

State of Arkansas

77th General Assembly

Regular Session, 1989

HOUSE BILL 1704

By: Representatives Cunningham, Flanagin, McGinnis,
McKissack, Arnold, Thurman, McCoy, and Collier

"AN ACT TO PROVIDE FOR COUNTY INDUSTRIAL DEVELOPMENT
CORPORATIONS; TO DEFINE THE FUNCTIONS, POWERS, AND DUTIES
THEREOF; PROVIDING CERTAIN TAX EXEMPTIONS AND CREDITS TO THE
SECURITIES THEREOF; DECLARING AN EMERGENCY; AND FOR OTHER
PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Title. This act shall be referred to, and may be cited, as
the "County Industrial Development Corporation Act."

SECTION. 2. Definitions. As used in this act, unless the context
clearly requires otherwise:

- (a) "Board" means the State Banking Board;
- (b) "Commissioner" means the Bank Commissioner of the State of Arkansas;
- (c) "Corporation" means a county industrial development corporation
authorized to be organized under the provisions of this act;
- (d) "Financial institution: means any banking corporation or institution,
trust company, savings bank, savings and loan association, insurance company,
or related corporation, partnership, foundation, or other institution engaged
primarily in lending or investing funds;
- (e) "Loan limit" means, for any member, the maximum amount permitted to
be outstanding at any one time on loans made by such member to the
corporation, as determined under paragraph (3) of section 18 of this act;
- (f) "Member" means any financial institution authorized to do business in
the State of Arkansas which shall undertake to lend money to a corporation
upon its call and in accordance with the provisions of section 20 of this act.
- (g) "Person" includes all natural persons, and legal entities.

SECTION 3. Application for Preliminary Approval. Any five (5) or more qualified natural persons, who shall be bona fide residents of the same county in this State, and who desire to associate themselves for the purpose of establishing and operating a corporation may subscribe, acknowledge, and file with the Commissioner for preliminary approval proposed articles of incorporation, in duplicate, as authorized by section 10 of this act.

SECTION 4. Preliminary Approval. If the commissioner be satisfied that the applicants are bona fide residents of the same county in this State, that the applicants have the confidence of their respective communities, that public convenience and necessity require a corporation, and that the proposed articles of incorporation conform to the provisions of section 11 of this act, the commissioner shall issue his certificate approving the articles of incorporation and authorizing the applicants to proceed with the organization of the corporation.

SECTION 5. Organization. Upon receipt of such certificate of preliminary approval, the applicants may proceed to complete the organization of the corporation, to obtain subscriptions for and payment of its stock, and to do all other things necessarily incidental and preliminary to its transacting business.

SECTION 6. Certificate of Organization. When the applicants shall have completed the organization of the proposed corporation, they shall file with the commissioner a certificate of organization executed by the president of the corporation, attested by its secretary, and with its seal affixed thereto, certifying:

- (1) The names and addresses of all of its subscribers of stock, the number of shares subscribed, and the number of shares fully paid for by each;
- (2) The total number of shares of stock subscribed, but not fully paid for;
- (3) The total number of shares of stock paid in full;
- (4) The name and address of the depository, or the names and addresses of the depositories, if more than one, holding on deposit the funds of the corporation;

(5) The names and addresses of the officers, directors, and members of the executive committee, if any, of the corporation.

The said certificate of organization of the applicant shall be accompanied by the certificate of the named depository, or by the certificates of the named depositories, if more than one, certifying the amount of the funds on deposit to the credit of the corporation.

The said certificate of organization shall be accompanied, also, by any by-laws or by any regulations which may have been adopted by the directors of the corporation.

SECTION 7. Final Investigation and Approval by the Board. Immediately upon the filing of the certificate of organization by the applicants, the commissioner shall submit to the board the proposed articles of incorporation and the certificate of organization of the applicants. As soon as practicable thereafter, if the board shall, from the best sources of information at its command, determine that:

(1) Public convenience and necessity continue to require the corporation;

(2) The holders of the fully paid common stock of the corporation are at least twenty (20) in number;

(3) Not less than \$100,000 of common stock has been subscribed and fully paid for;

(4) The by-laws and/or regulations submitted, if any, are in conformity with the articles of incorporation and the provisions of this act, and not contrary to the laws of the State, and are otherwise satisfactory; it shall direct the commissioner to issue to the applicants a certificate of incorporation in such form as it may prescribe. The commissioner shall also return to the applicants one of the copies or articles of incorporation theretofore submitted to the commissioner by the applicants, upon which copy he shall have endorsed the fact of the issuance by him of such certificate of incorporation. If by-laws and/or regulations are submitted and are found satisfactory by the board, the commissioner shall also issue his certificate of approval thereof.

