

EXHIBIT B

MINUTES

SENATE COMMITTEE ON AGRICULTURE, FORESTRY AND ECONOMIC DEVELOPMENT HOUSE COMMITTEE ON AGRICULTURE, FORESTRY AND ECONOMIC DEVELOPMENT Meeting Jointly

Thursday, October 29, 2015

The Senate and House Committees on Agriculture, Forestry and Economic Development met at 1:30 p.m., October 29, 2015, in Room B, MAC, Little Rock, Arkansas.

Committee members present: Representative Dan Douglas, Chair; Senators Ronald Caldwell, Chair; Eddie Cheatham, John Cooper, Blake Johnson, and David Sanders; Representatives David Hillman, Vice Chair; Charles Armstrong, Rick Beck, Ken Bragg, Andy Davis, Douglas House, Sheilla Lampkin, Stephen Meeks, Mark McElroy, Ron McNair, John Payton, James Ratliff, Douglas House, Mark McElroy, and David Whitaker.

Other legislators present: Representatives Nate Bell, Kenneth B. Ferguson, Monte Hodges, and Betty Overbey.

Representative Douglas called the meeting to order.

Consideration to Adopt Minutes (Exhibits B.1-B.11)

Without objection, Minutes from the May 20/26, June 24, July 15/16, August 6/7/26/27, September 16/17, were approved.

Review of Final Rule on “The Arkansas Grain Dealers Act” (A.C.A. § 2-24-101) (Exhibit C)

Darryl Little, Director, and Jamey Johnson, Arkansas State Plant Board, provided an explanation of the proposed rule change to the Arkansas Grain Dealers Act.

Representative House requested that Mr. Little ask the Plant Board’s attorney to clarify the distinction (if any) between “business” and “grain dealer” as stated in the in the proposed changes. Mr. Little is to report back to Representative House.

The committees heard testimony from representatives of the Arkansas State Plant Board. Following committee discussion, the committees recommended review and approval of the rule by the Administrative Rules and Regulations Subcommittee.

Consideration to Adopt Interim Study Proposals: (Exhibits D.1-D.8)

ISP 2015-095 “To Amend the Digital Product and Motion Picture Industry Development Act of 2009; and to Declare an Emergency.” Senator David Sanders, Sponsor, briefed members on ISP 2015-095. After discussion by the committees, Senator Sanders said he will add an economic impact study to the interim study proposal. Without objection, ISP 2015-095 was adopted for further study.

ISP 2015-136 “To Transfer the Administration of Rice Assessments to the Secretary of the Agriculture Department; and to Allow for the Employment or Retention of Auditors to Monitor Rice Assessments.” Senator Bryan King, Sponsor. This item was deferred.

ISP 2015-011 “To Allow the Importation, Transport, and Possession of Wildlife Carcasses Originating Outside of Arkansas.” Representative Mathew Pitsch, Sponsor, was unable to attend the meeting; Representative Douglas provided an explanation of the interim study proposal. Mike Knoedl, Director; and Cory Gray, Deer Program Coordinator, Arkansas Game and Fish Commission, spoke against ISP 2015-011. After discussion by the committees, the adoption of ISP 2015-011 **failed due to lack of a motion.**

ISP 2015-023 “To Require a Study of and Report on the Policies Necessary to Enhance the Economy, Expand the Locally Produced Food Market, Improve Nutrition and Health, Prevent Food Waste, and Evaluate a Local

Food-Based Initiative.” Representative Warrick Sabin, Sponsor, provided an explanation of ISP 2015-023. After discussion by the committees, and without objection, ISP 2015-023 was adopted for further study.

ISP 2015-072 “To Create the Partnership for Public Facilities and Infrastructure Act; and to Regulate Public-Private Partnerships for Public Facilities and Infrastructure.” Representative Warrick Sabin, Sponsor. After discussion by the committees, and without objection, ISP 2015-072 was adopted for further study.

ISP 2015-027 “To Regulate the Breeding of Certain Animals; and to Create the Arkansas Commercial Breeding Kennel Act of 2015.” Representative James Sorvillo, Sponsor. This item was deferred.

ISP 2015-029 “To Encourage Beautification of Public and Private Property by Encouraging the Investigation and Prosecution of Persons Engaging in Illegal Dumping.” Representative Charlene Fite, Sponsor. This item was deferred.

ISP 2015-114 “Requesting the Legislative Council of the Ninetieth Arkansas General Assembly to Refer to the House Committee on Agriculture, Forestry, and Economic Development a Study of the Arkansas Native Wines Incentive Grants” Program.” Representative Charlene Fite, Sponsor. This item was deferred.

Presentation by the Arkansas Economic Development Commission (AEDC) (see handout 1 for full report)

Mike Preston, Executive Director, presented a report on the recent projects and activities by AEDC and included the following information:

Recent Activities

- 90th General Assembly (January-May 2015); Special Session/JLTV Project (May 2015)
- Silicon Valley Business Recruitment Mission (May 2015);
- Paris Air Show and METECH: France and Germany, (June 2015)
- Governor Signs MOU with Dong Nai Province (June 2015)
- Rural Services Division and Division of Science and Technology Added (July 2015)
- Walmart Manufacturing Summit (July 2015)
- Economic Trade Mission to Cuba (September 2015); Economic Investment Mission to Asia (November 2015)

Results

- Since January 13, 2015, 86 new and expanding companies have signed agreements with AEDC announcing 2,681 new jobs and \$1.66 billion in new investment; the 2,681 new jobs will pay an average hourly wage of \$20.74.
- Between January and September of 2015, Arkansas has created 29,500 net nonfarm payroll jobs.

Future:

- Prioritize economic development; increase funding for marketing; recognize Arkansas as a world-class business destination; modernize tax structure; emphasis on rural areas

Presentation by Heifer International

Ben Wihebrink, Director of Operations; Heifer USA Program, Heifer International, gave a brief update on Heifer USA. There are approximately 200 employees at the Little Rock headquarters. Current Arkansas projects include:

- helping small farmers with specialty crops and pastured livestock/meat products organize into a cooperative unit to build full functioning businesses;
- develop a replication model to use in other rural communities in the United States within the next two years;
- offers access to entrepreneurial support;
- majority of resources focused here in Arkansas – invested \$3.5 million in the above projects;
- helps new and beginning farmers in production systems; provides support to develop business plan and market engagement for farmers;
- partnered with Baptist Health—farmers sell products to employees and the Little Rock campus cafeteria
- offering grant funding, leveraging loans, and capital guarantees

With no further business, the meeting adjourned at 3:20 p.m.

DRAFT