

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1767

5 By: Representative Tucker
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For An Act To Be Entitled

8 AN ACT TO ESTABLISH A FEE REIMBURSEMENT PROGRAM FOR
9 NOVICE ENTREPRENEURS; AND FOR OTHER PURPOSES.
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Subtitle

11 TO ESTABLISH A FEE REIMBURSEMENT PROGRAM
12 FOR NOVICE ENTREPRENEURS.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 15-5-712 is amended to read as follows:
20 15-5-712. Power to make grants and loans.

21 The Arkansas Development Finance Authority may make grants, direct
22 loans, or loan guaranties to:

23 (1) New or existing:

24 (A) Title IX revolving loan funds;

25 (B) Small business investment companies; and

26 (C) Specialized small business investment companies;

27 (2) The Division of Minority Business Enterprise of the Arkansas
28 Economic Development Commission; ~~and~~

29 (3) A certified community development financial institution
30 under the Riegle Community Development and Regulatory Improvement Act of
31 1994, Pub. L. No. 103-325; and

32 (4) A novice entrepreneur as described in the Novice
33 Entrepreneur Fee Reimbursement Pilot Program under § 15-5-714.
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35 SECTION 2. Arkansas Code Title 15, Chapter 5, Subchapter 7, is amended
36 to add an additional section to read as follows:



1 15-5-714. Novice Entrepreneur Fee Reimbursement Pilot Program.

2 (a) There is created a program to be known as the "Novice Entrepreneur
3 Fee Reimbursement Pilot Program".

4 (b) The program shall be developed, implemented, and administered by
5 the Arkansas Development Finance Authority.

6 (c) The purpose of the program is to encourage and assist novice
7 entrepreneurs by providing reimbursement of state filing fees, permit fees,
8 or licensing fees associated with the formation of a small business in this
9 state.

10 (d) As used in this section, "novice entrepreneur" means an individual
11 starting a new small business and who meets the eligibility criteria
12 established by the authority for the program.

13 (e)(1) The authority shall promulgate rules in accordance with the
14 Arkansas Administrative Procedure Act, § 25-15-201 et seq., to establish
15 criteria for the review and approval of applications for the program.

16 (2) The eligibility criteria to be developed by the authority
17 described in subdivision (e)(1) of this section shall include without
18 limitation:

19 (A) Priority to female and minority applicants; and

20 (B) A method for selecting first-time small business
21 owners.

22 (f) A novice entrepreneur shall apply to the authority, using the form
23 prescribed by the authority, before the formation of the small business for
24 which the novice entrepreneur seeks reimbursement of the state filing fees,
25 permit fees, or licensing fees.

26 (g) Any reimbursements under this section shall be provided in the
27 manner determined by the authority.

28 (h) The total reimbursement amount provided by the authority under
29 this section shall not exceed two hundred fifty thousand dollars (\$250,000)
30 per fiscal year.

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32 SECTION 3. TEMPORARY LANGUAGE. DO NOT CODIFY. Novice Entrepreneur
33 Fee Reimbursement Pilot Program – Report.

34 (a)(1) On or before December 15, 2018, the Arkansas Development
35 Finance Authority shall review the effectiveness of the Novice Entrepreneur
36 Fee Reimbursement Pilot Program under § 15-5-714.

1 (2) The review described in subdivision (a)(1) of this section
 2 shall include without limitation:

3 (A) The number and type of Arkansas small businesses that
 4 were formed in connection with the program;

5 (B) The current status of each small business formed in
 6 connection with the program;

7 (C) The number of employees employed by each small
 8 business participating in the program;

9 (D) The economic impact to the state from the program;

10 (E) The satisfaction of participants in the program; and

11 (F) A recommendation as to whether the program should be
 12 continued beyond June 30, 2019.

13 (b) By February 15, 2019, the authority shall prepare and submit a
 14 written report of the effectiveness of the program to the House Committee on
 15 Insurance and Commerce, the Senate Committee on Insurance and Commerce, the
 16 House Committee on State Agencies and Governmental Affairs, and the Senate
 17 Committee on State Agencies and Governmental Affairs.

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