SECTION 8. Commencement of Corporate Existence. Upon the issuance of the certificate of incorporation by the commissioner, the corporate existence of the corporation shall begin. The certificate of incorporation shall be

conclusive evidence, except as against the State, that all conditions precedent required to be performed by the applicants have been complied with, and that the corporation has been incorporated under this act. A copy of the articles of incorporation so endorsed by the commissioner, as prescribed in section 7 of this act, shall be filed for recordation in the office of the county clerk in the county in which the principal office of the corporation is located.

SECTION 9. Articles of Incorporation. The articles of incorporation for any corporation organized under the provisions of this act shall state:

(1) The name of the corporation, which name shall include the words "County Industrial Development Corporation", and such designation as may be appropriate to distinguish it from any subsequent corporation which may be organized under the provisions of this act, and the name shall be such as to distinguish it from any other corporation organized and existing under the laws of the State of Arkansas;

(2) The purpose for which the corporation is formed;

(3) The period of duration of the corporation, which may be perpetual or limited;

(4) The address of its principal office and the name and address of its agent upon whom process may be served;

(5) The total number of shares of common stock which the corporation is authorized to issue, which number shall be not less than one hundred (100) shares of common stock, having a par value of one hundred (\$100) dollars each;

(6) The total number of shares of stock of any other class or distinction which the corporation is authorized to issue and the par value, if any, thereof;

(7) A provision stating that no stockholder shall be entitled as of right to purchase or subscribe for any unissued or treasury stock of the corporation, whether now or hereafter authorized, or whether of a class now existing or of a class hereafter created, and no stockholder shall be entitled as of right to purchase or subscribe for any bonds, notes or other obligations convertible into stock of the corporation.

(8) The number of directors, not less than six (6) nor more than fifteen (15), to be elected at the annual meeting of the holders of stock entitled to vote for the election of directors, the terms of office of the directors and

any provisions desirable for staggering their terms of office, except that the terms of office of directors and other matters pertaining to the directors may be provided in the by-laws of the corporation;

(9) The names and addresses of the incorporators, who shall constitute the board of directors and manage the affairs of the corporation until the first meeting of the holders of the common stock;

(10) Any provisions, not inconsistent with law, which the incorporators may choose to insert, for the regulation of the business and the conduct of the affairs of the corporation. It shall not be necessary to set forth in the articles of incorporation any of the corporate powers enumerated in this act.

SECTION 10. Amendment to Articles of Incorporation. A corporation organized under the provisions of this act may amend its articles of incorporation by a majority vote of the common stock, represented in person or by proxy at any regular meeting, or at any special meeting, of the holders of the common stock called for that purpose. The power to amend shall include the power to accomplish any desired change in the provisions of the articles of incorporation and to include any purpose, power, or provision authorized to be included in the original articles of incorporation or by later amendment to this act. Articles of amendment signed by the president or a vice-president and attested by the secretary or an assistant secretary, certifying to such amendment and its lawful adoption, shall be executed, acknowledged and filed with the commissioner and, when approved by the board, recorded with a certificate of the commissioner approving the articles of amendment, in the same manner as the original articles of incorporation; and as soon as the commissioner shall issue his certificate of amendment, the amendment or amendments shall be in effect.

SECTION 11. Management of Corporation. (1) Only the holders of common stock, through the board of directors, shall manage the affairs of the corporation. Each holder of common stock shall be entitled to one (1) vote, in person or by proxy, for each share of common stock held by him, and, in voting for the directors of the corporation, shall be entitled to exercise the right of cumulative voting.

(2) In the event of the transfer of shares of common stock, whether by act of the holder, or by operation of law, the name or names of the proposed

transferees shall be submitted to the directors of the corporation, and the directors may refuse to approve the transfer, in which event the corporation shall have the option to purchase the shares of common stock at par. Shares of common stock so purchased shall be canceled and shares in lieu thereof may be re-issued and sold by the corporation. In the event that the directors do not purchase the shares of common stock subject to transfer, the shares of common stock then may be transferred without the approval of the directors.

