

State of Arkansas
88th General Assembly
Regular Session, 2011

A Bill

HOUSE BILL 2048

By: Representatives Lindsey, Tyler, Leding, Pennartz, Cheatham, Williams

For An Act To Be Entitled

AN ACT TO CREATE THE ARKANSAS ACCELERATION FUND
WITHIN THE ARKANSAS SCIENCE AND TECHNOLOGY AUTHORITY
FOR THE PURPOSE OF ADVANCING THE GROWTH OF HIGH-WAGE,
KNOWLEDGE-BASED, AND HIGH-TECHNOLOGY JOBS IN
ARKANSAS; TO CREATE THE ARKANSAS ACCELERATION FUND
COMMITTEE; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE ARKANSAS ACCELERATION FUND
WITHIN THE ARKANSAS SCIENCE AND
TECHNOLOGY AUTHORITY AND TO CREATE THE
ARKANSAS ACCELERATION FUND COMMITTEE.

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

SECTION 1. Title 15, Chapter 3 is amended to add a new subchapter to
read as follows:

Subchapter 5 – Arkansas Acceleration Fund Act

15-3-501. Title. This act shall be known and may be cited as the
“Arkansas Acceleration Fund Act”.

15-3-502. Legislative intent.

(a) The General Assembly finds that in October 2008 the Arkansas Task
Force for the 21st Century Economy found and recommended that:

(1) Education, research and development, entrepreneurship, risk
capital, existing business innovation, and cyberinfrastructure are the most



critical roles to Arkansas's success in the twenty-first century global economy;

(2) Twenty-six (26) programs, initiatives, and constitutional issues be given priority consideration as being key to competitiveness and contributing to economic development in the twenty-first century global economy;

(3) Resources should be dedicated to further study the structure and effectiveness of the state's economic development organizations because economic development is ever-changing and the continuing review will provide information about twenty-first century demands on the organizations; and

(4) Arkansas should create a dedicated revenue stream for funding twenty-first century business development.

(b) The General Assembly further finds that in 2009 the Arkansas Governor's Strategic Plan for Economic Development identified that Arkansas:

(1) Needs an approach to an economy supported by knowledge-based jobs; and

(2) Lacks a recurring and predictable funding formula for economic development.

15-3-503. Arkansas Acceleration Fund Committee.

(a) The Arkansas Science and Technology Authority shall create the Arkansas Acceleration Fund Committee.

(b)(1) The committee shall make recommendations regarding support and assistance for the accelerated growth of knowledge-based and high-technology jobs in the State of Arkansas through focused funding of the state's initiatives and programs.

(2) For funds in the Arkansas Acceleration Fund, § 19-5-1243, the committee shall make recommendations to the authority regarding the allocation or re-allocation of funds and moneys for programs and initiatives authorized by the:

(A) Arkansas Research Alliance Act, § 15-3-301 et seq.;

(B) Innovate Arkansas Fund, § 19-5-1237;

(C) Arkansas Risk Capital Matching Fund Act of 2007, § 15-5-1601 et seq.;

(D) Supplemental science, technology, engineering, and math fund grants under § 6-17-2701 et seq.;

1 (E) Existing programs of the Arkansas Science and
2 Technology Authority authorized under § 15-3-101 et seq., § 15-3-201 et seq.,
3 § 15-3-301 et seq., and § 15-3-401 et seq.; and

4 (F) Arkansas Technical Careers Student Loan Forgiveness
5 Program § 6-50-201.

6
7 15-3-504. Members of the committee.

8 (a) The committee is composed of the following members:

9 (1) Seven (7) of the members shall be individuals from the
10 private sector;

11 (2) One (1) member to be the president of the Arkansas Science
12 and Technology Authority or the president's designee;

13 (3) One (1) member to be the executive director of the Arkansas
14 Economic Development Commission or the executive director's designee; and

15 (4) One (1) member to be the president of Arkansas Development
16 Finance Authority or the president's designee.

