

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007  
4  
5 By: Senator Broadway

# A Bill

SENATE BILL 830

## For An Act To Be Entitled

9 AN ACT TO AUTHORIZE THE CREATION AND OPERATION OF  
10 RESEARCH PARK AUTHORITIES FOR THE PURPOSES OF  
11 ECONOMIC DEVELOPMENT; TO PRESCRIBE THE POWERS,  
12 DUTIES, AND RESPONSIBILITIES OF RESEARCH PARK  
13 AUTHORITIES; TO AMEND THE INTERLOCAL COOPERATION  
14 ACT TO SPECIFY RESEARCH PARKS; TO EXTEND THE  
15 CURRENT INCENTIVE FOR A DONATION TO A UNIVERSITY  
16 TO INCLUDE RESEARCH PARK AUTHORITIES; AND FOR  
17 OTHER PURPOSES.

## Subtitle

19 AN ACT TO AUTHORIZE THE CREATION AND  
20 OPERATION OF RESEARCH PARK AUTHORITIES  
21 FOR THE PURPOSES OF ECONOMIC  
22 DEVELOPMENT.  
23  
24  
25

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

27  
28 SECTION 1. Arkansas Code Title 14 is amended to add an additional  
29 chapter to read as follows:

30  
31 CHAPTER 144. RESEARCH PARK AUTHORITY ACT.

32  
33 SUBCHAPTER 1. INTENT AND DEFINITIONS.

34  
35 14-144-101. Title.

36 This chapter may be cited as the "Research Park Authority Act".



1  
2 14-144-102. Legislative intent.

3 (a)(1) It is the intent of the General Assembly to maximize the  
4 benefits to be derived from Arkansas' institutions of higher education.  
5 Therefore it is necessary to provide an environment conducive to the creation  
6 and retention of businesses that develop through Arkansas' colleges and  
7 universities.

8 (2) In many instances, these businesses are founded by  
9 entrepreneurs engaged in research, and it is imperative that research  
10 facilities be made available in the State of Arkansas to encourage, house,  
11 and support these developing entrepreneurs and businesses.

12 (3) This chapter is intended to provide a mechanism by which  
13 appropriate research facilities may be developed, funded, and operated for  
14 the purpose of supporting and retaining Arkansas entrepreneurs and businesses  
15 dependent upon research for their further development.

16 (b) It is further intended that the research parks created under this  
17 chapter shall serve as a catalyst for community growth and transformation and  
18 as a centers for community planning and improvement.

19  
20 14-144-103. Definitions.

21 As used in this chapter:

22 (1) "Accredited institution of higher education" means a four-  
23 year public college or university that offers bachelor's degrees and is  
24 recognized by the Department of Higher Education for credit;

25 (2) "Authority" means a regional mobility authority created under  
26 this chapter with the powers and duties designated in this chapter;

27 (3) "Construct" means to acquire or build, in whole or in part,  
28 in the manner and by the method, including contracting for the acquisition or  
29 building, and if the latter, by negotiation or bids upon the terms and  
30 pursuant to the advertising, as the research park authority shall determine  
31 to be in the public interest and necessary under the circumstances existing  
32 at the time to accomplish the purposes of and authorities under this chapter;

33 (4) "County" means any county in this state;

34 (5)(A) "Development" means the translation of research findings  
35 or other knowledge into a plan or design for a new product or process or for  
36 a significant improvement to an existing product or process whether intended

1 for sale or use.

2 (B) "Development" includes the conceptual formulation,  
 3 design and testing of all forms of software content, product alternatives,  
 4 construction of prototypes, and operation of pilot plants;

5 (6) "Equip" means to install or place on or in any building or  
 6 structure, equipment of any and every kind, whether or not affixed,  
 7 including, without limitation:

8 (A) Air conditioning equipment;

9 (B) Building service equipment;

10 (C) Fixtures;

11 (D) Furnishings;

12 (E) Furniture;

13 (F) Heating equipment;

14 (G) Machinery; and

15 (H) Personal property of every kind;

16 (7) "Facilities" means any real property, personal property, or  
 17 mixed property of any kind that can be used, or that will be useful, to  
 18 accomplish the purposes of this chapter, including, without limitation:

19 (A) Equipment;

20 (B) Fixtures;

21 (C) Furnishings;

22 (D) Furniture;

23 (E) Instrumentalities;

24 (F) Machinery;

25 (G) Materials;

26 (H) Rights-of-way;

27 (I) Roads and streets;

28 (J) Utilities; and

29 (K) Other real, personal, or mixed property;

30 (8) "Governing body" means the council, board of directors, or  
 31 city commission of any municipality or the quorum court of any county, or the  
 32 board of trustees of an accredited institution of higher education;

33 (9) "Lease" means to lease for rental, for periods, and upon  
 34 terms and conditions the authority shall determine, including, without  
 35 limitation:

36 (A) The granting of renewal or extension options upon

1 terms and conditions the authority shall determine; and

2 (B) The granting of purchase options at prices and upon  
 3 terms the authority shall determine;

4 (10) "Municipality" means a city of the first class, a city of  
 5 the second class, or an incorporated town;

6 (11) "Person" means any natural person, partnership,  
 7 corporation, association, limited liability company, organization, business  
 8 trust, foundation, trust, and public or private person;

9 (12) "Research" means planned research or critical investigation  
 10 aimed at the discovery of new knowledge to create a new product or service or  
 11 a new process or technique or to bring about a significant improvement in an  
 12 existing product or process;

13 (13) "Research park" means an area of a municipality or county  
 14 with defined boundaries that is the site of one (1) or more buildings housing  
 15 persons who are engaged in research and development projects under this  
 16 chapter;

17 (14) "Sell" means to sell for a price, in a manner, and upon  
 18 terms the Authority shall determine, including, without limitation:

19 (A) Private or public sale.

20 (B)(i) If the sale is public, the authority shall  
 21 advertise the sale, and shall determine whether the sale shall be for cash or  
 22 credit payable in lump sum or in installments over a period the authority  
 23 shall determine.

24 (ii) If the sale is for credit, the authority shall  
 25 determine whether the credit shall be with or without interest and at what  
 26 rate; and

27 (15) "State" means the State of Arkansas.

28  
 29 14-144-104. Construction.

30 (a) This chapter shall be liberally construed to accomplish its intent  
 31 and purposes and shall be the sole authority required for the accomplishment  
 32 of its purpose.

