) The infrastructure needs to be provided by the state
36 in support of the qualified Amendment 82 project and financed under Amendment



1 82 and this subchapter;

2 (B) A description of all other economic incentives to be
3 provided by the state in connection with the qualified Amendment 82 project;

4 (C) The commitments of the sponsor with regard to
5 investment and job creation associated with the qualified Amendment 82
6 project, including timetables for meeting and maintaining the investment and
7 job creation requirements;

8 (D) The agreement of the sponsor to make all specified
9 records pertaining to investment and job creation requirements under
10 Amendment 82 available for annual audit by the chief fiscal officer and, upon
11 request but no more often than annually, by the Office of Economic and Tax
12 Policy or a person or entity retained by the Office of Economic and Tax
13 Policy;

14 (E) Performance benchmarks and economic goals of the
15 qualified Amendment 82 project; and

16 (F) The penalties to be applied if the sponsor does not
17 satisfy its commitments under the Amendment 82 agreement;

18 (2) "Average hourly wage" means the weekly earnings, excluding
19 overtime, bonuses, and company-paid benefits, of all new full-time permanent
20 employees hired after the execution date of the Amendment 82 agreement
21 divided by forty (40) and then divided by the number of new full-time
22 permanent employees;

23 (3) "Bonds" means general obligation bonds issued under
24 Amendment 82 and this subchapter;

25 (4) "Chief fiscal officer" means the Chief Fiscal Officer of the
26 State of Arkansas who is also the Director of the Department of Finance and
27 Administration;

28 (5) "Contractual employee" means an employee who:

29 (A) May be included in the payroll calculations of a
30 sponsor qualifying for bond financing under Amendment 82 and this subchapter
31 and is under the direct supervision of the sponsor receiving benefits under
32 Amendment 82 and this subchapter but is an employee of a business other than
33 the one receiving benefits under Amendment 82 and this subchapter;

34 (B) Otherwise meets the requirements of a new full-time
35 permanent employee of the sponsor receiving benefits under Amendment 82 and
36 this subchapter;

1 (C) Receives an average hourly wage that exceeds the
2 lesser of:

3 (i) The county average hourly wage for the county in
4 which the position or job is located; or

5 (ii) The state average hourly wage; and

6 (D) Receives a benefits package, including without
7 limitation, health and retirement benefits, comparable to direct employees of
8 the sponsor receiving benefits under Amendment 82 and this subchapter;

9 (6) "County average hourly wage" means the weighted average
10 weekly earnings for Arkansas residents in all industries countywide as
11 calculated by the Arkansas Employment Security Department in its most recent
12 "Annual Covered Employment and Earnings" publication divided by forty (40);

13 (7) "Debt service" means principal, interest, redemption
14 premiums, if any, and servicing fees relative to the bonds, including,
15 without limitation, trustees' fees, paying agents' fees, dissemination
16 agents' fees, administrative fees, issuer's fees, guarantee fees, counsel
17 fees, and fees related to arbitrage compliance or rebate calculations;

18 (8)(A) "Existing employee" means an employee hired by a sponsor
19 before the date the Amendment 82 agreement was executed.

20 (B) An existing employee may be considered a new full-time
21 permanent employee for purposes of Amendment 82 and this subchapter only if:

22 (i) The position or job filled by the existing
23 employee was created in accordance with the Amendment 82 agreement; and

24 (ii)(a) The position vacated by the existing
25 employee was filled by a subsequent employee who was not an existing
26 employee; or

27 (b) No subsequent employee will be hired
28 because the sponsor no longer conducts the particular business activity
29 requiring that employee;

30 (9) "Federal Deposit Insurance Corporation" means the federal
31 agency by that name or any successor agency that insures deposits of
32 commercial banks;

33 (10) "Gross general revenues" means the revenues described and
34 enumerated in § 19-6-201 et seq. or in any successor law;

35 (11) "Infrastructure needs" means:

36 (A) Land acquisition;

- 1 (B) Site preparation;
- 2 (C) Road and highway improvements;
- 3 (D) Rail spur construction;
- 4 (E) Water service;
- 5 (F) Wastewater treatment;
- 6 (G) Employee training, which may include equipment used
- 7 for the training;
- 8 (H) Environmental mitigation;
- 9 (I) Training and research facilities and the necessary
- 10 equipment for the facilities; or
- 11 (J) Any other facility, activity, or infrastructure
- 12 determined by the General Assembly to fall within the parameters of Amendment
- 13 82;

14 (12)(A) "Investment" means money expended by the sponsor on
 15 capital assets physically located within the state and directly related to
 16 the qualified Amendment 82 project, but which are not required to be owned by
 17 the sponsor.

18 (B) Investment shall not include amounts expended in aid
 19 of the qualified Amendment 82 project by the state under Amendment 82 and
 20 this subchapter, or otherwise, or amounts expended in aid of the qualified
 21 Amendment 82 project by a local entity, however financed, which are not
 22 required to be repaid by the sponsor;

23 (13) "Letter of commitment" means a binding agreement signed by
 24 a sponsor and the Department of Economic Development, which contains, at
 25 minimum, the following provisions:

26 (A) A determination by the Department of Economic
 27 Development that the sponsor has the financial capability, business history,
 28 and corporate intent to implement and maintain a qualified Amendment 82
 29 project;

30 (B) A commitment by the sponsor that the sponsor intends
 31 to locate a new business or substantially expand an existing business in the
 32 State of Arkansas that will require an investment by the sponsor of more than
 33 five hundred million dollars (\$500,000,000) and will create over five hundred
 34 (500) new jobs;

35 (C) A tentative timetable for development of the proposed
 36 project;

1 (D) The consequences if the sponsor does not satisfy its
2 obligations under the letter of commitment; and

3 (E) A statement from the Department of Economic
4 Development that its obligation under the letter of commitment is limited to
5 presenting the letter of commitment and supporting documentation to the
6 Governor, who may or may not elect to present the proposal to the General
7 Assembly for its consideration;

8 (14) "Local entity" means any nonprofit corporation, county,
9 city of the first class, city of the second class, incorporated town,
10 improvement district, school district, or any agency or instrumentality of
11 the state, including the Arkansas Development Finance Authority and the
12 Department of Economic Development;

13 (15) "Nationally recognized rating agency" means Moody's
14 Investors Service, Standard & Poor's Ratings Service, Fitch, Inc., or any
15 other nationally recognized rating agency approved by the Treasurer of State;

16 (16) "Net general revenues" means the amount specified in § 19-
17 5-202(b)(2)(B)(iii), otherwise known as net general revenues of the state
18 available for distribution;

19 (17) "New full-time permanent employee" means a position or job
20 that is created under an Amendment 82 agreement and that is filled by one (1)
21 employee or contractual employee who is an Arkansas taxpayer. In order to
22 count toward the job creation requirements of Amendment 82 and this
23 subchapter:

24 (A) The position or job held by the employee must be
25 filled for at least twenty-six (26) consecutive weeks with an average of at
26 least thirty (30) hours' work per week;

27 (B) The employee must receive an average hourly wage that
28 exceeds the lesser of:

29 (i) The county average hourly wage for the county in
30 which the position or job is located; or

31 (ii) The state average hourly wage;

32 (C) The employee must receive a benefits package,
33 including, without limitation, health and retirement benefits; and

34 (D) The employee is not an existing employee;

35 (18)(A) "New job" means a position for a new full-time permanent
36 employee created at a qualified Amendment 82 project in the state.

