

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

# A Bill

HOUSE BILL 1852

5 By: Representative Love  
6

## For An Act To Be Entitled

8 AN ACT CONCERNING THE ARKANSAS DEVELOPMENT FINANCE  
9 AUTHORITY; TO ALLOW FOR THE CREATION OF THE ARKANSAS  
10 CREDIT RESERVE PROGRAM; TO ALLOW FOR ALTERNATIVE  
11 METHODS OF PAYING FEES UNDER THE ARKANSAS CAPITAL  
12 ACCESS PROGRAM FOR SMALL BUSINESS; AND FOR OTHER  
13 PURPOSES.  
14  
15

## Subtitle

16  
17 TO ALLOW FOR THE CREATION OF THE ARKANSAS  
18 CREDIT RESERVE PROGRAM; AND TO ALLOW FOR  
19 ALTERNATIVE METHODS OF PAYING FEES UNDER  
20 THE ARKANSAS CAPITAL ACCESS PROGRAM FOR  
21 SMALL BUSINESS.  
22  
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
25

26 SECTION 1. Arkansas Code § 15-5-207(b), concerning the powers of the  
27 Arkansas Development Finance Authority, is amended to add an additional  
28 subdivision to read as follows:

29 (34)(A) To establish and operate an Arkansas Credit Reserve  
30 Program for the purpose of increasing the availability of credit to small  
31 businesses in Arkansas.

32 (B) The authority shall design the Arkansas Credit Reserve  
33 Program to be similar to the Arkansas Capital Access Program for Small  
34 Business established under the Arkansas Capital Access Program for Small  
35 Business Act of 1993, § 15-5-1101 et seq.  
36



1 SECTION 2. Arkansas Code § 15-5-1107(b), concerning the applicable  
 2 fees for enrollment of a qualified loan in the Arkansas Capital Access  
 3 Program for Small Business, is amended to read as follows:

4 (b)(1) When making a qualified loan that will be enrolled under the  
 5 program, the financial institution shall require the qualified business to  
 6 which the loan is made to pay a fee of not less than one and one-half percent  
 7 (1.5%) of the principal amount of the loan but not more than three and one-  
 8 half percent (3.5%) of the principal amount.

9 (2)(A) The financial institution shall also pay a fee in an  
 10 amount equal to the fee paid by the borrower.

11 (B) However, the financial institution may collect the  
 12 amount of its fee from the qualified borrower.

13 (3) A qualified business may pay the fees required under this  
 14 subsection using sources other than sources of the qualified business.

15 ~~(3)~~ (4) The financial institution shall deliver the fees  
 16 collected under this subsection to the authority for deposit ~~in~~ into the loss  
 17 reserve account for the institution.

18  
 19  
 20  
 21  
 22  
 23  
 24  
 25  
 26  
 27  
 28  
 29  
 30  
 31  
 32  
 33  
 34  
 35  
 36