

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB475**

**Bill Subtitle: TO AMEND THE LAW GOVERNING THE BOARD OF DIRECTORS OF THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY; AND TO MODIFY THE MANNER IN WHICH THE AUTHORITY DISTRIBUTES CERTAIN TAX CREDITS AND HIRES CERTAIN PERSONS.**

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### **Basic Change :**

**Sponsor: Sen. D. Sullivan**

SB475 changes the composition of the Board of Directors of the Arkansas Development Finance Authority (ADFA) by increasing the size of the Board of Directors from 11 to 12 members; requiring that four (4) of the members be appointed each by the Speaker of the House, the President Pro Tempore, and the Governor; and requiring that the Congressional District be represented by three (3) members. SB475 repeals the requirement that the Board of Directors include a representative of the agricultural industry and a representative of the elderly population.

SB475 alters the method of allocating two different types of income tax credits within the state by requiring that the federal low-income housing tax credit and the affordable housing assistance activity tax credit be awarded as evenly as possible between the state's four Congressional districts each year. Any credits that are not able to be issued are to be carried-forward at least one year for that Congressional district before being allocated to the other Congressional districts.

### **Revenue Impact :**

None.

### **Taxpayer Impact :**

The allocation of the credits is subject to change based on congressional district.

### **Resources Required :**

No additional resources required

### **Time Required :**

Adequate time is provided for implementation.

### **Procedural Changes :**

None.

### **Other Comments :**

None.

### **Legal Analysis :**

None.