1 (B) "New job" shall not include a job filled by an
2 existing employee;

3 (19) "Other needs" means financial or other noninfrastructure
4 incentives that are approved by the General Assembly as part of a qualified
5 Amendment 82 project and may include, without limitation, transactions that
6 include loans, grants, or lease arrangements;

7 (20) "Outstanding bonded indebtedness" means the principal
8 balance of all bonds issued under Amendment 82 and this subchapter;

9 (21) "Project costs" means:

10 (A) All or any part of the costs of developing a proposed
11 or qualified Amendment 82 project and costs incidental or appropriate to the
12 proposed or qualified Amendment 82 project, including, without limitation,
13 all costs to the Department of Economic Development associated with the
14 development or operation of a qualified Amendment 82 project in a supervisory
15 capacity; and

16 (B) Costs incidental or appropriate to the financing of
17 the proposed or qualified Amendment 82 project, including, without
18 limitation, capitalized interest, costs of issuance, funding of appropriate
19 reserves for the bonds, loan fees, guarantee fees, commitment fees, grant
20 administration fees, surety bond premiums, bond insurance, credit
21 enhancement, fees of nationally recognized rating agencies, liquidity
22 facilities fees, and costs for engineering, legal, and other administrative
23 and consultant services;

24 (22) "Proposed project" means a project which if developed as
25 proposed would meet the criteria for a qualified Amendment 82 project and is
26 therefor properly considered under Amendment 82 and this subchapter;

27 (23) "Qualified Amendment 82 project" means a proposed project
28 that has satisfied the requirements of Amendment 82 and this subchapter and
29 with respect to which the General Assembly has approved the issuance of bonds
30 under Amendment 82 and this subchapter;

31 (24) "Related entity" means any entity or person that bears a
32 relationship to the sponsor as described in Section 267 of the Internal
33 Revenue Code of 1986, as in existence on January 1, 2005;

34 (25) "Sponsor" means a sole proprietor, partnership,
35 corporation, limited liability company, joint venture, or association taxable
36 as a business entity or any combination of these entities that qualifies as

1 an eligible business under the Consolidated Incentive Act of 2003, § 15-4-
2 2701 et seq.; and

3 (26) "State average hourly wage" means the weighted average
4 weekly earnings for Arkansas residents in all industries statewide as
5 calculated by the Arkansas Employment Security Department in its most recent
6 "Annual Covered Employment and Earnings" publication divided by forty (40).

7
8 15-4-3103. Amendment 82 project qualification.

9 (a)(1) As the lead economic development agency for the State of
10 Arkansas, the Department of Economic Development may propose the use of
11 Amendment 82 bonds to finance infrastructure and other needs in any
12 combination in order to attract proposed projects to the State of Arkansas.

13 (2) In addition to powers conferred under other laws, the
14 department may take any reasonable action necessary to carry out the purposes
15 of Amendment 82 and this subchapter.

16 (3) The proposed use of Amendment 82 financing by the department
17 shall not prohibit the department, the state, or any local entity from using
18 any other available economic incentives in connection with a proposed
19 project.

20 (b) The department shall initiate the process of selecting a proposed
21 project for referral to the General Assembly by performing an economic-impact
22 and cost-benefit analysis to evaluate the capability of a sponsor and the
23 feasibility of a proposed project and to determine if the proposed project
24 has the potential to be a qualified Amendment 82 project. The economic-
25 impact and cost-benefit analysis shall include all other economic incentives
26 offered by the state in connection with the proposed project.

27 (c) If the department determines that a proposed project has the
28 potential to become a qualified Amendment 82 project, the department shall
29 refer the proposal and the department's findings to the Arkansas Development
30 Finance Authority so that the authority may perform an initial assessment of
31 the feasibility and impact of issuing Amendment 82 bonds in connection with
32 the proposed project, including the state's ability to cover projected debt
33 service obligations and the impact on the overall rating of the state's
34 general obligation bonded indebtedness, including, without limitation, bonds
35 issued under Amendment 82 and this subchapter.

36 (d) If the authority's initial assessment is that Amendment 82 bond

1 financing for the proposed project is feasible, the authority shall notify
2 the department, and the department shall refer the proposal and the findings
3 of the department and the authority to the chief fiscal officer for review of
4 the impact of the proposed Amendment 82 bond financing on any agency or
5 program supported from the gross general revenues under the Revenue
6 Stabilization Law, § 19-5-101 et seq.

7 (e) If the chief fiscal officer's initial assessment is that the
8 proposed Amendment 82 financing will not have a substantially negative impact
9 on any agency or program supported from gross general revenues, the chief
10 fiscal officer shall notify the department, and the department shall make a
11 formal proposal to the sponsor detailing the state's proposed offer with
12 respect to Amendment 82 financing and all other economic incentives offered
13 by the state in connection with the proposed project.

14 (f)(1) If the sponsor of a proposed project determines to accept
15 Amendment 82 financing, the sponsor and the department, on behalf of the
16 state, shall sign a letter of commitment.

17 (2) The department shall forward the letter of commitment and
18 the findings and recommendations of the department, authority, and chief
19 fiscal officer to the Governor for review.