SECTION 12. Powers of Corporation. The purposes of each corporation organized under the provisions of this act shall be to promote, stimulate, develop and advance the business prosperity and economic welfare of the county wherein it is located and its citizens; to encourage and assist through loans, investments, or other business transactions in the location of new business and industry in that county, and to assist the growth and expansion of existing business and industry; and so to stimulate and assist in the expansion of all kinds of business activity which will tend to promote the business development and maintain the economic stability of that county, provide maximum opportunities for employment, encourage thrift, and improve the standard of living of the citizens of that county, and similarly, to cooperate and act in conjunction with other organizations, public or private, in the promotion and advancement of industrial, technological, scientific, commercial, agricultural, and recreational development in that county; and to provide financing for the promotion, development and conduct of all kinds of business activity in that county.

In furtherance of such purposes, each corporation organized under this act shall have power:

- (1) To sue and be sued, complain and defend, in its corporate name;
- (2) To have perpetual succession, unless a limited period of duration stated in its articles of incorporation;
- (3) To adopt a corporate seal, which may be altered at pleasure, and to use it, or a facsimile thereof, as permitted by law;
- (4) Within the limitations hereinafter imposed, and in the manner hereinafter prescribed, to borrow money and otherwise contract indebtedness, to issue its bonds, notes, debentures, or other obligations therefor with or without security, and, if with security, to secure the payment thereof by mortgage, pledge, or deed of trust, on all or any part of its property,

assets, revenues, or income;

(5) To purchase, receive, lease as lessee, or in any other manner acquire, own, hold, maintain, sell, exchange and use any and all real and personal property, or any interest therein;

(6) To sell and convey, mortgage, pledge, lease as lessor, and otherwise dispose of all or any part of its property or assets;

(7) To make loans to any person and to establish and regulate the terms and conditions with respect to any such loans and the charges for interest and service connected therewith, consistent with the provisions of this act;

(8) To purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise to dispose of bonds, securities, or evidences of indebtedness created by any other corporation or corporations of this State, or any other state or government, or created by any individual, unincorporated association, trust estate, improvement district, municipal and/or governmental or municipal agency of any character;

(9) To purchase, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the shares of the capital stock of any other corporation or corporations of this or any other state or government, subject to such restrictions and limitations, if any, as may be imposed by the laws of this or any other state in which the corporation may do business; and while owner of such stock, to exercise all the rights, powers and privileges of ownership, including the right to vote thereon;

(10) To make any and all contracts necessary or convenient for the exercise of the powers granted in this act;

(11) To elect or appoint officers, agents and employees of the corporation and to define their duties and fix their compensation;

(12) To conduct its business and to have officers within or without the State;

(13) To accept gifts or grants of money, service or property, real or personal;

(14) With the approval of the Board, by action of the directors of the corporation, to make and alter by-laws and regulations, not inconsistent with the articles of incorporation, or with the laws of this State, for the administration and regulation of the affairs of the corporation;

(15) To encourage and promote the cultural, industrial, technological, scientific, economic and recreational development of the county wherein it is

located;

(16) To assist minority businesses in obtaining loans or other means of financial assistance. The terms and conditions of such loans or financial assistance, including the charges for interest and other services, will be consistent with the provisions of this act. In order to comply with this requirement, efforts must be made to solicit for review and analysis proposed minority business ventures. Be it further provided, that basic loan underwriting standards will not be waived to inconsistently favor minority persons or businesses or both from the intent of the corporation's lending practices;

(17) To do and perform any and all acts and things, and to have and exercise any and all powers as may be necessary, convenient, or appropriate to effectuate the purpose for which the corporation is organized.

SECTION 13. Dividends and Distributions. The directors of the corporation, subject to such limitations as may be set forth in the articles of incorporation or by-laws thereof, may declare dividends to the holders of its stock and make partial distribution of its capital surplus pursuant to the provisions of the Arkansas Business Corporation Act, the same being Chapter 27 of Title 4 of the Arkansas Code.

SECTION 14. Liability of Directors and Officers. The directors and officers of a corporation organized under the provisions of this act shall not be responsible for losses of assets of the corporation unless the losses shall have been occasioned by the willful misconduct of such directors or officers.

