

**DRAFT MINUTES**

**HOUSE AND SENATE INTERIM COMMITTEES  
ON CITY, COUNTY, & LOCAL AFFAIRS  
MEETING JOINTLY**

**Wednesday, December 2, 2015**

---

Senate and House Interim Committees on City, County, and Local Affairs met Wednesday, December 2, 2015, at 4:30 p.m. at the Holiday Inn and Convention Center, Ozark Room, 1500 S. 48<sup>th</sup> Street, Springdale, Arkansas.

**Committee members present:** Senators Missy Irvin, Chair; Scott Flippo, and Greg Standridge.

Representatives Betty Overbey, Chair; Mary Bentley, Gary Deffenbaugh, David Fielding, Les Eaves, Jana Della Rosa, Charles Blake, Ken Henderson, and Lance Eads.

**Also attending:** Representatives Andy Davis, Jim Dotson, Trevor Drown, and Ron McNair.

Representative Betty Overbey called the meeting to order.

**APPROVAL OF MINUTES – AUGUST 26-27, 2015 [EXHIBIT C, and C-1]**

**Representative Bentley made a motion to approve the August 26-27, 2015, meeting minutes. The motion was seconded by Senator Flippo, and without objection the motion carried.**

**WELCOME AND OVERVIEW OF THE ACTIVITIES AND PROGRAMS OF THE ARKANSAS  
MUNICIPAL LEAGUE**

**Mr. Don Zimmerman, Executive Director, Arkansas Municipal League,** was recognized and provided an overview of activities and topics addressed during the Arkansas Municipal League's Fall Conference,

December 2-4, 2015. [**Handout #1**] He also provided the committee with a handout titled, “Policies and Goals 2015-2016 – Adopted at the 81<sup>st</sup> Annual Convention, June 26, 2015.” [**Handout #2**]

**PRESENTATION OF PROGRAMS, GOALS, AND OBJECTIVES OF THE ARKANSAS WORLD TRADE CENTER AND AN OVERVIEW OF THE RECENT TRIP TO CUBA BY THE ARKANSAS DELEGATION**

**Mr. Dan Hendrix, President and Chief Operating Officer, Arkansas World Trade Center (WTC)** [**Handout #3 & Exhibit E**], was recognized and stated the WTC opened in January 2007, and began as a vision of United States Senator John Boozman, formerly U.S. Congressman.

The WTC is a non-governmental organization helping Arkansas’ business community compete more effectively in a global market. They work with businesses to establish and strengthen their global presence through comprehensive international business services, global connections, and networking events in collaboration with WTC partners such as the U.S. Department of Commerce, Arkansas Export Assistance Center, Arkansas Economic Development Commission (AEDC), Local and State Chambers of Commerce, Ex-Im Bank, Arkansas Farm Bureau, Delta Center for Economic Development, state universities and the Northwest Arkansas Council. The WTC is part of the World Trade Center Association based in New York, with 340 World Trade Centers in over 100 countries.

Mr. Hendrix stated the WTC have external funding sources from the University of Arkansas, Economic Development Administration Grant, Arkansas Economic Development Commission, Walton Family Charitable Support Foundation, and Guaranteed Investment Funds. These funding mechanisms allow the WTC to assist eligible small businesses with trade shows, airfare, registration, booths, shipping sample products, etc.

The WTC works closely with the Arkansas Economic Development Commission in conducting inbound and outbound trade missions. The WTC has conducted outbound trade missions in Germany, Africa, Philippines, Italy, Paris, and Brazil, and recently Cuba. The Cuba trade mission was led by Governor Hutchinson and represented by 17 business sectors, representing 19 different Arkansas companies. The delegation consisted of approximately 48 individuals.

Arkansas benefits tremendously from exports. In 2011, 78% of Arkansas exporters were small businesses. Over 50,000 Arkansans are employed by companies that are exporters, as nearly \$7 billion in manufactured goods were exported in 2013; \$3 billion with free trade agreement agents (FTA) partners. Fayetteville-Springdale-Rogers exported \$699 million in 2013, an increase of 5%.

Arkansas ranks number 1 in rice, total sales \$1.2 billion; number 2 in soybeans, represents 20% of Arkansas total value in crops; number 4 in broilers, total sales \$2.9 billion; number 5 in cotton, total sales \$658 million; number 7 in chicken eggs, total sales \$439 million.

Mr. Hendrix stated aerospace is the state's largest manufactured export. For example, Dassault Falcon Jet's completion facility in Little Rock exports most of their airplanes. There are also a number of other companies in northwest Arkansas, such as Galley Support Innovations and TruTrak. The WTC is a member of the Arkansas Aerospace Defense Alliance, and works very closely with the Malaysian Investment Development Authority.

Mr. Hendrix stated the Transpacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) will have an impact on the state's imports and exports.

## **REVIEW OF DISTRICT COURTS FROM THE PERSPECTIVE OF CITIES, TOWNS, AND COUNTIES**

**Mr. Mark Hayes, Director of Legal Services, Arkansas Municipal League**, gave a brief overview of the Arkansas Court Structure. **[Exhibit F]**

He stated the local court system has drastically changed due to Amendment 80. Based on a report from the Interim Legislative Task Force on District Courts, Act 663 of 2007 was enacted. This act would over time, consolidate the existing 219 district and city courts into a smaller number of district courts. One important feature of Act 663 is “revenue neutral.” It allows cities and counties to keep 100% of all revenue and fines currently generated by the court. A new court fee on statutory foreclosures and an increased fee on small claims cases were enacted to provide funding necessary to assume additional cost of judicial salaries and benefits. The legislation began as a pilot program on January 1, 2008, in twelve counties involving 17 district courts.

Amendment 80 has also created inconsistencies within districts, particularly with smaller cities and towns, due to the law being unclear concerning what happens to court costs.

Senator Irvin stated the committee plans to study this issue in-depth in the future.

- There being no further business, the meeting adjourned at 6:15 p.m.

DRAFT