20 (3) The department shall also forward the letter of commitment,
21 findings and recommendations of the department, authority, and chief fiscal
22 officer, and all supporting documentation to the Office of Economic and Tax
23 Policy on behalf of the President Pro Tempore of the Senate and the Speaker
24 of the House of Representatives. At the direction of the President Pro
25 Tempore of the Senate or the Speaker of the House of Representatives, the
26 office shall arrange for an independent confirmation of the economic impact
27 and cost-benefit analysis performed by the department or an independent
28 economic impact and cost-benefit analysis of the proposed project to be
29 completed within twenty (20) working days after the receipt of the letter of
30 commitment. All information forwarded to the President Pro Tempore of the
31 Senate and the Speaker of the House of Representatives by the department and
32 any resulting information related to the confirmation of the department's
33 economic impact and cost-benefit analysis or independent economic impact and
34 cost-benefit analysis shall be considered working papers of the President Pro
35 Tempore of the Senate and the Speaker of the House under § 25-19-105(b)(7)
36 and shall not be open to inspection and copying by any citizen of the State

1 of Arkansas and is specifically exempt from the requirements of § 25-19-
2 105(a).

3 (g) If the Governor determines that it is in the best interest of the
4 state to pursue Amendment 82 financing for the proposed project, the Governor
5 shall refer the proposed project to the General Assembly in regular or
6 special session in order for the General Assembly to consider whether or not
7 to approve the issuance of bonds under Amendment 82 and this subchapter.

8 (h)(1) In order to expedite review by the General Assembly, the
9 department and the authority shall prepare and provide to each member of the
10 General Assembly the reports described in subdivisions (h)(2) and (h)(3) of
11 this section.

12 (2) The department's report shall include:

13 (A) A description of the proposed project;

14 (B)(i) An itemization of the proposed infrastructure needs
15 and other needs to be financed with the proceeds derived from the sale of
16 Amendment 82 bonds.

17 (ii) The itemization shall include estimated costs
18 and details to the maximum extent available at the time of the report;

19 (C) A description of all other economic incentives to be
20 provided by the state in connection with the proposed project;

21 (D) A description of the economic impact and cost-benefit
22 analyses of the proposed project for a ten (10) year period that includes:

23 (i) The annual projected benefit to the state from
24 increased sales and use tax and income tax revenue;

25 (ii) The annual projected cost to the state for each
26 economic incentive offered to the sponsor in connection with the proposed
27 project; and

28 (iii) The overall net present value benefit/cost
29 ratio for the ten (10) year period.

30 (E) The amount of bonds necessary to be issued to defray
31 project costs and a budget of the project costs;

32 (F) A tentative time schedule setting forth the period of
33 time during which the proceeds of the Amendment 82 bonds are to be expended;

34 (G) A certification by the Director of the Department of
35 Economic Development that, under the terms of the letter of the commitment,
36 the proposed project shall consist of an investment in the state of not less

1 than five hundred million dollars (\$500,000,000) and shall create no fewer
2 than five hundred (500) new jobs;

3 (H) A copy of the signed letter of commitment for the
4 proposed project; and

5 (I) A copy of the unexecuted Amendment 82 agreement for
6 the proposed project.

7 (3) The authority's report shall include:

8 (A) A schedule of projected debt service, including all
9 fees, showing the annual principal and interest requirements for any
10 Amendment 82 bonds outstanding, if applicable, and the projected debt service
11 for the Amendment 82 bonds proposed to be issued for the proposed project;

12 (B) A projected schedule of revenues, if any, to be
13 received by the state from the sponsor in connection with its use of the
14 infrastructure needs and other needs associated with the proposed project;

15 (C) An initial plan of marketing for the bonds and a
16 proposed schedule of issuance dates, including, without limitation, the
17 number of series to be issued and an estimated timeline for the series based
18 on the department's proposed spending schedule; and

19 (D) A preliminary and estimated sources and uses table.

20 (i) If the General Assembly determines that the proposed project is of
21 the nature intended by the electors of the state to be financed with
22 Amendment 82 bonds and approves the Amendment 82 agreement, it shall take
23 appropriate legislative action to:

24 (1) Declare the proposed project a qualified Amendment 82
25 project;

26 (2) Establish any additional parameters deemed necessary by the
27 General Assembly for the general structure of the qualified Amendment 82
28 project, including, without limitation, penalty provisions;

29 (3) Authorize the execution of the Amendment 82 agreement in
30 substantially the same form as presented to the General Assembly; and

31 (4) Authorize the issuance of Amendment 82 bonds.

32
33 15-4-3104. Amendment 82 agreement.

34 As soon as practicable after the General Assembly's approval of the
35 issuance of bonds and before the Arkansas Development Finance Authority
36 issues bonds, the Governor, the Speaker of the House of Representatives, the

1 President Pro Tempore of the Senate, the Director of the Department of
2 Economic Development, the President of the Arkansas Development Finance
3 Authority, and the chief fiscal officer, all on behalf of the state, and the
4 sponsor of the qualified Amendment 82 project shall execute the Amendment 82
5 agreement in substantially the same form as approved by the General Assembly.

6
7 15-4-3105. Penalties.

8 If the sponsor does not satisfy the minimum job creation and investment
9 requirements specified in the Amendment 82 agreement within the time period
10 specified in the Amendment 82 agreement, does not maintain the job creation
11 requirements specified in the Amendment 82 agreement for the period of time
12 specified in the Amendment 82 agreement, or fails to satisfy other terms of
13 the Amendment 82 agreement, the sponsor shall be subject to specific
14 penalties set forth in the Amendment 82 agreement and enacted in related
15 legislation under § 15-4-3103(i).

16
17 15-4-3106. Compliance time period – Audit requirements.

18 (a) The Amendment 82 agreement shall specify a time period in which
19 the sponsor must comply with the investment and job creation thresholds
20 specified in the Amendment 82 agreement. Except as provided in subsection
21 (b) of this section, the time period shall not exceed four (4) years from the
22 date of enactment of related legislation under § 15-4-3103(i). In the event
23 that the sponsor does not comply with the applicable time period, then the
24 penalty provisions set forth in the Amendment 82 agreement and enacted in
25 related legislation under § 15-4-1303(i) shall apply.

26 (b)(1) The sponsor may request a one-year extension of the time period
27 specified in the Amendment 82 agreement by submitting to the Director of the
28 Department of Economic Development a written request with an explanation as
29 to why the extension is necessary. The request shall be submitted at least
30 ninety (90) days prior to the expiration of the time period specified in the
31 Amendment 82 agreement.

32 (2) Upon receipt of a request to extend the applicable time
33 period, the Director of the Department of Economic Development shall
34 immediately notify the President of the Arkansas Development Finance
35 Authority, the chief fiscal officer, and the Governor. The director of the
36 department, the president of the authority, and the chief fiscal officer may

1 approve a request for a one-year extension upon a determination that there is
2 a valid economic reason for granting the extension.