SECTION 15. Dissolution of Corporation. Any corporation organized under this act, after the payment in full and cancellation of all its notes, bonds, and other obligations issued under the provisions of this act, or after the deposit in trust with the respective trustees designated in any deeds of trust given to secure the payment of any such obligations of a sum of money sufficient for the purpose, may dissolve by the vote of a majority of the common stock of the corporation, represented in person or by proxy, at any regular meeting, or at any special meeting of the holders of the common stock of the corporation called for that purpose. A certificate of dissolution shall be signed by the president or vice-president and attested by the

secretary, certifying to such dissolution and stating that they have been authorized to execute and file such certificate by a vote cast in person or by proxy by holder of a majority of the common stock of the corporation. The certificate of dissolution shall be executed, acknowledged and filed and recorded in the same manner as the original articles of incorporation, and as soon as the commissioner shall have accepted and endorsed on the certificate of dissolution his approval thereof, the corporation shall be deemed to be dissolved.

Such corporation shall, however, be continued for the purpose of paying, satisfying, and discharging any other existing liabilities or obligations, and collecting or liquidating its assets, and doing all other acts required to adjust and conclude its business and affairs, and may sue and be sued in its corporate name. Any assets remaining after all liabilities or other obligations of the corporation have been satisfied or discharged shall be distributed pro rata first among the then holders, if any, of any stock of the corporation entitled to a preference, and the remaining assets of the corporation shall then be distributed, pro rata, among the then holders of the common stock of the corporation.

SECTION 16. Bonds and/or Notes of the Corporation. (1) Any corporation organized under the provisions of this act may, from time to time as the conduct of its business requires, issue and sell at such price and on such terms as the board of directors shall determine, its bonds and/or notes not to exceed, in a total aggregate amount outstanding at any one time, ten (10) times the total amount of its fully paid common stock, its fully paid issued and outstanding preferred stock, if any, and the amount of its earned surplus in excess of a reserve set aside therefrom equal in amount to five per centum (5%) of the aggregate total amount of loans of the corporation outstanding at any one time; provided, however, that the validity of bonds and/or notes of the corporation valid at the time of the issuance and delivery shall not thereafter be affected if in excess of such ratio.

(2) The bonds and/or notes of the corporation shall be in such form and denominations; shall have such dates and maturities; shall bear interest payable at such times and places within or without the state; shall contain such provisions as to registration of ownership, if registration is deemed desirable, all as the directors of the corporation shall determine in

conformity with the provisions of this act, and shall be executed by the president and secretary of the corporation, and be sealed with the corporate seal, and in the event any of the officers whose signatures appear on any such obligation shall cease to be such officers before the delivery thereof, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until such delivery.

(3) All bonds and/or notes of a corporation issued under the provisions of this act shall, unless otherwise limited by the express provisions thereof, irrespective of the date of issue, be on a parity as to security and shall be secured by a lien on the entire assets of the corporation, which said lien shall be a first lien and superior to all other debts and to all other encumbrances, of whatsoever nature, on all of the assets of the corporation.

(4) The earned surplus of the corporation, in whole, or in part, in the discretion of the directors of the corporation, may be invested as provided in the by-laws of the corporation, and retained in reserve to meet losses and contingencies of the corporation.

SECTION 17. Authority of Other Corporations and Financial Institutions. Notwithstanding any rule at common law or any provision of law or any provision in their respective articles of incorporation: (a) all domestic corporations organized for the purpose of carrying on business within this State, including without implied limitation any public utility, and all trusts, are hereby authorized to acquire, purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of any bonds, notes, securities or other evidences of indebtedness created by, or the shares of the common stock of, a corporation organized under this act, and while owners of said stock to exercise all the rights, powers and privileges of ownership, including the right to vote thereon, all without the approval of any regulatory authority of the State;

(b) all financial institutions are hereby authorized to become members of the corporation and to make loans to the corporation as provided herein;

(c) a financial institution which does not become a member of the corporation shall not be permitted to acquire any shares of the common stock of the corporation; and

(d) each financial institution which becomes a member of the corporation is hereby authorized to acquire, purchase, hold, sell, assign, transfer,

mortgage, pledge or otherwise dispose of, any bonds, notes, securities or other evidences of indebtedness created by, or the shares of the common stock of the corporation and while owners of said stock to exercise all the rights, powers and privileges of ownership, including the right to vote thereon, all without the approval of any regulatory authority of the State; provided, that the amount of the common stock of the corporation which may be acquired by any member pursuant to the authority granted herein shall not exceed ten percent of the loan limit of such member. The amount of common stock of a corporation organized under this act which any member is authorized to acquire pursuant to the authority granted herein is in addition to the amount of common stock in corporations which such member may otherwise be authorized to acquire.

SECTION 18. Member Financial Institutions; Loan Limits. Any financial institution may request membership in the corporation by making application to the board of directors on such form and in such manner as said board of directors may require, and membership shall become effective upon acceptance of such application by the board of directors.