33 (b) To this end:

34 (1) It shall not be necessary to comply with the general  
 35 provisions of other laws dealing with public facilities and their  
 36 acquisition, construction, leasing, encumbering, or disposition, except to

1 the extent provided for in § 14-206-101, et. seq., § 14-207-101, et seq., and  
2 § 18-15-501, et seq.; and

3 (2) Section 15-5-303 shall not apply.

4  
5 SUBCHAPTER 2. RESEARCH PARK AUTHORITY – POWERS.

6  
7 14-144-201. Research park authority – Creation.

8 (a)(1) A research park authority:

9 (A) Shall have as sponsor at least one (1) accredited  
10 institution of higher education; and

11 (B) May have one (1) more:

12 (i) Municipality;

13 (ii) County; or

14 (iii) State agency.

15 (2) One (1) or more sponsors who meet the requirements of  
16 subdivision (a)(1) of this section may create a research park authority under  
17 this chapter for the purpose of acquiring, constructing, maintaining, and  
18 operating a research park.

19 (b) A county or municipality shall not participate in a research park  
20 authority unless the governing body of the county or municipality:

21 (1) Provides by ordinance to participate in the research park  
22 authority; and

23 (2) Enters into an agreement with at least one (1) accredited  
24 institution of higher education to create and maintain the research park  
25 authority.

26 (c) An accredited institution of higher education shall not  
27 participate in a research park authority unless the governing body of the  
28 accredited institution of higher education:

29 (1) Adopts a resolution to participate in the research park  
30 authority; and

31 (2) Enters into an agreement with at least one (1) county or  
32 municipality to create and maintain the research park authority.

33 (d) A research park shall be located either within:

34 (1) The geographical boundaries of a county or municipality that  
35 is a sponsor of the research park authority; or

36 (2) The main campus of the sponsoring accredited institution of

1 higher education that is a sponsor of the research park authority.

2 (e)(1) A sponsor of a research park authority shall enter into an  
3 agreement establishing the terms and conditions for the operation of the  
4 authority under this chapter and any other laws of the State of Arkansas that  
5 may be applicable.

6 (2) To the extent that it is consistent with this chapter, the  
7 agreement shall specify the information provided for in the Interlocal  
8 Cooperation Act, § 25-20-101 et seq.

9 (3) The agreement may also provide for each authority to furnish  
10 the participating sponsor or sponsors copies of its annual budget for  
11 examination and approval.

12 (4) The agreement shall be filed with the Secretary of State.

13  
14 14-144-202. Public corporation.

15 (a) Upon creation of a research park authority:

16 (1) The authority and its members shall:

17 (A) Constitute a public corporation; and

18 (B) Have perpetual succession; and

19 (2) The authority and its members may:

20 (A) Contract and be contracted with;

21 (B) Sue and be sued; and

22 (C) Have and use a common seal.

23 (b) The exercise of the powers and performance of the duties under  
24 this chapter by each authority are declared to be public and governmental  
25 functions that are exercised for a public purpose and for matters of public  
26 necessity and that confer upon each authority governmental immunity from suit  
27 in tort.

28  
29 14-144-203. Research Park Authority Board.

30 (a) Subject to any limitations created in the agreement required under  
31 14-144-201(c), the management and control of each research park authority and  
32 its property, operations, business, and affairs shall be lodged in a research  
33 park authority board of not fewer than five (5) nor more than seven (7)  
34 natural persons who shall be appointed for terms of five (5) years each.

35 (b)(1) The number of members of the board to which each of the  
36 participating governmental bodies is entitled shall be set forth in the

1 agreement required under § 14-144-201(c).

2 (2) However, each of the participating governmental bodies shall  
3 be entitled to appoint at least one (1) member.

4 (3) Appointments of members shall be made:

5 (A) For a municipality, by the mayor;

6 (B) For a county, by the county judge;

7 (C) For an accredited institution of higher education, by  
8 the president or chancellor of the accredited institution of higher  
9 education; and

10 (D) For a state agency, by the Governor.

11 (c)(1) The members shall serve staggered terms.

12 (2) Upon taking office, the members shall draw lots so that:

13 (A) One (1) member shall have a one-year term;

14 (B) One (1) member shall have a two-year term;

15 (C) One (1) member shall have a three-year term;

16 (D) One (1) member shall have a four-year term; and

17 (E) One (1) member shall have a five-year term.

18 (3) A sixth or seventh member shall serve a five-year term.

19 (4) After the expiration of their respective terms, persons  
20 reappointed to the board or their successors shall serve five-year terms.

21 (5) A person shall not serve as a member for more than a total  
22 of ten (10) consecutive years.

23 (d)(1) A member appointed by a mayor or county judge shall be a bona  
24 fide resident and qualified elector of the municipality or county of the  
25 appointing mayor or county judge.

26 (2) A member of the board appointed by the president or  
27 chancellor of the accredited institution of higher education shall be bona  
28 fide resident and qualified elector of the institution's Metropolitan  
29 Statistical Area, or the County in which the main campus of the institution  
30 is located, if the main campus is not the institution's Metropolitan  
31 Statistical Area.

32 (3) A member appointed by the Governor shall be a bona fide  
33 resident and a qualified elector of the State of Arkansas.

34 (e) If a member dies, resigns, is removed, or for any other reason  
35 ceases to be a member of the board, the officer who appointed the member  
36 shall appoint another eligible person to fill the unexpired portion of the

1 term of the member.

2 (f) A member once qualified shall not be removed during his or her  
 3 term except for cause by the mayor, county judge, president or chancellor of  
 4 the accredited institution of higher education or Governor who appointed the  
 5 member or upon such other conditions as shall may be set forth in the  
 6 agreement required under § 14-144-201(c).

7 (g)(1) A member shall not receive any compensation whether in the form  
 8 of salary, per diem allowance, or in another form for or in connection with his  
 9 or her services as a member.

10 (2) However, each member shall be entitled to reimbursement by the  
 11 board for any necessary expenditures in connection with the performance of his  
 12 or her general duties as a member.

13  
 14 14-144-204. Powers of research park authority board.