3 (3) The sponsor shall not be granted more than three (3) one-
4 year extensions of the applicable time period.

5 (c)(1) The sponsor shall maintain and make available records
6 pertaining to investment and job creation requirements for annual audit by
7 the chief fiscal officer and, upon request by no more often than annually, by
8 the Office of Economic and Tax Policy or a person or entity retained by the
9 Office of Economic and Tax Policy.

10 (2) The Arkansas Tax Procedure Act, § 26-18-101 et seq. shall
11 apply to records maintained under subsection (c) of this section and any
12 audits conducted of the records, including any audit conducted through the
13 Office of Economic and Tax Policy.

14 (3) Records obtained or reviewed by the Office of Economic and
15 Tax Policy under this section shall be considered working papers of the
16 President Pro Tempore of the Senate and the Speaker of the House under § 25-
17 19-105(b)(7) and shall not be open to inspection and copying by any citizen
18 of the State of Arkansas and is specifically exempt from the requirements of
19 § 25-19-105(a). However, a report of the audit shall be presented to the
20 Legislative Council with respect to the status of the applicable qualified
21 Amendment 82 project which details the sponsor's compliance with the
22 provisions of the Amendment 82 agreement.

23
24 15-4-3107. Maximum ceiling on bond principal.

25 (a) In determining the maximum amount of Amendment 82 bonds that may
26 be issued, the sum of the outstanding bonded indebtedness plus the principal
27 amount of the proposed Amendment 82 bonds shall not exceed five percent (5%)
28 of the net general revenues for the most recent fiscal year for which revenue
29 calculations are available.

30 (b) It shall not be a violation of Amendment 82 or this subchapter or
31 affect the validity of Amendment 82 bonds that were properly issued if net
32 general revenues decline after Amendment 82 bonds are issued and the
33 outstanding bonded indebtedness exceeds five percent (5%) of the net general
34 revenues for the most recent fiscal year for which revenue calculations are
35 available.

36 (c) Amendment 82 bonds that when issued complied with the five percent

1 (5%) limitation may be refunded under Amendment 82 and this subchapter even
2 if the outstanding bonded indebtedness before or after the refunding exceeds
3 five percent (5%) of the net general revenues for the most recent fiscal year
4 for which revenue calculations are available.

5
6 15-4-3108. Amendment 82 bonds.

7 (a) After the General Assembly's approval in regular or special
8 session and the execution of the Amendment 82 agreement, the Arkansas
9 Development Finance Authority, on behalf of the state, may issue bonds under
10 Amendment 82 and this subchapter to be known as "Amendment 82 Bonds" in one
11 (1) or more series up to the maximum principal amount approved by the General
12 Assembly.

13 (b)(1) Bonds shall be issued for the purpose of financing
14 infrastructure needs and other needs to support a qualified Amendment 82
15 project.

16 (2) The proceeds of the Amendment 82 bonds shall be applied:

17 (A) To the payment of project costs and the costs and
18 expenses of issuance of the Amendment 82 bonds; or

19 (B) In connection with a qualified Amendment 82 project
20 refinancing, to the repayment of indebtedness incurred to pay project costs
21 and the costs and expenses of issuance of the Amendment 82 bonds.

22
23 15-4-3109. Series of bonds.

24 (a) The bonds shall be issued, whether or not the interest on the
25 bonds is subject to federal taxation, in series in amounts sufficient to
26 finance or refinance all or any part of a qualified Amendment 82 project's
27 costs with the respective series to be designated by the year in which issued
28 and, if more than one (1) series is to be issued in a particular year, by
29 alphabetical designation.

30 (b) Each series of bonds shall have such date as the Arkansas
31 Development Finance Authority shall determine and shall mature or be subject
32 to mandatory sinking-fund redemption as determined by the authority over a
33 period ending not later than thirty (30) years after the date of issuing the
34 bonds of each series.

35 (c) Pending the issuance of bonds, the authority may issue temporary
36 notes maturing not more than five (5) years after the date of issuance to be

1 exchanged for or paid from the proceeds of bonds at such time as the bonds
2 may be issued.

3 (d)(1) Each series of the bonds shall bear interest at the rate or
4 rates accepted by the authority. The bonds may bear interest at either a
5 fixed or variable rate or may be convertible from one interest rate mode to
6 another.

7 (2) Interest shall be payable at such times as the authority
8 shall determine, including the use of zero coupon or capital appreciation
9 bonds.

10 (e) As determined by the authority, the bonds may:

11 (1) Be issued in the form of a bond registered as to principal
12 and interest without coupons;

13 (2) Be in the denominations;

14 (3) Be made exchangeable for bonds of another form or
15 denomination bearing the same rate of interest and date of maturity;

16 (4) Be made payable at the places within or without the state;

17 (5) Be made subject to redemption prior to maturity in the
18 manner and for redemption prices; and

19 (6) Contain other terms and conditions.

20 (f) The bonds shall have all of the qualities of negotiable
21 instruments or securities under the laws of this state, subject to the
22 provision for registration of ownership.

23
24 15-4-3110. Authorization of bonds.

25 (a)(1) Prior to the issuance of any series of bonds, the Arkansas
26 Development Finance Authority shall adopt a resolution authorizing the
27 issuance of the bonds.

28 (2) Each resolution may contain terms, covenants, and conditions
29 as deemed desirable, including, without limitation, those pertaining to:

30 (A) The establishment and maintenance of funds and
31 accounts;

32 (B) The deposit and investment of revenues and of bond
33 proceeds; and

34 (C) The rights and obligations of the state, its officers
35 and officials, the authority, and the registered owners of the bonds.

36 (3)(A) The resolution of the authority may provide for the

1 execution and delivery by the authority of a trust indenture or indentures,
2 which may be a master trust indenture, series indenture, supplemental
3 indenture, or any other form of indenture deemed necessary by the authority,
4 with one (1) or more banks or trust companies located within or without the
5 state, containing any of the terms, covenants, and conditions referred to in
6 this subchapter or as otherwise authorized by law.

7 (B) The trust indenture or indentures shall be binding
8 upon the state and its agencies, officers, and officials to the extent set
9 forth in this subchapter or as otherwise authorized by law.

10 (b) Any resolution or trust indenture adopted or executed under this
11 section shall provide that power is reserved:

12 (1) To apply to the payment of debt service on the bonds issued
13 or secured under Amendment 82 and this subchapter all, any part, or none of
14 the revenues that may be derived from any qualified Amendment 82 project
15 financed by the bonds or financed by the authority in some other manner; and

16 (2) At the option of the authority and to the extent of the
17 revenues that the authority elects to apply to debt service, to release from
18 any requirement of the resolution or trust indenture other revenues and
19 resources of the state.