Each member of the corporation shall make loans to the corporation as and when called upon by it to do so on such terms and other conditions as shall be approved from time to time by the board of directors, subject to the following conditions:

(1) All loan limits shall be established at the thousand dollar amount nearest to the amount computed in accordance with the provisions of this section 18.

(2) No loan to a corporation organized under this act shall be made by members pursuant to call made by the corporation if immediately thereafter the total amount of such loans will exceed ten times the amount then paid in on the outstanding stock of the corporation, plus ten times the earned surplus of the corporation less reserves.

(3) The total amount outstanding on loans to a corporation made by any member at any one time, when added to the amount of the investment in the capital stock of the corporation then held by such member, shall not exceed:

(a) Twenty percent (20%) of the total amount then outstanding on loans to the corporation by all members, including in said total amount outstanding amounts validly called for loan but not yet loaned.

(b) The limitation on loans established by law or regulation

applicable to the member or, in the absence of any such limitation, the amount approved by the board of directors for such member.

(4) Subject to subparagraph 3(a) of this section 18 each call made by the corporation shall be prorated among the members of a corporation in substantially the same proportion that the adjusted loan limit of each member bears to the aggregate of the adjusted loan limits of all members. The adjusted loan limit of a member shall be the amount of such member's loan limit, reduced by the balance of outstanding loans made by such member to the corporation and the investment in capital stock of the corporation held by such a member at the time of such call, and further reduced, in the case of a member which has assumed the obligation of a financial institution withdrawn from membership pursuant to subparagraph (b) of section 19 of this act, by the balance of outstanding loans made to the corporation by such financial institution.

(5) All loans to a corporation by members shall be evidenced by bonds, debentures, notes or other evidences of indebtedness of the corporation, which shall be freely transferable at all times, and which shall bear interest at a rate which may be adjusted from time to time in a manner determined by the board of directors, which rate shall not be less than one quarter of one percent in excess of the prime or base rate of interest prevailing at the time of such adjustment for commercial banks in the City of Little Rock on unsecured commercial loans.

SECTION 19. Withdrawal of Members. Membership in a corporation shall be for an indeterminate period; provided that:

(a) Upon written notice given to a corporation five (5) years in advance, a member may withdraw from membership in the corporation at the expiration date of such notice; or

(b) In the event that a member (herein called a constituent member) shall consolidate with, merge into, or sell all or substantially all of its property and assets to, another financial institution (herein called the continuing institution), the board of directors may, in such manner as it determines, permit the withdrawal of the constituent member from membership in the corporation if the continuing institution at the time of such withdrawal is a member and has assumed the obligation of the constituent member to make loans to the corporation. If such continuing institution is not a member prior to

such consolidation, merger, or sale, such assumed obligation shall be discharged at the time such continuing institution becomes a member.

A member shall not be obligated to make any loans to the corporation pursuant to calls made subsequent to the withdrawal of said members.

SECTION 20. Exemption for Securities. The stock, notes, debentures, bonds and all other securities or obligations issued by any corporation organized and existing under the provisions of this act shall be exempt from the provisions of the Arkansas Securities Act, the same being Chapter 42 of Title 23 of the Arkansas Code.

SECTION 21. Obligations as Negotiable Instruments. All bonds, notes, debentures, and other obligations of a corporation authorized under and issued in compliance with the provisions of this act shall be, and shall have, and are hereby declared to have, all the qualities and incidents of, negotiable instruments under the negotiable instruments law of the State.

SECTION 22. Eligibility for Certain Investments. Any city or town in this State, or any board, commission, or other authority duly established by ordinance of any such city or town, or the boards of trustees, respectively, of the Firemen's Relief and Pension Fund and the Policemen's Pension and Relief Fund of any such city or town, may invest any of its funds not immediately needed for its purposes in the bonds and/or notes of any corporation organized under the provisions of this act.

SECTION 23. Exemption from Certain Taxes. (a) County Industrial Development Corporations shall be exempt from taxation under the Income Tax Act of 1929, Chapter 51 of Title 26 of the Arkansas Code, and from the payment of any other income taxes levied by a county or a municipality. Dividends on stock of any such corporation shall be exempt from all state, county or municipal income tax. Interest on bonds, notes, or other obligations of any such corporation issued under and in accordance with the provisions of this act shall be exempt from all state, county or municipal income taxes.

(b) Corporations shall file income tax returns each year at the time provided for the filing of corporate income tax returns.