15 (a) Each research park authority board is given the following powers:

16 (1) To make and adopt all necessary bylaws for its organization  
 17 and operation;

18 (2) To elect officers and to employ personnel necessary for its  
 19 operation;

20 (3) To delegate any authority given to it by law to any of its  
 21 officers, committees, agents, or employees;

22 (4) To enter into contracts necessary or incidental to its powers  
 23 and duties under this chapter;

24 (5) To apply for, receive, and spend grants for any purpose of  
 25 this chapter;

26 (6) To acquire lands and hold title to the lands acquired in its  
 27 own name;

28 (7) To acquire, own, use, and dispose of property in the  
 29 exercise of its powers and the performance of its duties under this  
 30 chapter;

31 (8) To borrow money and execute and deliver negotiable  
 32 notes in the exercise of its powers and the performance of its duties  
 33 under this chapter;

34 (9) To issue bonds;

35 (10) To acquire, equip, construct, maintain, and operate a  
 36 research park and appurtenant facilities or properties;



1           (11) To acquire, equip, construct, maintain, and operate  
 2 research and related types of facilities, including education, training,  
 3 office and support facilities, located at or near a research park for the  
 4 purpose of securing and developing new businesses with a research  
 5 orientation;

6           (12) To request and receive from time to time from counties  
 7 or cities within the boundaries of the research park authority, funds  
 8 to finance and support the authority, including county or city turnback  
 9 funds as set forth in §§ 27-70-206 and 27-70-207 for the purpose of  
 10 matching federal transportation funds;

11           (13) To receive property or funds by gift or donation for  
 12 the finance and support of the authority;

13           (14)(A) Upon the petition of persons representing two-thirds  
 14 (2/3) in value of the owners of real property in the area, as shown by the  
 15 last county assessment, to constitute the authority, or a committee of the  
 16 authority, as an improvement district and to create and operate an  
 17 improvement district composed of a specified area encompassed within the  
 18 jurisdictions of the participating governing bodies.

19           (B)(i) The improvement district shall be for the purpose  
 20 of financing the construction, reconstruction, or repair of the research park  
 21 and its facilities.

22           (ii) To the extent consistent with this chapter, the  
 23 creation and operation of an improvement district shall be in accordance with  
 24 the procedures established by the laws of the State of Arkansas for the  
 25 creation and operation of municipal improvement districts;

26           (15) To plan, establish, develop, construct, enlarge, improve,  
 27 maintain, equip, operate, and regulate a research park and auxiliary services  
 28 and facilities and to establish minimum building codes and regulations and to  
 29 protect and police the research park and other facilities of the authority,  
 30 in cooperation with the law enforcement agencies and officers having  
 31 jurisdiction in the area where the facilities of the authority are located;

32           (16) To levy and collect a tax or fee to be levied upon and  
 33 collected from the tenants or occupants of the research park or from the  
 34 property owners within the improvement district or redevelopment district;

35           (17) To receive real and personal property from the United  
 36 States for research park facilities and related purposes by donation,

1 purchase, lease, or otherwise and subject to any conditions the United States  
 2 may require and to which the authority may agree;

3 (18) To promote, advertise and publicize the authority and its  
 4 facilities and to represent and promote the interests of the authority; and

5 (19) To do all things necessary or appropriate to carry out the  
 6 powers and duties expressly granted or imposed under this chapter.

7 (b) A research park authority may engage in the following activities:

8 (1) Research;

9 (2) Development of products or services, including without  
 10 limitation:

11 (A) Advanced materials and manufacturing systems;

12 (B) Advanced electronics or computer products, or both;

13 (C) Agriculture, aquaculture, and forestry technologies;

14 (D) Bio-based products;

15 (E) Biotechnology, bioengineering, and life sciences;

16 (F) Engineering technology;

17 (G) Food and environmental sciences;

18 (H) Information and related technology;

19 (I) Medical devices;

20 (J) Nanotechnology;

21 (K) Pharmaceutical products;

22 (L) Products for energy conservation;

23 (M) Products for testing or remediation of environmental  
 24 hazards;

25 (N) Software, including creative and artistic content, and  
 26 data communications; and

27 (O) Transportation logistics;

28 (3) Production of materials and products ancillary to items  
 29 listed under subdivisions (b)(1) and (2) of this section; and

30 (4) Acting as support or resource services and suppliers in  
 31 connection with items listed under subdivisions (b)(1)–(3) of this section.

32 (c) Any additional activities undertaken by a research park authority  
 33 shall be related to the commercialization of research and the furtherance of  
 34 products and services derived from research and development activities.

35 (d) The enumeration of powers under this section does not limit or  
 36 circumscribe the broad objectives and purposes of this chapter and the broad

1 objectives of developing a research park and necessary and desirable related  
2 facilities or properties.

3  
4 14-144-205. Eminent domain.

5 (a) A research park authority shall have the right to acquire any  
6 property necessary to carry out the purposes of this chapter by exercising  
7 the power of eminent domain.

8 (b) The research park authority, its agents, and its employees may  
9 seek a court order to enter upon real property and make surveys,  
10 examinations, photographs, tests, and samplings or to engage in other  
11 activities for the purpose of appraising the property or determining whether  
12 the real property is suitable for the authority's purpose.

13  
14 14-144-206. Condemnation petition – Notice.

15 (a) A research park authority may exercise its power of eminent domain  
16 by filing an appropriate petition in condemnation in the circuit court of the  
17 county in which the property sought to be taken is situated to have the  
18 compensation determined, giving the owner of the property to be taken at  
19 least ten (10) days' notice in writing of the time and place where the  
20 petition will be heard.

21 (b)(1) If the property sought to be condemned is located in more than  
22 one (1) county, the petition may be filed in any circuit court having  
23 jurisdiction in any county in which any part of the property may be located.

24 (2) The proceedings had in the circuit court shall apply to all  
25 of the property described in the petition.

26 (c)(1)(A) If the owner of the property sought to be taken is a  
27 nonresident of the state, notice shall be by registered or certified mail,  
28 return receipt requested, addressed to the last known address of the owner,  
29 and by publication in any newspaper in the county that is authorized by law  
30 to publish legal notices.

31 (B) This notice shall be published for the same length of  
32 time as may be required in other civil causes.

33 (2) If there is no such newspaper published in the county, then  
34 publication shall be made in a newspaper designated by the circuit clerk, and  
35 one (1) written or printed notice of the petition shall be posted on the door  
36 of the county courthouse.

1       (d)(1) The condemnation petition shall describe the lands and property  
2 sought.

3               (2) When the immediate possession of lands and property is  
4 sought to be obtained, the research park authority may file a declaration of  
5 taking under this chapter at any time before judgment or together with the  
6 condemnation petition.

