

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Senator Bearden

A Bill

SENATE BILL 709

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 15-4-1506 AND ARKANSAS
9 CODE § 15-4-1507 TO PROVIDE LOCAL AIRPORT AUTHORITIES WITH
10 QUALIFYING CLOSED MILITARY AIRFIELDS WITH SPECIAL TARGET
11 STATUS TO QUALIFY FOR FINANCIAL ASSISTANCE FROM THE
12 AVIATION AND AEROSPACE INDUSTRY DEVELOPMENT FUND; AND FOR
13 OTHER PURPOSES."

Subtitle

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15 "TO PROVIDE QUALIFYING LOCAL AIRPORT
16 AUTHORITIES WITH SPECIAL STATUS TO
17 QUALIFY FOR FINANCIAL AID FROM THE
18 AVIATION AND AEROSPACE INDUSTRY
19 DEVELOPMENT FUND."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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24 SECTION 1. Arkansas Code § 15-4-1506 is amended to read as follows:

25 "15-4-1506. Receipt of loans and financial assistance.

26 (a) Any entity of local government or airport authority, hereinafter
27 the applicant, who qualifies under the criteria provided in this subchapter
28 and other criteria as determined by the Arkansas Aviation and Aerospace
29 Commission, may receive loans or other financial assistance from the fund for
30 expenses related to establishment, relocation, expansion, or development of
31 aviation and aerospace industries in the State of Arkansas.

32 (b) Any entity of local government or airport authority wherein is
33 located a closed military installation and which has a runway of more than
34 ten thousand feet (10,000 ft.) in length and which has received approval for
35 a federal matching grant for redevelopment of the military airfield,

1 hereinafter the special target applicant, may receive loans or other
2 financial assistance from the fund for expenses related to establishment,
3 relocation, expansion, or development of aviation and aerospace industries
4 without qualifying for all the criteria required in this subchapter."

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6 SECTION 2. Arkansas Code § 15-4-1507 is amended to read as follows:

7 "15-4-1507. Loan criteria.

8 (a) The commission shall have the authority to determine the
9 structure, amount and nature of any loan or other financial assistance from
10 the fund, subject to the following criteria, except special target applicants
11 do not have to meet criteria in subdivisions (a)(1) and (a)(2) of this
12 subsection:

13 (1) The applicant shall provide certification that not less than
14 fifty (50) net new full-time-equivalent jobs will be created as a result of
15 the financial assistance provided hereunder;

16 (2) The applicant shall provide certification that the jobs
17 created shall generate a quarterly average weekly wage per employee equal to
18 or greater than one hundred ten percent (110%) of the state average weekly
19 wage per employee for manufacturing industries for the immediately preceding
20 calendar year as reported in the Covered Employment and Earnings report
21 published by the Arkansas Employment Security Department;

22 (3) Any applicant or special target applicant receiving
23 financial assistance from the Aviation and Aerospace Industry Development
24 Fund shall make available to the commission such employee and wage
25 information as may be required by the commission to verify compliance with
26 the requirements of this section.

27 (b) The commission shall establish procedures to quantify the benefit
28 and return to the state and its citizens from the provision of financial
29 assistance from the fund. The commission shall establish as a goal the
30 return of any state investment made hereunder within eight (8) years of the
31 provision of financial assistance. The state's return shall be measured
32 using the following criteria:

33 (1) Number of jobs;

34 (2) Level of pay per job;

35 (3) Company's capital investment;

- 1 (4) Length of commitment of jobs by the company;
- 2 (5) Training and educational needs;
- 3 (6) Take-back provisions;
- 4 (7) Public and private participation in project funding; and
- 5 (8) Other criteria as established by the commission.

6 The commission in applying the formula shall determine that funding the
7 project will result in economic activity within the state that provides a
8 revenue-neutral or revenue-positive impact on the state's current general
9 revenues. Special target applicants do not have to meet the criteria
10 specified in this subsection to measure the return to the state or to meet
11 the goal of a return of any state investment within eight (8) years.

12 (c) The Director of the Department of Industrial Development shall
13 enter into an agreement with each successful applicant or special target
14 applicant that shall include the specific terms and conditions of the
15 financial assistance to be provided. These terms shall include a take-back
16 provision in the event the applicant fails to meet the terms of the
17 agreement. Any legal recourse set out by these provisions shall be pursued
18 by the Chief Fiscal Officer of the State.

19 (d) Any applicant or special target applicant receiving assistance
20 from the fund shall be liable to repay any assistance received if it does not
21 comply with the terms of any disbursement agreement, the criteria set out in
22 this subchapter, except where special target applicants are exempt, and any
23 rule or regulation promulgated by the Chief Fiscal Officer of the State with
24 regard to the Arkansas Aviation and Aerospace Industry Development Fund. The
25 repayment shall be made to the Chief Fiscal Officer of the State and credited
26 to the fund. The Chief Fiscal Officer of the State may bring any lawful
27 action to recover any amount for which the recipient is liable."

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29 SECTION 3. All provisions of this act of general and permanent nature
30 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
31 Revision Commission shall incorporate the same in the Code.

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33 SECTION 4. If any provisions of this act or the application thereof to
34 any person or circumstance is held invalid, the invalidity shall not affect
35 other provisions or applications of the act which can be given effect without

1 the invalid provisions or application, and to this end the provisions of this
2 act are declared to be severable.

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4 SECTION 5. All laws and parts of laws in conflict with this act are
5 hereby repealed.

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