20 (c) Any resolution or trust indenture adopted or executed under this
21 section may provide for the retirement and defeasance of the bonds by the
22 depositing of cash or investments in trust to be maintained for the purpose
23 of retirement and defeasance of the bonds. When the provision of the
24 resolution or trust indenture are complied with, the bonds being defeased
25 shall not be deemed to be outstanding bonded indebtedness for the purposes of
26 this subchapter.

27
28 15-4-3111. Form and delivery of bonds.

29 (a) Each bond shall:

30 (1) Be signed with the manual or facsimile signatures of the
31 Governor, the Chair of the Board of Directors of the Arkansas Development
32 Finance Authority, and the Treasurer of State; and

33 (2) Have affixed, imprinted, or lithographed on the bond the
34 Great Seal of the State of Arkansas.

35 (b) Delivery of the bonds shall be valid notwithstanding any change in
36 persons holding such offices occurring after the bonds have been executed.

1
2 15-4-3112. Sale and price of bonds.

3 (a) The bonds may be sold in the manner, either at public or private
4 sale, and upon terms as determined by the Arkansas Development Finance
5 Authority to be reasonable and expedient for effectuating the purposes of
6 Amendment 82 and this subchapter.

7 (b) The bonds may be sold at the price the authority determines
8 acceptable, including sale at a discount or a premium.

9 (c) If the bonds are to be sold at public sale, the authority shall
10 give notice of the offering of the bonds in a manner reasonably designed to
11 notify participants in the public finance industry that the offering is being
12 made. The authority shall set the terms and conditions of bidding, including
13 the basis on which the winning bid will be selected.

14 (d) The authority may employ administrative agents, fiscal agents,
15 underwriters, architects, accountants, engineers, and legal counsel and may
16 pay them reasonable compensation from the proceeds of the bonds.

17 (e)(1) The authority may structure the sale of bonds using financing
18 techniques recommended by its underwriters or other professional advisors in
19 order to take advantage of market conditions and obtain the most favorable
20 interest rates consistent with the purposes of Amendment 82 and this
21 subchapter.

22 (2)(A) In furtherance of this authorization, the authority may
23 enter into ancillary agreements in connection with the sale of the bonds as
24 it deems necessary and advisable.

25 (B) Ancillary agreements may include, without limitation,
26 bond purchase agreements, remarketing agreements, letters of credit, or
27 reimbursement agreements.

28 (3) The authority may also enter into interest rate exchange
29 agreements or similar agreements or contracts with any person on a
30 competitive or negotiated basis under terms or conditions determined by the
31 authority, but in compliance with § 15-5-317.

32 (f) After funding any necessary reserve or reserves, the proceeds from
33 the sale of the bonds may be used to pay:

34 (1) The fees of any trustee or paying agent;

35 (2) The costs of publication of notices;

36 (3) The costs of the printing of the bonds;

1 (4) The costs of publication and printing of official statements
2 and other documents relating to the sale of the bonds;
3 (5) The fees of any nationally recognized rating agency;
4 (6) The fees of the issuer;
5 (7) The fees of the guarantor;
6 (8) Project costs; and
7 (9) Other reasonable costs incurred by the authority for issuing
8 and selling the bonds.

9
10 15-4-3113. Deposit of bond proceeds.

11 (a) The proceeds from the sale of the bonds, together with any
12 revenues derived by the authority from a qualified Amendment 82 project
13 financed or refinanced under Amendment 82 and this subchapter that are
14 required to be so deposited under the resolution or trust indenture
15 authorizing or securing the bonds, shall be deposited by the recipient, as
16 received, into trust funds in the name of the Arkansas Development Finance
17 Authority under the resolution or trust indenture authorizing or securing the
18 bonds to accomplish the purposes of Amendment 82 and this subchapter in
19 amounts or portions as set forth in the resolution or trust indenture
20 authorizing or securing the bonds issued to finance or refinance the
21 qualified Amendment 82 project.

22 (b)(1) The holder of the trust funds shall establish separate accounts
23 and subaccounts within the applicable fund to correspond to the applicable
24 series of bonds.

25 (2) In addition and under the resolution or trust indenture
26 authorizing or securing the bonds, there may be created other funds,
27 accounts, or subaccounts as the authority may determine to be necessary or
28 desirable to accomplish the purposes of Amendment 82 and this subchapter.

29 (c) All procedures and methods for application of proceeds of any
30 series of bonds to the financing or refinancing of project costs shall be
31 developed in consultation with the Department of Economic Development and the
32 chief fiscal officer, shall be set forth in the resolution or trust indenture
33 authorizing or securing the bonds, and maintained as part of the records of
34 the authority.

35 (d) The holder and administrator of funds, comprised in whole or in
36 part of proceeds of bonds or disbursements from funds established under this

1 subchapter, shall be required by appropriate provision of the resolution or
2 trust indenture authorizing or securing the bonds issued to audit funds no
3 less frequently than annually and to assist the authority in preparing any
4 report related to the bonds that may be required by this subchapter or other
5 applicable federal or state law.

6 (e) The proceeds from the sale of the bonds together with any revenues
7 derived by the authority from any qualified Amendment 82 project financed or
8 refinanced under Amendment 82 and this subchapter that are required to be so
9 deposited under the resolution or trust indenture authorizing or securing the
10 bonds and any money held in any funds created under or authorized by
11 Amendment 82 or this subchapter may be invested and reinvested in accordance
12 with the resolution or trust indenture authorizing or securing the bonds
13 issued and shall be invested by the authority to the fullest extent
14 practicable pending disbursement for the purposes intended in any of the
15 following:

16 (1) Direct obligations of the United States, including
17 obligations issued or held in book entry form on the books of the United
18 States Department of the Treasury or obligations the principal of and
19 interest on which are unconditionally guaranteed by the United States;

20 (2) Bonds, debentures, notes, or other evidences of indebtedness
21 issued or guaranteed by any United States government agency if the
22 obligations are backed by the full faith and credit of the United States;

23 (3) Nonfull faith and credit senior debt obligations issued or
24 guaranteed by United States government agencies;

25 (4) Money market funds investing exclusively in the investments
26 described in subdivisions (e)(1)-(3) of this section;

27 (5)(A) Certificates of deposit providing for deposits secured at
28 all times by collateral described in subdivisions (e)(1)-(3) of this section.

