

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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