17 (b) Each private sector member of the committee shall:

18 (1) Be knowledgeable through personal experience or training of
19 the process of growth and development of knowledge-based or technology-based
20 jobs;

21 (2) Have obtained at least an undergraduate degree from a four-
22 year institution of higher learning; and

23 (3) Have:

24 (A) A science or engineering degree from a four-year
25 institution of higher learning;

26 (B) Experience managing a private sector knowledge-based
27 or high technology company; or

28 (C) Experience working in areas related to development of
29 private sector knowledge-based or high technology jobs.

30 (c)(1) The president of the Arkansas Science and Technology Authority
31 shall seek recommendations from the authority's board of directors and the
32 Governor of the State of Arkansas for the initial list of private sector
33 committee members.

34 (2) After obtaining the recommendations, the president of the
35 Arkansas Science and Technology Authority shall nominate the initial private
36 sector members of the committee for appointment to the committee by the

1 authority's board of directors.

2 (d)(1) Each private sector committee member shall serve a four-year
3 term, with a maximum of two (2) consecutive four-year terms.

4 (2) The initial terms of the private sector committee members
5 shall be as follows:

6 (A) One (1) member shall serve a one-year term;

7 (B) Two (2) members shall serve a two-year term;

8 (C) Two (2) members shall serve a three-year term; and

9 (D) Two (2) members shall serve a four-year term.

10 (3) The president of the Arkansas Science and Technology
11 Authority shall determine the terms of the initial private members of the
12 committee.

13 (4) Each member may be reappointed from time to time thereafter
14 to serve not more than a maximum of eight (8) consecutive years including his
15 or her initial term.

16 (e) Successors to the initial private sector committee members shall
17 be nominated by the president of the Arkansas Science and Technology
18 Authority upon recommendation by the committee and shall be appointed by the
19 board of directors of the Arkansas Science and Technology Authority.

20 (f) Members of the committee shall serve without compensation.

21
22 15-3-505. Recommendations.

23 (a) Upon receiving funding, the Arkansas Acceleration Fund Committee
24 shall meet at least annually to recommend the allocation and priorities of
25 funding, funding ratios, and the maximum amounts to be made available among
26 the particular programs to be supported under this chapter and that will
27 accelerate the development of knowledge-based and high technology jobs in
28 Arkansas.

29 (b) The committee may base its recommendations for investment and
30 reinvestment on an analysis of the growth in the state's knowledge-based and
31 high-technology jobs and associated wages and estimated individual state
32 income tax revenue.

33 (c) The committee's recommendations may be used to guide the
34 preparation of budget requests by the Arkansas Science and Technology
35 Authority or budget requests by state agencies for the programs stated in §
36 15-3-503(b).

1 (d)(1) The Board of Directors of the Arkansas Science and Technology
2 Authority may act on the committee's recommendations.

3 (2) The governing body of each agency listed under § 15-3-503(b)
4 may act on the committee's recommendations for the programs listed in their
5 areas.

6 (3) The board shall report its actions to the Governor by June
7 30 of each year and shall forward copies of the report to the agencies
8 included in the report's recommendations.

9
10 SECTION 2. Arkansas Code Title 19, Chapter 5, Subchapter 12 is amended
11 to add an additional section to read as follows:

12 19-5-1243. Arkansas Acceleration Fund.

13 (a) There is created on the books of the Treasurer of State, the
14 Auditor of State, and the Chief Fiscal Officer of the State a miscellaneous
15 fund to be known as the "Arkansas Acceleration Fund".

16 (b) The fund shall consist of:

17 (1) Funds provided by law; and

18 (2) Grants made by any person or federal government agency.

19 (c) The fund shall be used by the Arkansas Science and Technology
20 Authority to provide support and assistance for the accelerated growth of
21 knowledge-based and high-technology jobs in the State of Arkansas through
22 focused funding of the state initiatives and programs as defined under § 15-
23 3-501 et seq.