

"AN ACT TO AMEND VARIOUS SECTIONS OF ACT 859 OF 1983, AS AMENDED [ARK. STATS. 6-1601 ET SEQ.], TO AUTHORIZE A PROGRAM OF ASSISTANCE TO SMALL BUSINESSES ENGAGING IN INNOVATIVE RESEARCH; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 15 of Act 859 of 1983, as amended, the same being Arkansas Statutes 6-1615, is hereby amended to read as follows:

"Section 15. In relation to its authorization under this Act to engage in undertakings, programs, enterprises, and activities involving research and development and other programs involving the establishment and encouragement of scientific and technological research, The Authority shall have all the powers necessary to carry out programs which include but are not limited to:

(a) funding basic research at Arkansas colleges and universities as specified in Section 16;

(b) stimulating applied research partnerships between private industry and Arkansas colleges and universities and matching funds from private sources for proposed applied research projects as specified in Section 16;

(c) assisting small businesses in identifying and applying for funds to conduct research and development work on innovative technical ideas;

(d) transferring knowledge and technology from college, university and government laboratories to private industry; and

(e) creating, in cooperation with Arkansas colleges and universities, facilities to foster the growth of technology-based enterprises.

In establishing and maintaining the programs authorized by this section, The Authority may utilize monies drawn from the Investment Fund, and such other monies as are lawfully available to The Authority for supporting its purposes."

SECTION 2. Section 16 of Act 859 of 1983, as amended, the same being Arkansas Statutes 6-1616, is hereby amended to read as follows:

"Section 16. The Authority is hereby empowered to make such rules and regulations as it may deem appropriate to enable it to create and fund a program designed to promote basic and applied research at Arkansas colleges and universities. In carrying out its functions under this section, the Board may create such advisory committees as may be useful in evaluating research proposals. The memberships of these advisory committees may include both Directors and staff members of The Authority, and other persons drawn from sources other than The Authority, all of whom shall serve at the pleasure of the Board. Members of such advisory committees shall serve without compensation for their membership on such committees, but shall be reimbursed for any reasonable expenses incurred by them in the performance of duties assigned by the Board.

(a) Any monies lawfully available to The Authority for the purpose of supporting basic research at Arkansas colleges and universities shall in no event defray more than sixty percent (60%) of the total cost of the proposed basic research project being funded. The remaining forty percent (40%) of the total cost of the proposed research project shall be funded by monies or in-kind services provided by the college or university proposing the research project.

(b) Any monies lawfully available to The Authority for the purpose of creating applied research partnerships between private industry and Arkansas

colleges and universities shall in no event defray more than fifty percent (50%) of the total cost of the proposed applied research project; provided, however, that the contribution of The Authority may, in the Board's sole discretion, defray up to sixty-six and two-thirds percent (66 2/3%) of the total cost of a proposed applied research project if the Board finds that the participating private industry is principally located in Arkansas and employs fifty (50) or fewer persons. The proposed applied research project shall be submitted by an Arkansas college or university, and the proposal shall state that a percentage of the total cost of the proposed applied research project will be provided by private sources in accordance with the matching provisions of this subsection. The Board shall approve for funding only those proposed applied research projects for which the Board finds that enhanced employment opportunity within Arkansas will be a likely result."

SECTION 3. It is the intention of this Act to amend such sections of Act 859 of 1983, as amended, the same being Arkansas Statutes 6-1601 et seq., as are specifically mentioned herein, and the remainder of said Act 859 of 1983, as amended, shall remain in full force and effect as enacted until the same shall be further amended or repealed.

SECTION 4. EMERGENCY. It is hereby found and determined by the General Assembly that it is essential to the technological development program of this State that small businesses be rendered all possible assistance in their efforts to fund research and development programs, and that the Arkansas Science and Technology Authority be given specific powers to render such assistance. Therefore, an emergency is hereby declared to exist and this Act being necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

APPROVED: 3/13/87

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