7  
8       14-144-207. Declaration of taking.

9       (a)(1) The petitioner may file a declaration of taking at any time  
10 before a judgment is signed by the chair of the research park authority  
11 board, or with the condemnation petition, in any proceeding instituted by and  
12 in the name of the research park authority that involves the acquisition of  
13 real property, an interest in the real property, or the easement.

14               (2) The declaration shall declare that the authority is taking  
15 the real property, an interest in the real property, or the easement for the  
16 use of the authority.

17       (b) The declaration of taking shall contain or have annexed to it the  
18 following:

19               (1) A statement that the authority is taking the real property,  
20 an interest in real property, or an easement;

21               (2) A statement of the purpose for which the authority is taking  
22 the real property, an interest in the real property, or the easement;

23               (3) A description of the real property, an interest in the real  
24 property, or the easement that the authority is taking, sufficient for the  
25 identification of the real property, an interest in the real property, or the  
26 easement;

27               (4) A plat showing the real property, the interest in the real  
28 property, or the easement that the authority is taking; and

29               (5) A statement of the amount of money estimated by the  
30 acquiring authority to be just compensation for the taking of the real  
31 property, an interest in the real property, or the easement.

32  
33       14-144-208. Condemnation proceedings and judgment.

34       (a) The circuit court shall impanel a jury of twelve (12) persons, as  
35 in other civil cases, to ascertain the amount of compensation that the  
36 research park authority shall pay for the real property, an interest in the

1 real property, or an easement that the authority is taking.

2 (b) The matter shall proceed and be determined as in other civil  
3 cases.

4 (c) In all cases of infants or incompetent persons, when no legal  
5 representative or guardian appears in the infant's or incompetent person's  
6 behalf at the hearing, the court shall appoint a guardian ad litem who shall  
7 represent interests of the infant or incompetent person for all purposes.

8 (d) Compensation shall be ascertained and awarded in the proceeding  
9 and established by judgment in the proceeding.

10  
11 14-144-209. Acquisition of property.

12 (a) Whenever it is deemed necessary by a research park authority, in  
13 connection with the exercise of its powers conferred in this chapter, to take  
14 or acquire any lands, structures, buildings or other rights, either in fee or  
15 as easements, for the purposes set forth in this chapter, the authority may  
16 purchase them directly or through its agents from the owners thereof, or  
17 failing to agree with the owners, the authority may exercise the power of  
18 eminent domain in accordance with the procedures set forth in this chapter,  
19 and these purposes are declared to be public uses for which private property  
20 may be taken with just compensation.

21 (b) Should an authority elect to exercise the right of eminent domain,  
22 condemnation proceedings shall be maintained by and in the name of the  
23 authority, and it may proceed in the manner provided in this chapter and the  
24 general laws of the State of Arkansas not in conflict with this chapter that  
25 are applicable to the procedure by any county, municipality, accredited  
26 institution of higher education, or other authority organized under the laws  
27 of the State of Arkansas.

28  
29 SUBCHAPTER 3. FINANCE.

30  
31 14-144-301. Issuance of revenue bonds – Authorization.

32 (a) An research park authority may use any available revenues for the  
33 accomplishment of the purposes and the implementation of the powers  
34 authorized by this chapter, including the proceeds of revenue bonds issued  
35 from time to time under this chapter, either alone or together with other  
36 available funds and revenues.

1           (b) The amount of each issue of bonds may be sufficient to pay:

2                   (1) The costs of accomplishing the purposes for which the bonds  
 3 are being issued;

4                   (2) The cost of issuing the bonds;

5                   (3) The amount necessary for a reserve, if it is determined to  
 6 be desirable in favorably marketing the bonds;

7                   (4) The amount, if any, necessary to provide for debt service on  
 8 the bonds until revenues for the payment of the bonds are available; and

9                   (5) Any other costs and expenditures of whatever nature  
 10 incidental to the accomplishment of the specified purposes.

11  
 12           14-144-302. Issuance of revenue bonds – Resolution of research park  
 13 authority – Nature of bonds.

14           (a) The issuance of revenue bonds shall be by resolution of the  
 15 research park authority.

16           (b) The bonds of each issue may:

17                   (1) Be coupon bonds payable to bearer or may be registrable as  
 18 to principal only or as to both principal and interest;

19                   (2) Be in such form and denominations as may be appropriate and  
 20 necessary;

21                   (3) Be made payable at such places within or without the state  
 22 as may be appropriate and necessary;

23                   (4) Be issued in one (1) or more series;

24                   (5) Have such date or dates as may be appropriate and necessary;

25                   (6) Mature at such time or times as may be appropriate and  
 26 necessary, not exceeding forty (40) years from their respective dates;

27                   (7) Bear interest at such rate or rates;

28                   (8) Be payable in such medium of payment as may be appropriate  
 29 and necessary;

30                   (9) Be subject to such terms of redemption as may be appropriate  
 31 and necessary; and

32                   (10) Contain such terms, covenants, and conditions as the  
 33 resolution authorizing their issuance may provide, including without  
 34 limitation, those pertaining to:

35                           (A) The custody and application of the proceeds of the  
 36 bonds;

1                   (B) The collection and disposition of revenues;  
 2                   (C) The maintenance and investment of various funds and  
 3 reserves;  
 4                   (D) The imposition and maintenance of taxes, fees, rates,  
 5 and charges for the use of the research park and other facilities of the  
 6 authority;  
 7                   (E) The nature and extent of the security;  
 8                   (F) The rights, duties, and obligations of the authority  
 9 and the trustee for the holders and registered owners of the bonds; and  
 10                   (G) The rights of the holders and registered owners of the  
 11 bonds.

12           (c)(1)(A) There may be successive bond issues for the purpose of  
 13 financing the same project.

14                   (B) There may also be successive bond issues for financing  
 15 the cost of reconstructing, replacing, constructing additions to, extending,  
 16 improving, and equipping projects already in existence, whether or not  
 17 originally financed by bonds issued under this chapter, with each successive  
 18 issue to be authorized as provided in this chapter.

19                   (2) The priority between and among issues and successive issues  
 20 as to security and the pledge of revenues and lien on and security interest  
 21 in the land, buildings, and facilities involved may be controlled by the  
 22 resolutions authorizing the issuance of bonds under this chapter.

23           (d) Subject to this section, the bonds shall have all the qualities of  
 24 negotiable instruments under the laws of the State of Arkansas.

