

**Hall of the House of Representatives**  
89th General Assembly - Regular Session, 2013  
**Amendment Form**

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**Subtitle of House Bill No. 2003**

TO ESTABLISH A REVENUE NEUTRAL NEW JOBS TRAINING PROGRAM.

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**Amendment No. 1 to House Bill No. 2003**

Amend House Bill No. 2003 as originally introduced:

Page 1, delete lines 8 and 9 and substitute the following:

"AN ACT TO REQUIRE AN INTERIM STUDY TO ESTABLISH A REVENUE NEUTRAL STATE SPONSORED NEW JOBS TRAINING PROGRAM; AND FOR OTHER PURPOSES."

AND

Page 1, delete lines 13 and 14 and substitute the following:

"TO REQUIRE AN INTERIM STUDY TO ESTABLISH THE ARKANSAS NEW JOBS TRAINING PROGRAM."

AND

Delete everything after the enacting clause and substitute the following:

"SECTION 1. DO NOT CODIFY. Purpose.

The purpose of this act is to require the House Committee on Agriculture, Forestry, and Economic Development and the Senate Committee on Agriculture, Forestry, and Economic Development to study the establishment of the Arkansas New Jobs Training Program, a revenue neutral new jobs training program that will:

(1) Provide the state with a funding source and oversight for delivering workforce training to Arkansas businesses and industries seeking to upgrade incumbent worker skills or to expand operations;

(2) Lead to a more highly skilled Arkansas workforce able to sustain Arkansas businesses and industries and advance Arkansas's competitiveness nationally and internationally;

(3) Provide the state with a revenue source outside of general revenue and a means for delivering training in a cost-effective manner through Arkansas's twenty-two (22) two-year colleges;

(4)(A) Fund the program by the sale of bonds authorized by the General Assembly, approved by the Arkansas Higher Education Coordinating Board, issued by Arkansas's two-year colleges, and administered by the Arkansas Economic Development Commission.

(B) The commission will establish a minimum wage threshold



for highly skilled jobs to meet eligibility criteria for Arkansas New Jobs Training funding.

(C) Depending on the threshold established by the commission, participating businesses and industries will divert between one and five-tenths percent (1.5%) and three percent (3%) of the Arkansas state withholding taxes generated by new jobs or new wages or both for the respective jobs to support payment and retirement of the bonds issued by a two-year college.

(D) With this structure, the commission in collaboration with a respective two-year college, will establish a funding source from which the participating businesses and industries can draw funds as they incur training expenses.

(E) Because of this structure, the training fund will be made available to businesses and industries at essentially no cost, since the bonds will be retired with dollars that otherwise would have been paid to the state as withholding taxes; and

(5) Be designed to invest directly in Arkansas workers who can effectively serve the needs of businesses and industries by using a funding mechanism that is revenue neutral to state general revenue.

SECTION 2. DO NOT CODIFY. Interim study tasks.

The interim study required under this act shall:

(1) Determine viability of a funding source for the Arkansas New Jobs Training Program, including the issuance of bonds by Arkansas two-year colleges with oversight by the Arkansas Economic Development Commission;

(2) Study best practices from model states and Arkansas statutes for perceived barriers to the success of the training program;

(3) Determine specific roles of Arkansas Economic Development Commission, Arkansas Department of Higher Education, and Arkansas two-year colleges for delivery of job training programs to businesses and industries;

(4) Determine program eligibility criteria for participating businesses and industries;

(5) Determine the wage threshold for eligibility that includes the wages that will be paid to the workers receiving the training;

(6) Determine the number of new positions that must be created by the participating businesses and industries; and

(7) Establish county and regional wage standards where jobs will be created.

SECTION 3. DO NOT CODIFY. Goals for funding, design, and criteria for the Arkansas New Jobs Training Program.

(a)(1) A percentage of the training fund may be used for on-the-job training wage reimbursement.

(2) All or a remainder of the training fund will be used to cover structured training activities.

(b)(1) The business or industry in conjunction with a local two-year college will design a customized training plan to meet the needs of the business or industry.

(2) The structured training activities allowable under the program will be virtually endless.

(3) Under the program participating companies will be able to train their new employees with their own trainers and on their own equipment

or seek training services and support from their regional two-year college and receive training funds to cover the costs.

(c) Preliminary eligibility criteria for participation in the job training program are:

(1) A business or industry is:

(A) Located in or relocating to Arkansas; and

(B) Engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, assembling products, warehousing, wholesaling, or conducting research and development;

(2) If the business or industry provides services, it has customers outside of Arkansas;

(3) The business or industry has not closed or substantially reduced its employment base at any of its other business sites in Arkansas in order to relocate substantially the same operation to another area of the state; and

(4)(A) The business or industry shows that eligible positions are newly created positions on which it pays Arkansas withholding tax.

(B) For the purposes of subdivision (c)(4)(A) of this section, "newly created positions" includes positions that did not exist during the last six (6) months before the business or industry and two-year college agreed to pursue a training project."

The Amendment was read \_\_\_\_\_

By: Representative Leding

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Chief Clerk