(c) A corporation claiming exemption from income tax under this section

shall attach, to the return required in subsection (b) of this section, a certification from the Bank Commissioner of the State of Arkansas stating that the corporation has been incorporated and is operating as a corporation in accordance with the provisions of this act.

Section 24. Income Tax Credit. (a) The original purchaser of common stock of a corporation shall be entitled to a credit against any Arkansas income tax liability which may be imposed on such purchaser for any tax year commencing on or after January 1, 1989, for common stock purchased from the corporation in any of the calendar years 1989, 1990, and 1991. The credit shall be determined in the following manner:

(1) The credit is limited to an amount not to exceed thirty-three percent (33%) of the actual purchase price paid for the stock to the corporation (which shall include any fees or commissions to underwriters paid by the corporation).

(2) In any one (1) tax year, the credit allowed by this section shall not exceed fifty percent (50%) of the net Arkansas State Income Tax liability of the taxpayer after all other credits and reductions in tax have been calculated.

(3) Any credit in excess of the amount allowed by subsection (2) of this section for any one (1) tax year may be carried forward and applied against Arkansas State Income Tax for the next succeeding tax year and annually thereafter for a total period of three (3) years next succeeding the year in which the credit arose, subject to the provisions of subsection (2) of this section, or until the credit is exhausted, whichever occurs first. In no event will the credit allowed by this section be allowed for any tax year ending after December 31, 1994.

(4) Any original purchaser of common stock who seeks to qualify for the income tax credit provided in this section must:

(i) Obtain a certified statement from the corporation issuing the common stock stating the name and address of the original purchaser, the number of shares purchased, the amount paid by the original purchaser for the common stock, and the date of purchase of the common stock, and

(ii) Attach a copy of the certificate described in paragraph (4)(i) of this section to the income tax return for the year(s) the credit is claimed

(b) For the purpose of ascertaining the gain or loss from the sale or other disposition of common stock in a corporation, the original purchaser of the common stock shall reduce his basis in the stock by the amount of the tax credits previously deducted under this section. This reduced basis shall be used by the original purchaser when calculating tax due under Chapter 51 of Title 26 of the Arkansas Code.

SECTION 25. Loan Policy. (1) A corporation organized under the provisions of this act shall not lend money when credit is readily available on comparable terms elsewhere. Before granting a loan, the directors of the corporation shall endeavor so far as is reasonably possible to ascertain that reasonable opportunity to grant the loan has been given to the financial institutions of the State.

(2) No corporation organized under the provisions of this act shall receive money on deposit.

(3) The corporation shall not deposit any of its funds in any banking institution unless such institution has been designated as a depository by a vote of a majority of the directors present at an authorized meeting of the directors, exclusive of any director who is an officer or director of the depository so designated.

SECTION 26. Supervision of Corporations. Each corporation organized under the provisions of this act shall be subject to the supervision, examination and control of the commissioner in the same manner, so far as applicable, as provided in Arkansas Code 23-32-1101 and 1108, jointly with such supervision, examination, and control of the State Board of Finance, and shall make such reports of its condition to the commissioner and to the State Board of Finance as they shall prescribe, but such corporation shall not be deemed a banking institution, nor be required to pay any fee or other charge for any such supervision or examination.

SECTION 27. Liberal Construction. This act shall be construed liberally. The enumeration of any object, purpose, power, manner, method, or thing shall not be deemed to exclude like or similar objects, purposes, powers, manners, methods or things.

SECTION 28. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 29. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 30. EMERGENCY CLAUSE. It has been found and it is hereby declared by the General Assembly of the State of Arkansas that the State of Arkansas has had heretofore an inadequate program for financing the agricultural, industrial, technological, scientific and economic development of the State, that on account of such inadequate program, the State of Arkansas has been unable to provide for its inhabitants sufficient opportunities in agriculture and industry, that on account thereof the State of Arkansas is threatened with a decreasing standard of living for its inhabitants, that unless an adequate program for financing the agricultural, industrial, technological, scientific and economic development of the State be immediately undertaken, the State of Arkansas will suffer immediate and irreparable loss in population and the opportunity for agricultural and industrial expansion, and that only by the passage of this Act and giving immediate effect to its provisions, can the State of Arkansas prevent losses in population and securing to its inhabitants opportunities for agricultural, industrial, technological, scientific and economic development. An emergency, therefore, is hereby declared to exist, and this Act being necessary for the preservation of the public peace, health and safety, shall take effect and be in full force from and after its passage.