25

26           14-144-303. Issuance of revenue bonds – Indenture.

27                   (a) The resolution authorizing the bonds may provide for the execution  
 28 by the research park authority of an indenture that defines the rights of the  
 29 holders and registered owners of the bonds and provides for the appointment  
 30 of a trustee for the holders and registered owners of the bonds.

31                   (b) The indenture may control the priority between successive issues  
 32 and may contain any other terms, covenants, and conditions that are deemed  
 33 desirable, including without limitation those pertaining to:

34                   (1) The custody and application of the proceeds of the bonds;  
 35                   (2) The collection and disposition of revenues;  
 36                   (3) The maintenance of various funds and reserves;

1           (4) The imposition and maintenance of taxes, fees, rates, and  
 2 charges for the use of the research park and other facilities of the  
 3 authority;

4           (5) The nature and extent of the security;

5           (6) The rights, duties, and obligations of the authority and the  
 6 trustee; and

7           (7) The rights of the holders and registered owners of the  
 8 bonds.

9  
 10       14-144-304. Issuance of revenue bonds – Price and manner sold.

11       The bonds may be sold for a price, including sale at a discount, and in  
 12 a manner the research park authority may determine by resolution.

13  
 14       14-144-305. Issuance of revenue bonds – Execution.

15       (a)(1) The bonds shall be executed by the manual or facsimile  
 16 signatures of the chair and secretary of the board of the research park  
 17 authority.

18       (2) In case any of the officers whose signatures appear on the  
 19 bonds or coupons cease to be officers before the delivery of the bonds or  
 20 coupons, their signatures shall nevertheless be valid and sufficient for all  
 21 purposes.

22       (b) The coupons attached to the bonds may be executed by the facsimile  
 23 signature of the chair of the authority.

24  
 25       14-144-306. Issuance of revenue bonds – Obligation of research park  
 26 authority.

27       (a) The revenue bonds issued under this chapter shall be obligations  
 28 only of the research park authority and shall not be general obligations of  
 29 any county or municipality, accredited institution of higher education, or  
 30 the State of Arkansas.

31       (b)(1) The revenue bonds shall not constitute an indebtedness of any  
 32 county or municipality, accredited institution of higher education, or the  
 33 State of Arkansas within the meaning of any constitutional or statutory  
 34 limitation.

35       (2) It shall be plainly stated on the face of each bond that the  
 36 bond has been issued under the provisions of this chapter and that the bond



1 does not constitute an indebtedness of any county or municipality, accredited  
 2 institution of higher education, or the State of Arkansas within any  
 3 constitutional or statutory limitation.

4 (c) The principal of and interest on the bonds may be secured, to the  
 5 extent set forth in the resolution or indenture securing the bonds, by a  
 6 pledge of and payable from all or any part of revenues derived from the use  
 7 of facilities of the authority, including, without limitation:

8 (1) Revenues derived from rates and charges imposed and  
 9 maintained for the use of facilities of the authority;

10 (2) Revenues derived from taxes or fees levied under this  
 11 chapter; and

12 (3) Lease rentals under leases or payments under security  
 13 agreements or other instruments entered into under this chapter.

14  
 15 14-144-307. Issuance of revenue bonds – Refunding bonds.

16 (a)(1) Revenue bonds may be issued under this chapter to refund any  
 17 obligations issued under this chapter.

18 (2) The refunding bonds may be combined with bonds issued into a  
 19 single issue.

20 (b)(1) When bonds are issued under this section for refunding  
 21 purposes, the bonds may either be sold or delivered in exchange for the  
 22 outstanding obligations.

23 (2) If the bonds are sold, the proceeds may be either applied to  
 24 the payment of the obligations refunded or deposited in escrow for the  
 25 retirement of the bonds.

26 (c)(1) All refunding bonds issued under this chapter shall, in all  
 27 respects, be authorized, issued, and secured in the manner provided for other  
 28 bonds issued under this chapter and shall have all the attributes of those  
 29 bonds.

30 (2) The resolution under which the refunding bonds are issued  
 31 may provide that any of the refunding bonds shall have the same priority of  
 32 lien on the revenues pledged for their payment as was enjoyed by the  
 33 obligations refunded by the bonds.

34  
 35 14-144-308. Issuance of revenue bonds – Mortgage lien.

36 (a) The resolution or indenture securing the bonds may impose a

1 foreclosable mortgage lien upon or security interest in the facilities of the  
2 research park authority, or any portion of the facilities, and the extent of  
3 the mortgage lien or security interest may be controlled by the resolution or  
4 indenture, including without limitation, provisions pertaining to the release  
5 of all or part of the facilities subject to the mortgage lien or security  
6 interest in the event of successive issues of bonds.

7 (b) Subject to the terms, conditions and restrictions contained in the  
8 resolution or indenture, any holder of any of the bonds, or of any coupon  
9 attached to a bond, or a trustee on behalf of the holders either at law or in  
10 equity may enforce the mortgage lien or security interest and by proper suit  
11 may compel the performance of the duties of the officials of the authority  
12 set forth in this chapter and set forth in the resolution or indenture.

13  
14 14-144-309. Issuance of revenue bonds – Default.

15 (a)(1) In the event of a default in the payment of the principal of or  
16 interest on any bonds issued under this chapter, a court having jurisdiction  
17 may appoint a receiver to take charge of any facilities upon or in which  
18 there is a mortgage lien or security interest securing the bonds in default.

19 (2) The receiver may operate and maintain the facilities in  
20 receivership and to charge and collect taxes, fees, rates, and rents  
21 sufficient to provide for the payment of any costs of receivership and  
22 operating expenses of the facilities in receivership and to apply the  
23 revenues derived from the facilities in receivership in conformity with this  
24 chapter and the resolution or indenture securing the bonds in default.

25 (3) When the default has been cured, the receivership shall be  
26 ended and the facilities returned to the research park authority.

27 (b) The relief provided for in this section is in addition and  
28 supplemental to the remedies that may be provided for in the resolution or  
29 indenture securing the bonds and shall be so granted and administered as to  
30 accord full recognition to the priority rights of bondholders as to the  
31 pledge of revenues from, mortgage lien on, and security interest in  
32 facilities as specified in and fixed by the resolution or indenture securing  
33 successive issues of bonds.

34  
35 14-144-310. Agreements to obtain funds.

