

1 INTERIM STUDY PROPOSAL 2017-109

2 State of Arkansas
3 91st General Assembly
4 Fiscal Session, 2018

MBM/MBM
SJR

5
6 By: Senator B. King

7 Filed with: Senate Committee on State Agencies and Governmental Affairs
8 pursuant to A.C.A. §10-3-217.

9 **SENATE JOINT RESOLUTION**

10 A PROPOSED CONSTITUTIONAL AMENDMENT PROVIDING THAT
11 THE STATE SHALL NOT ESTABLISH, PROVIDE FOR, OR
12 MAINTAIN A FUND THAT CONSISTS OF MONEY TRANSFERRED
13 FROM THE GENERAL REVENUE ALLOTMENT RESERVE FUND OR
14 ITS SUCCESSOR OR OTHER MONEY PROVIDED BY LAW, IS USED
15 TO PROVIDE INVESTMENT INCENTIVES TO COMPETE WITH
16 OTHER STATES TO ATTRACT NEW BUSINESS AND ECONOMIC
17 DEVELOPMENT TO THE STATE OR TO RETAIN EXISTING
18 BUSINESS IN THE STATE, MAY BE USED IN CONJUNCTION
19 WITH OTHER INCENTIVES OFFERED BY THE STATE TO ATTRACT
20 NEW BUSINESS OR TO RETAIN EXISTING BUSINESS IN THE
21 STATE, AND REQUIRES THE APPROVAL OF THE GOVERNOR FOR
22 PROPOSED USES; AND PROVIDING THAT IF A FUND MEETING
23 THESE CRITERIA EXISTS ON THE EFFECTIVE DATE OF THIS
24 AMENDMENT, NO SUMS SHALL BE EXPENDED FROM THE FUND ON
25 AND AFTER THE EFFECTIVE DATE OF THIS AMENDMENT AND
26 THE GENERAL ASSEMBLY SHALL PROVIDE FOR THE REPEAL OF
27 THE FUND WITHIN ONE HUNDRED TWENTY (120) DAYS OF THE
28 EFFECTIVE DATE OF THIS AMENDMENT.

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31 **Subtitle**

32 A PROPOSED CONSTITUTIONAL AMENDMENT
33 PROHIBITING THE STATE FROM ESTABLISHING,
34 PROVIDING FOR, OR MAINTAINING A FUND FOR
35 ECONOMIC DEVELOPMENT INCENTIVES THAT
36 REQUIRES THE APPROVAL OF THE GOVERNOR FOR

PROPOSED USES.

BE IT RESOLVED BY THE SENATE OF THE NINETY-FIRST GENERAL ASSEMBLY OF THE STATE OF ARKANSAS, AND BY THE HOUSE OF REPRESENTATIVES, A MAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE AGREEING THERETO:

That the following is proposed as an amendment to the Constitution of the State of Arkansas, and upon being submitted to the electors of the state for approval or rejection at the next general election for Representatives and Senators, if a majority of the electors voting thereon at the election adopt the amendment, the amendment shall become a part of the Constitution of the State of Arkansas, to wit:

SECTION 1. The Arkansas Constitution is amended to read as follows:

§ 1. Prohibition on fund for economic development investment incentives that requires the approval of the Governor for proposed uses.

The state shall not establish, provide for, or maintain a fund that:

- (1) Consists of money transferred from the General Revenue Allotment Reserve Fund or its successor or other money provided by law;
- (2) Is used to provide investment incentives to compete with other states to attract new business and economic development to the state or to retain existing business in the state;
- (3) May be used in conjunction with other incentives offered by the state to attract new business or retain existing business; and
- (4) Requires the approval of the Governor for proposed uses.

SECTION 2. EFFECTIVE DATE. (a) This amendment is effective on and after January 1, 2021.

(b) If a fund meeting the criteria under Section 1 of this act exists on January 1, 2021:

- (1) No sums shall be expended from the fund on and after January 1, 2021; and
- (2) The General Assembly shall provide for the repeal of the fund within one hundred twenty (120) days of January 1, 2021.

1 SECTION 3. BALLOT TITLE AND POPULAR NAME. When this proposed
2 amendment is submitted to the electors of the state on the general election
3 ballot:

4 (1) The title of this joint resolution shall be the ballot
5 title; and

6 (2) The popular name shall be "A Proposed Constitutional
7 Amendment Prohibiting the State From Establishing, Providing For, or
8 Maintaining a Fund for Economic Development Incentives that Requires the
9 Approval of the Governor for Proposed Uses".

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12 Referred by Senator B. King

13 Prepared by: MBM/KFW
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