29 (B) The certificates must be issued by commercial banks
30 deposits of which are insured by the Federal Deposit Insurance Corporation
31 and collateral of which must be held by a third party.

32 (C) The holder of the trust funds must have a perfected
33 first security interest in the collateral;

34 (6) Certificates of deposit, savings accounts, deposit accounts,
35 or money market deposits, all of which are fully insured by the Federal
36 Deposit Insurance Corporation;

1 (7) Bonds or notes issued by this state, any municipality,
2 county, or school district in this state or by any agency or instrumentality
3 thereof;

4 (8) Investment agreements with financial institutions or
5 insurance companies that are rated in one (1) of the two (2) highest rating
6 categories of a nationally recognized rating agency;

7 (9) Repurchase agreements providing for the transfer of
8 securities from a dealer bank or securities firm to the holder of the trust
9 funds and the transfer of cash from the holder of the trust funds to the
10 dealer bank or securities firm with an agreement that the dealer bank or
11 securities firm will repay the cash plus a yield to the holder of the trust
12 funds in exchange for the securities at a specified date. Repurchase
13 agreements must satisfy the following criteria:

14 (A) Repurchase agreements must be between the holder of
15 the trust funds and a dealer bank or securities firm described as follows:

16 (i) Dealers with at least one hundred million
17 dollars (\$100,000,000) in capital; or

18 (ii) Banks whose deposits are insured by the Federal
19 Deposit Insurance Corporation; and

20 (B) The written repurchase agreement contract must include
21 the following:

22 (i) Securities that are acceptable for transfer are
23 those listed in subdivisions (e)(1)-(3) of this section;

24 (ii) The term of the repurchase agreement may not
25 exceed thirty (30) calendar days;

26 (iii) The collateral must be delivered to the holder
27 of the trust funds, a trustee if a trustee is not supplying the collateral,
28 or a third party acting as agent for the trustee if the trustee is supplying
29 the collateral before or simultaneously with payment; and

30 (iv)(a) The securities must be valued weekly,
31 marked-to-market at current market price plus accrued interest.

32 (b)(1) The value of collateral must be equal
33 to one hundred three percent (103%) of the amount of cash transferred by the
34 holder of the trust funds to the dealer bank or security firm under the
35 repurchase agreement plus accrued interest.

36 (2) If the value of securities held as

1 collateral declines below one hundred three percent (103%) of the value of
2 the cash transferred by the holder of the trust funds, then additional cash
3 or acceptable securities, or both, must be transferred and held by the holder
4 of the trust funds; and

5 (10) Any other investment authorized by state law.

6
7 15-4-3114. General obligation bonds.

8 (a) The bonds shall be direct general obligations of the state for the
9 payment of debt service on which the full faith and credit of the state are
10 irrevocably pledged so long as any of the bonds are outstanding.

11 (b) The bonds shall be payable from gross general revenues or special
12 revenues, which shall be appropriated by the General Assembly for such
13 purpose, and such amount of gross general revenues or, if applicable, special
14 revenues as may be necessary are pledged to the payment of debt service on
15 the bonds and shall be and remain pledged for those purposes. In addition,
16 each authorizing resolution or trust indenture may pledge all, a portion, or
17 none of the revenues generated by any qualified Amendment 82 project as
18 additional security for the bonds.

19
20 15-4-3115. Annual determination of moneys required for bond repayment.

21 (a)(1) On or before commencement of each fiscal year, the chief fiscal
22 officer shall determine the estimated amount required for payment of all or a
23 part of the debt service on the outstanding bonded indebtedness during the
24 fiscal year and deduct therefrom the estimated moneys to be available from
25 special revenues or to the Arkansas Development Finance Authority from other
26 sources related to the qualified Amendment 82 project to determine what
27 amount of gross general revenues, if any, will be required.

28 (2) The chief fiscal officer shall certify the estimated amount
29 to the Treasurer of State.

30 (3) The Treasurer of State shall then make monthly transfers
31 from the State Apportionment Fund to the appropriate trust fund of the amount
32 of gross general revenues or, if applicable, special revenues as shall be
33 required to pay the maturing debt service on the outstanding bonded
34 indebtedness.

35 (b)(1) The obligation to make monthly transfers of general revenues
36 from the State Apportionment Fund to the appropriate trust fund shall

1 constitute a first charge against the gross general revenues prior to all
2 other uses to which the general revenues are devoted, either under present
3 law or under any laws that may be enacted in the future.

4 (2) To the extent other general obligation bonds of the state
5 may have been issued or may subsequently be issued, they shall rank on a
6 parity of security with respect to payment from general revenues.

7 (c) The resolution or trust indenture authorizing or securing the
8 bonds issued shall identify the fund to which moneys shall be credited and
9 used for the purposes identified in § 15-4-3108(b), and for those purposes
10 the holder of the trust funds is designated as the disbursing officer to
11 administer those funds in accordance with Amendment 82 and this subchapter.

12 (d) Moneys held in trust funds in excess of the amount necessary to
13 ensure the prompt payment of debt service on the bonds and the establishment
14 and maintenance of reserve funds, if any, may be used for the redemption of
15 bonds prior to maturity in the manner and in accordance with the provisions
16 pertaining to redemption prior to maturity as set forth in the resolution or
17 trust indenture authorizing or securing the bonds.

18
19 15-4-3116. Exemption from taxes.

20 (a) All bonds issued under Amendment 82 and this subchapter and
21 interest on the bonds are exempt from all state and local taxes.

22 (b) The bonds shall be eligible to secure deposits of all public funds
23 and shall be legal for investment of bank, fiduciary, insurance company,
24 trust, and public funds.

25
26 15-4-3117. Refunding bonds.

27 (a) After bonds have been issued under Amendment 82 and this
28 subchapter, the Arkansas Development Finance Authority may issue bonds for
29 the purpose of refunding any outstanding bonds issued under Amendment 82 and
30 this subchapter.

31 (b) The refunding bonds shall be general obligations of the state and
32 shall be secured and sold in accordance with the provisions of this
33 subchapter.

34 (c) The proceeds of the refunding bonds may be either applied to the
35 payment of the bonds being refunded or deposited in trust and there
36 maintained in cash or investments for the retirement of the bonds being

1 refunded as shall be specified by the authority in the resolution or trust
2 indenture authorizing or securing the refunding bonds.