36 In connection with obtaining funds for its purposes, a research park

1 authority may enter into an agreement with any person, including the federal  
2 government or any agency or subdivision of the federal government, containing  
3 such provisions, covenants, terms, and conditions as the authority deems  
4 advisable.

5  
6 14-144-311. Exemption from taxation.

7 (a) The property of each research park authority is exempt from all  
8 local and municipal taxes.

9 (b) Bonds, notes, debentures, and other evidences of indebtedness of  
10 the authority are declared to be issued for a public purpose and to be public  
11 instrumentalities and, together with interest thereon, are exempt from all  
12 state, county, and municipal taxes, including without limitation income tax,  
13 inheritance tax, and estate taxes.

14 (c) The establishment, development, and growth of research parks in  
15 the State of Arkansas serves a public purpose and use through:

16 (1) The creation of high-paying jobs;

17 (2) The ability to retain some of our most highly educated  
18 Arkansans;

19 (3) The growth of Arkansas-based businesses whose focus on the  
20 research and development of products and services will serve to diversify  
21 Arkansas's economy; and

22 (4) A strategic alliance between business and higher education  
23 that has the potential to substantially improve Arkansas's economy.

24  
25 14-144-312. Use of surplus funds.

26 (a) If a research park authority realizes a surplus, whether from  
27 operating the research park facilities and other facilities or leasing it or  
28 them for operation, over and above the amount required for the maintenance,  
29 improvement, and operation of the research park facility and other facilities  
30 and for meeting all required payments on its obligations, the authority shall  
31 set aside the reserve for future operations, improvements, and contingencies  
32 as the authority deems proper and shall then apply the residue of the  
33 surplus, if any, to the payment of any recognized and established obligations  
34 not then due.

35 (b) After all the recognized and established obligations have been  
36 paid off and discharged in full, the authority shall set aside at the end of

1 each fiscal year the reserve for future operations, improvements, and  
 2 contingencies as prescribed in subsection (a) of this section and then pay  
 3 the residue of the surplus, if any, to the sponsoring county, municipality,  
 4 accredited institution of higher education and, if applicable, state agency,  
 5 in direct proportion to each sponsor's financial contributions to the  
 6 authority, if the distribution of the residue of the surplus does not violate  
 7 United States law or the terms of any deed, grant agreement, or other  
 8 agreement with the United States.

9  
 10 14-144-313. Public and private contributions.

11 (a) Contributions may be made to a research park authority from time  
 12 to time by any county, municipality, or accredited institution of higher  
 13 education, by the State of Arkansas or any agency of the state, or by any  
 14 person.

15 (b)(1) In order to afford maximum opportunities for contributions, the  
 16 agreement provided for under § 14-144-201 may be treated as a cooperative  
 17 agreement under the provisions of the Interlocal Cooperation Act, § 25-20-101  
 18 et seq., and at the election of the sponsors of the authority may contain  
 19 language enabling the agreement to be treated as a formal compact under § 14-  
 20 165-201 et seq.

21 (2) If the conditions set forth in subdivision (b)(1) of this  
 22 section are met, the authority shall hold title to property in its powers and  
 23 capacity as a public corporation rather than as a commission-trustee as  
 24 provided in §§ 14-165-201 et seq., or may be treated as a less formal  
 25 arrangement for the cooperative use of industrial development bond funds, all  
 26 to the end that the counties and municipalities may contribute to the  
 27 authority funds derived from general obligation bonds under Arkansas  
 28 Constitution, and the Arkansas Constitution, from revenue bonds under § 14-  
 29 164-201 et seq., and from other available sources, and may contribute funds  
 30 derived from a combination of these sources.

31  
 32 14-144-314. Accounts and reports.

33 (a)(1) All funds received by a research park authority shall be  
 34 deposited in such banks as the research park authority may direct and shall  
 35 be withdrawn from those banks in a manner the authority may direct.

36 (2)(A) Each authority shall keep strict account of all of its

1 receipts and expenditures and shall each quarter make a report to those  
2 participating entities that have made contributions.

3 (B)(i) The report shall contain an itemized account of the  
4 authority's receipts and disbursements during the preceding quarter.

5 (ii) The report shall be made within sixty (60) days  
6 after the end of the quarter.

7 (b)(1)(A) Within sixty (60) days after the end of each fiscal year,  
8 each research park authority shall cause an annual audit to be made by an  
9 independent certified public accountant and shall file a copy of the  
10 resulting audit report with each of the governing bodies participating in the  
11 authority.

12 (B) The audit shall contain an itemized statement of the  
13 authority's receipts and disbursements for the preceding year.

14 (2) The books, records, and accounts of each authority shall be  
15 subject to audit and examination by any proper public official or body in the  
16 manner provided by law.

17  
18 14-144-315. County, municipal, and state participation.

19 A county, municipality, accredited institution of higher education, and  
20 state agency that is a sponsor of a research park authority may:

21 (1) Appoint members of a research park authority;

22 (2) Contribute to the cost of acquiring, constructing,  
23 equipping, maintaining, and operating the research park facilities and  
24 appurtenant facilities; and

25 (3) Transfer and convey to the authority property of any kind  
26 acquired by the county, municipality, accredited institution of higher  
27 education, and state agency or the State of Arkansas for research and  
28 economic development.

29  
30 14-144-316. Lease of facilities.

31 (a) Each research park authority may lease its research park  
32 facilities and all or any part of its appurtenances and facilities to any  
33 available lessee at a rental and upon such terms and conditions as the  
34 authority deems proper.

35 (b) Leases shall be for some purpose associated with research or  
36 economic development activities that serve to build the local, regional, and

1 state economies.

2  
3 14-144-317. Sale of assets.

4 If the board of a research park authority so determines, the authority  
5 may sell all or any part of its properties and assets and distribute the  
6 proceeds among the sponsoring counties, municipalities, accredited  
7 institutions of higher education, and state agencies, in the proportion each  
8 sponsor contributed to the authority's funds or otherwise in the manner set  
9 forth in the agreement or resolution establishing the authority, if no sale  
10 of properties or assets and no distribution of proceeds of a sale is done in  
11 a manner that violates United States law or the terms of any deed, grant  
12 agreement, or other agreement with the United States.

13  
14 14-144-318. Authorized investors.

15 Any county or municipality or any board, commission, or other authority  
16 established by ordinance of any county or municipality, or the boards of  
17 trustees, respectively, of the firemen's relief and pension fund and the  
18 policemen's pension and relief fund of any such municipality, or the board of  
19 trustees of any retirement system created by the General Assembly may invest  
20 any of its funds not immediately needed for its purposes, in bonds issued  
21 under this chapter, and bonds issued under this chapter shall be eligible to  
22 secure the deposit of public funds.

23  
24 SECTION 2. Arkansas Code § 26-51-1101 is amended to read as follows:  
25 26-51-1101. Definitions.

26 As used in this subchapter, ~~unless the context otherwise requires:~~

27 (1) "Accredited institution of higher education" means a four-  
28 year public college or university that offers bachelor's degrees and is  
29 recognized by the Department of Higher Education for credit;

30 ~~(1)~~(2) "Machinery and equipment" means tangible personal  
31 property used in connection with a qualified education program or a qualified  
32 research program ~~which~~ that has been approved for a tax credit under rules  
33 and regulations prescribed by the Department of Finance and Administration;

34 ~~(2)~~(3) "New" means the machinery and equipment is state-of-the-  
35 art machinery and equipment which has:

36 (A) Never been used except for normal testing by the

1 manufacturer to ~~insure~~ ensure that the machinery or equipment is of a proper  
2 quality and in good working order; or

3 (B) Been used by the retailer or wholesaler solely for the  
4 purpose of demonstrating the product to customers for sale;

5 ~~(3)~~(4) "State-of-the-art-machinery and equipment" means  
6 machinery and equipment which is of the same type, design, and capability as  
7 like machinery and equipment which is currently sold or manufactured by the  
8 donee for sale to customers;

9 ~~(4)~~(5) "Cost" means:

10 (A) In the case of a donation or sale below cost by a  
11 wholesale or retail business, the amount actually paid by the wholesaler or  
12 retailer to the supplier for the machinery or equipment; or

13 (B) In the case of a donation or sale below cost by a  
14 manufacturer of machinery or equipment, the enhanced value of the materials  
15 used to produce the machinery or equipment, which shall be deemed to be the  
16 lowest price at which the manufacturer sells the machinery or equipment;

17 ~~(5)~~(6) "Qualified educational institution" means:

18 (A) Any public university, college, junior college, or  
19 vocational technical training school supported by the State of Arkansas;

20 (B) Any private university, college, junior college, or  
21 vocational technical training school located in Arkansas and qualified for  
22 tax-exempt status under the Arkansas Income Tax Act, ~~as amended~~ § 26-51-101  
23 et seq.; or

24 (C) Any public elementary or secondary school;

25 ~~(6)~~(7) "Qualified research expenditures" means the sum of any  
26 amounts which are paid or incurred by a taxpayer during the taxable year in  
27 funding a qualified research program which that has been approved for tax  
28 credit treatment under rules ~~and regulations~~ promulgated by the Department of  
29 Finance and Administration;

30 ~~(7)~~(8) "Qualified research program" means a program of applied  
31 or basic research undertaken by a qualified educational institution pursuant  
32 to rules ~~and regulations~~ jointly prescribed by the Arkansas Science and  
33 Technology Authority and the Department of Higher Education under § 15-3-110;

34 ~~(8)~~(9) "Qualified education program" means a program conducted  
35 by a qualified educational institution under rules ~~and regulations~~ prescribed  
36 by the Department of Higher Education for programs in colleges, universities,

1 or junior colleges, by the ~~Vocational and Technical Division of the~~  
 2 ~~Department of Education~~ Department of Workforce Education for programs in  
 3 vocational technical training schools and by the ~~General Education Division~~  
 4 ~~of the~~ Department of Education for programs in elementary or secondary  
 5 schools, all of which programs are for the purpose of promoting the use of  
 6 new machinery and equipment for classroom, laboratory, and other educational  
 7 instruction; and

8 (10) "Research park authority" means a public entity created  
 9 under the Research Park Authority Act, § 14-144-101 et seq. to provide  
 10 facilities and support for businesses engaged in research and development in  
 11 pursuit of economic development opportunities.

12  
 13 SECTION 3. Arkansas Code § 26-51-1102, concerning tax credits for  
 14 donations to educational institutions, is amended to add an additional  
 15 subsection to read as follows:

16 (c)(1) There is granted a credit against a taxpayer's Arkansas  
 17 corporate income tax or Arkansas individual income tax equal to thirty-three  
 18 percent (33%) of a donation made to an accredited institution of higher  
 19 education to support a research park authority.

20 (2) In order to claim this credit authorized by subdivision  
 21 (c)(1) of this section, a donation made in support of a research park  
 22 authority shall:

23 (A) Be consistent with the research and development plan  
 24 approved by the Board of Directors of the Arkansas Science and Technology  
 25 Authority, as evidenced by a letter of support from the President of the  
 26 Arkansas Science and Technology Authority; and

27 (B) Support either directly or indirectly research subject  
 28 to being funded by one (1) or more federal agencies, as enumerated in § 15-3-  
 29 205(1).

30  
 31 SECTION 4. Arkansas Code § 26-74-203(3), regarding definitions for  
 32 sales and use tax for capital improvements, is amended to read as follows:

33 (3) "Capital improvements of a public nature" means:

- 34 (A) Streets;
- 35 (B) Roads;
- 36 (C) Public parks;



- 1 (D) Port facilities;
- 2 (E) Tourism facilities;
- 3 (F) Airport facilities;
- 4 (G) Sewerage facilities;
- 5 (H) Waterworks facilities;
- 6 (I) Fire protection facilities;
- 7 (J) Convention center facilities;
- 8 (K) Courthouses;
- 9 (L) Police facilities;
- 10 (M) Public transit facilities;
- 11 (N) Auditoriums;
- 12 (O) Prisons;
- 13 (P) Libraries;
- 14 (Q) Hospital and nursing home facilities;
- 15 (R) Solid waste facilities;
- 16 (S) Sanitation facilities;
- 17 (T) Bridges;
- 18 (U) Electric facilities;
- 19 (V) Hydroelectric facilities;
- 20 (W) Facilities for the securing and developing of
- 21 industry;
- 22 (X) Natural gas facilities;
- 23 (Y) Parking facilities;
- 24 (Z) Public housing facilities;
- 25 (AA) Pollution control facilities;
- 26 (BB) Public education facilities;
- 27 (CC) Drainage facilities;
- 28 (DD) Pedestrian facilities;
- 29 (EE) Lakes;
- 30 (FF) Dams;
- 31 (GG) Waterways; ~~and~~
- 32 (HH) Regional mobility authority surface transportation
- 33 systems; and
- 34 (II) Research parks;
- 35