3 (d) The resolution or trust indenture under which the refunding bonds
4 are issued may provide that any refunding bonds shall have the same security
5 for payment as provided for the bonds being refunded. Other than approval of
6 the resolution or trust indenture under which refunding bonds are issued by
7 appropriate action of the authority, no additional action or approval for the
8 issuance of refunding bonds shall be required to be taken by the General
9 Assembly, the Department of Economic Development, or the chief fiscal officer
10 under this subchapter or as otherwise may be provided by other law.

11
12 15-4-3118. Contractual obligations of state – Enforcement.

13 (a) This subchapter shall constitute a contract between the state and
14 the registered owners of all bonds issued under Amendment 82 and this
15 subchapter that shall never be impaired, and any violation of its terms,
16 whether under purported legislative authority or otherwise, shall be enjoined
17 by the courts at the suit of any bondholder or any taxpayer.

18 (b)(1) In any suit for impairment or violation of contract with regard
19 to bonds issued under Amendment 82 and this subchapter brought against the
20 Arkansas Development Finance Authority, the Treasurer of State, or other
21 appropriate agency, officer, or official of the state, the courts shall
22 prevent a diversion of any revenues pledged and shall compel the restoration
23 of diverted revenues by injunction or mandamus.

24 (2) Without limitation as to any other appropriate remedy at law
25 or in equity, any bondholder, by an appropriate action, including, without
26 limitation, injunction or mandamus, may compel the performance under this
27 subchapter of all covenants and obligations of the state and its officers and
28 officials.

29
30 15-4-3119. No rights until first series of bonds sold and delivered –
31 Outstanding bonds unaffected.

32 (a) This subchapter shall not create any right of any character, and
33 no right of any character shall arise under it unless and until the first
34 series of bonds authorized by this subchapter are sold and delivered.

35 (b) The issuance of bonds authorized by this subchapter shall not
36 impair or affect any outstanding bonds of the Arkansas Development Finance

1 Authority issued under prior acts.

2
3 15-4-3120. Legal actions heard as preferred cause – Appeals.
4 Any case involving the validity of this subchapter or involving the
5 bonds issued under Amendment 82 and this subchapter shall be deemed of public
6 interest and shall be advanced by all courts and heard as a preferred cause,
7 and all appeals from judgments or decrees rendered in the cases must be taken
8 within thirty (30) calendar days after rendition of the judgment or decree.

9
10 15-4-3121. Monitoring and reporting.

11 (a) The Department of Economic Development shall require audits of all
12 accounts related to construction, operation, or maintenance of any qualified
13 Amendment 82 project funded by this subchapter.

14 (b) The department shall be responsible for monitoring and reporting
15 to the Arkansas Development Finance Authority, the Governor, and the General
16 Assembly on the ongoing economic impact of the project and the sponsor's
17 progress in meeting economic development investment requirements under
18 Amendment 82 and this subchapter.

19 (c) The department and the authority, as applicable, shall require the
20 sponsor to comply with all reporting and auditing requirements of the
21 Securities and Exchange Commission or other state or federal regulatory
22 agency that may have jurisdiction over the sponsor.

23
24 15-4-3122. Release of information.

25 (a) Except as otherwise required to be disclosed under this
26 subchapter, all information related to a proposed project or a qualified
27 Amendment 82 project that is provided to, compiled by or for, or developed by
28 or for the Department of Economic Development, the Arkansas Development
29 Finance Authority, the chief fiscal officer, a local entity, the Governor, or
30 the Office of Economic and Tax Policy in furtherance of their powers, duties,
31 and obligations under this subchapter is specifically determined to be of the
32 type identified in § 25-19-105(b)(9)(A).

33 (b) The information described in subsection (a) of this section is not
34 open to inspection and copying by any citizen of the State of Arkansas and is
35 specifically exempt from the requirements of § 25-19-105(a) regardless of
36 whether such information is in the custody of the department, the authority,

1 the chief fiscal officer, a local entity, or the Governor.

2
3 15-4-3123. Power and duties of the Department of Economic Development
4 and the Arkansas Development Finance Authority.

5 (a) In connection with their duties and powers under this subchapter,
6 the Department of Economic Development and the Arkansas Development Finance
7 Authority, acting independently or jointly, shall have the following powers
8 and duties in addition to and not in replacement or limitation of powers
9 conferred under other laws, to:

10 (1) Provide loans to a sponsor for payment of project costs;

11 (2) Develop or cause to be developed with proceeds of the
12 Amendment 82 bonds, leases as lessee or lessor, in any manner acquire, own,
13 hold, maintain, operate, sell, dispose of, exchange, mortgage, or lend, on
14 behalf of the state, with respect to all of any part of any qualified
15 Amendment 82 project;

16 (3) In any manner, acquire, own, hold, use, exercise, sell,
17 mortgage, pledge, hypothecate, or dispose of franchises, rights, privileges,
18 licenses, rights-of-way, and easements that are necessary, useful, or
19 appropriate for the exercise of the powers or implementation of the purposes
20 set forth in Amendment 82 and this subchapter;

21 (4) Sell, convey, mortgage, pledge, lease as lessor, or
22 otherwise dispose of all or any part of any qualified Amendment 82 project or
23 other properties that it owns or leases, tangible or intangible, including,
24 without limitation, franchises, rights, privileges, licenses, rights-of-way,
25 and easements;

26 (5) Have and exercise the right of eminent domain for the
27 purpose of acquiring lands, the fee title thereto or any easement, right-of-
28 way, or other interest or estate therein, for a qualified Amendment 82
29 project, the infrastructure needs or other needs therefore or portions
30 thereof, by the procedure now provided for condemnation by railroads in §§
31 18-15-1201 – 18-15-1207;

32 (6) Make or accept gifts or grants of moneys, services,
33 franchises, rights, privileges, licenses, rights-of-way, easements, or other
34 property, real or personal or mixed;

35 (7) Enter into any contract necessary or convenient for the
36 exercise of the powers or implementation of the purposes set forth in

1 Amendment 82 and this subchapter;

2 (8) Fix, regulate, and collect rates, fees, rents, or other
3 charges for the use of any properties or services furnished or delivered by
4 the department and the authority;

5 (9) Require audits or other periodic reports of any or all
6 accounts related to construction, operation, or maintenance of any
7 infrastructure or other needs funded by Amendment 82 and this subchapter;

8 (10) Take reasonable actions to ensure that debt service
9 requirements are met; and

10 (11) Take such other action as may be appropriate to accomplish
11 the purpose of Amendment 82 and this subchapter.

12 (b) The department and the authority may promulgate rules with respect
13 to their powers and duties under Amendment 82 and this subchapter.