36 SECTION 5. Arkansas Code § 26-74-303(3), regarding definitions for

1 sales tax for capital improvements, is amended to read as follows:

- 2 (3) "Capital improvements of a public nature" means:
- 3 (A) Streets;
- 4 (B) Roads;
- 5 (C) Public parks;
- 6 (D) Port facilities;
- 7 (E) Tourism facilities;
- 8 (F) Airport facilities;
- 9 (G) Sewerage facilities;
- 10 (H) Waterworks facilities;
- 11 (I) Fire protection facilities;
- 12 (J) Convention center facilities;
- 13 (K) Courthouses;
- 14 (L) Police facilities;
- 15 (M) Public transit facilities;
- 16 (N) Auditoriums;
- 17 (O) Prisons;
- 18 (P) Libraries;
- 19 (Q) Hospital and nursing home facilities;
- 20 (R) Solid waste facilities;
- 21 (S) Sanitation facilities;
- 22 (T) Bridges;
- 23 (U) Electric facilities;
- 24 (V) Hydroelectric facilities;
- 25 (W) Facilities for the securing and developing of
- 26 industry;
- 27 (X) Natural gas facilities;
- 28 (Y) Parking facilities;
- 29 (Z) Public housing facilities;
- 30 (AA) Pollution control facilities;
- 31 (BB) Public education facilities;
- 32 (CC) Drainage facilities;
- 33 (DD) Pedestrian facilities;
- 34 (EE) Lakes;
- 35 (FF) Dams;
- 36 (GG) Waterways; ~~and~~

1 (HH) Regional mobility authority surface transportation  
2 systems; and

3 (II) Research parks;  
4

5 SECTION 6. Arkansas Code § 26-75-203(3), regarding definitions for  
6 sales tax for capital improvements, is amended to read as follows:

7 (3) "Capital improvements of a public nature" means:

- 8 (A) Street facilities;
- 9 (B) Road facilities;
- 10 (C) Public parks and other recreational facilities;
- 11 (D) Port facilities;
- 12 (E) Tourism facilities;
- 13 (F) Airport facilities;
- 14 (G) Sewerage facilities;
- 15 (H) Waterworks facilities;
- 16 (I) Fire protection facilities;
- 17 (J) Convention center facilities;
- 18 (K) City halls and other municipal buildings;
- 19 (L) Courthouses;
- 20 (M) Police facilities;
- 21 (N) Public transit facilities;
- 22 (O) Auditoriums;
- 23 (P) Prisons;
- 24 (Q) Libraries;
- 25 (R) Hospital and nursing home facilities;
- 26 (S) Solid waste facilities;
- 27 (T) Sanitation facilities;
- 28 (U) Bridges;
- 29 (V) Electric facilities;
- 30 (W) Hydroelectric facilities;
- 31 (X) Facilities for the securing and developing of
- 32 industry;
- 33 (Y) Natural gas facilities;
- 34 (Z) Parking facilities;
- 35 (AA) Public housing facilities;
- 36 (BB) Pollution control facilities;

- 1 (CC) Public education facilities;
- 2 (DD) Drainage facilities;
- 3 (EE) Pedestrian facilities;
- 4 (FF) Lakes;
- 5 (GG) Dams;
- 6 (HH) Waterways; ~~and~~
- 7 (II) Regional mobility authority surface transportation
- 8 systems; and
- 9 (JJ) Research parks;

11 SECTION 7. Arkansas Code § 26-75-303(3), regarding definitions for  
 12 sales tax for capital improvements, is amended to read as follows:

13 (3) "Capital improvements of a public nature" means:

- 14 (A) Streets;
- 15 (B) Roads;
- 16 (C) Public parks;
- 17 (D) Port facilities;
- 18 (E) Tourism facilities;
- 19 (F) Airport facilities;
- 20 (G) Sewerage facilities;
- 21 (H) Waterworks facilities;
- 22 (I) Fire protection facilities;
- 23 (J) Convention center facilities;
- 24 (K) City halls;
- 25 (L) Courthouses;
- 26 (M) Police facilities;
- 27 (N) Public transit facilities;
- 28 (O) Auditoriums;
- 29 (P) Prisons;
- 30 (Q) Libraries;
- 31 (R) Hospital and nursing home facilities;
- 32 (S) Solid waste facilities;
- 33 (T) Sanitation facilities;
- 34 (U) Bridges;
- 35 (V) Electric facilities;
- 36 (W) Hydroelectric facilities;

- 1 (X) Facilities for the securing and developing of
- 2 industry;
- 3 (Y) Natural gas facilities;
- 4 (Z) Parking facilities;
- 5 (AA) Public housing facilities;
- 6 (BB) Pollution control facilities;
- 7 (CC) Public education facilities;
- 8 (DD) Drainage facilities;
- 9 (EE) Pedestrian facilities;
- 10 (FF) Lakes;
- 11 (GG) Dams;
- 12 (HH) Waterways; ~~and~~
- 13 (II) Regional mobility authority surface transportation
- 14 systems; and
- 15 (JJ) Research parks;

17 SECTION 8. EMERGENCY CLAUSE. It is found and determined by the  
 18 General Assembly of the State of Arkansas that the development of products  
 19 and services derived from research activities involving Arkansas institutions  
 20 of higher education and businesses and entrepreneurs involved in these  
 21 research activities form the basis for much needed economic development that  
 22 capitalizes on knowledge acquired through research; that the resulting  
 23 intellectual property that is the foundation for business development  
 24 presents opportunities for the State of Arkansas to compete effectively in  
 25 the changing global economy; that the opportunities available for the growth  
 26 of knowledge-based businesses are dependent upon the State of Arkansas  
 27 creating an environment that allows these new businesses to grow and succeed  
 28 in Arkansas; and that this act is immediately necessary to develop and retain  
 29 these knowledge-based businesses in the State of Arkansas. Therefore, an  
 30 emergency is declared to exist and this act being necessary for the  
 31 preservation of the public peace, health, and safety shall become effective  
 32 on:

- 33 (1) The date of its approval by the Governor;
- 34 (2) If the bill is neither approved nor vetoed by the Governor,
- 35 the expiration of the period of time during which the Governor may veto the
- 36 bill; or

1                   (3) If the bill is vetoed by the Governor and the veto is  
2 overridden, the date the last house overrides the veto.

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