14 (c) No member, officer, director, or employee of department or the
15 authority shall be liable personally for any reason arising from the issuance
16 of bonds under Amendment 82 and this subchapter unless such person acted with
17 corrupt intent.

18
19 15-4-3124. Public reporting requirements.

20 (a) The reports delivered to the General Assembly under §§ 15-4-
21 3103(h)(2) and 15-4-3103(h)(3) shall be available to the general public under
22 the same policies and procedures that generally apply with respect to reports
23 to the General Assembly.

24 (b)(1) During the term of an Amendment 82 agreement, the Department of
25 Economic Development shall provide a report to the Legislative Council, no
26 less frequently than annually, with respect to the status of the applicable
27 qualified Amendment 82 project which details the sponsor's compliance with
28 the provisions of the Amendment 82 agreement.

29 (2) The department's report shall address, at a minimum:

30 (A) A description of the infrastructure needs and other
31 needs provided by the state under Amendment 82 and this subchapter and costs
32 associated with each item;

33 (B) A description of how the sponsor has satisfied the
34 investment and job creation requirements of the Amendment 82 agreement,
35 including performance benchmarks and economic goals as specifically defined
36 in the Amendment 82 agreement;

1 (C) The number of jobs created by each qualified Amendment
2 82 project and average hourly wages for each project;

3 (E) A description of the benefits package, including,
4 without limitation, health and retirement benefits received by hourly
5 employees;

6 (F) A comparison of the total number of new jobs and
7 annual payroll by the sponsor pertaining to the qualified Amendment 82
8 project on the date the Amendment 82 agreement was executed and the end date
9 of the calendar year before the filing of this report; and

10 (G) The application of any penalties for failure of the
11 sponsor to satisfy its commitments under an Amendment 82 agreement.

12 (c) At the end of a ten (10) year period following the beginning of
13 operation of the Amendment 82 project, the General Assembly may request a
14 third party cost-benefit analysis to accurately determine the total project
15 costs and the total benefits received by the state from the qualified
16 Amendment 82 project.

17 (d) While Amendment 82 bonds are outstanding, the Arkansas Development
18 Finance Authority shall provide a report to the Legislative Council, no less
19 frequently than annually, with respect to the status of the Amendment 82
20 bonds. The report shall contain the information required by § 19-9-502.

21 (e) During the term of an Amendment 82 agreement, the chief fiscal
22 officer shall provide a report to the Legislative Council, no less frequently
23 than annually, with respect to the dates and costs of all economic incentives
24 received by each qualified Amendment 82 project except as restricted by law.

25
26 SECTION 2. Arkansas Code § 10-3-1403(a) is amended to read as follows:

27 (a) The Office of Economic and Tax Policy shall work under the
28 standards and guidelines of the Joint Committee on Economic and Tax Policy
29 and shall:

30 (1) Review the biennial and annual revenue forecast submitted by
31 the executive branch;

32 (2) Provide legislators with such information as may be
33 requested regarding the data and assumptions supporting the forecast;

34 (3) At the request of the committee, provide alternative
35 forecasts based on different assumptions regarding economic performance;

36 (4) Make periodic reviews of the official revenue forecast

1 performance;

2 (5) Provide members with analyses of policy proposals which
3 might affect the economy or fiscal outlook of the State of Arkansas;

4 (6) Biennially prepare and make available to the members of the
5 General Assembly a comprehensive compilation of taxes levied by the State of
6 Arkansas;

7 (7) Provide committee members or other members of the General
8 Assembly with such data, information, or policy studies as may be requested,
9 subject to time and resource constraints;~~and~~

10 (8) Review any changes made in the distribution of funds for
11 public education; and

12 (9) Perform or arrange for the performance of audits of the
13 economic impact and cost-benefit with regard to any economic development
14 project for which the sponsor receives the benefit of Amendment 82 bond
15 financing.

16

17 SECTION 3. Arkansas Code § 10-3-1405 is amended to read as follows:

18 10-3-1405. Interdepartmental cooperation and assistance.

19 (a) The Department of Finance and Administration shall cooperate with
20 and assist the Office of Economic and Tax Policy in carrying out its
21 responsibilities by providing:

22 (1) The office with such nonconfidential tax information as may
23 be requested by the office; and

24 (2) Such other assistance to the office as may be requested.

25 (b) Other state agencies shall cooperate with and assist the office in
26 carrying out its duties including, without limitation, review and analysis of
27 cost-benefit studies, fiscal impact statements, and other fiscal analyses as
28 requested by the office. Such state agencies shall provide assistance to the
29 office as requested.

30 (c) The state-supported institutions of higher education shall:

31 (1) Cooperate with and assist the office in carrying out its
32 duties; and

33 (2) Provide support and advice to the Joint Committee on
34 Economic and Tax Policy in determining the economic policy and revenue
35 forecast of the State of Arkansas.

36 (d)(1) The Department of Education shall cooperate with and assist the

1 office in carrying out its responsibilities by providing:

2 (A) The office with information requested by the office;
3 and

4 (B) Assistance to the office as requested.

5 (2) The Department of Education shall provide the office with
6 any information regarding changes in the calculation of state aid to public
7 school districts within seven (7) working days of a change.

8 (e) The Department of Economic Development and the Arkansas
9 Development Finance Authority shall cooperate with and assist the Office of
10 Economic and Tax Policy in carrying out its responsibilities by providing:

- 11 (1) The office with information requested by the office; and
- 12 (2) Assistance to the office as requested.

13

14 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
 15 General Assembly of the State of Arkansas that the State of Arkansas has been
 16 disadvantaged in its ability to effectively compete for large economic
 17 development projects due to its inability to quickly raise revenues through
 18 the issuance of general obligation bonds; that attracting a project would
 19 significantly benefit the economic development of the state by providing
 20 increased payrolls, job opportunities, and tax income; that the citizens of
 21 the State of Arkansas recognized the missed opportunities caused by this
 22 competitive disadvantage through their overwhelming approval of Amendment 82;
 23 and that this act is immediately necessary in order to effectuate the will of
 24 the people and position the State of Arkansas to act expeditiously in
 25 securing a project in the state. Therefore, an emergency is declared to
 26 exist and this act being immediately necessary for the preservation of the
 27 public peace, health, and safety shall become effective on:

- 28 (1) The date of its approval by the Governor;
- 29 (2) If the bill is neither approved nor vetoed by the Governor,
 30 the expiration of the period of time during which the Governor may veto the
 31 bill; or
- 32 (3) If the bill is vetoed by the Governor and the veto is
 33 overridden, the date the last house overrides the veto.

34
35 /s/ Bryles
36