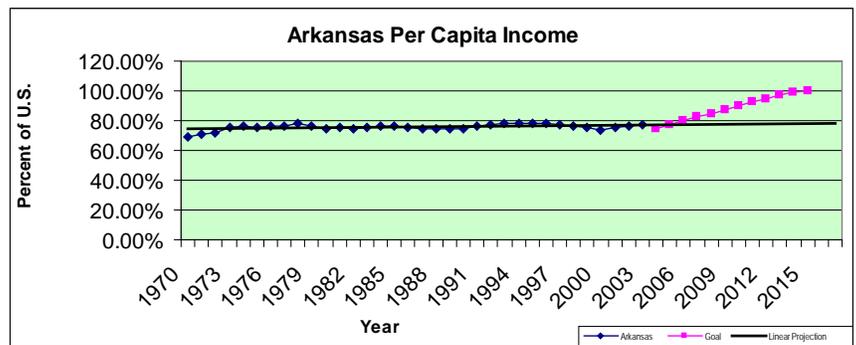


Discussion of Accelerate Arkansas' Strategic Plan to the Joint Committee on Revenue and Taxation

May 18, 2006
Little Rock, Arkansas

Accelerate Arkansas, a statewide volunteer group, briefed the Committee in January and asked for the opportunity to return to review its strategic plan. Today's presentation is a report on strategic planning progress to date.

1. Arkansas Per Capita Income has been steady at 75% of the Nation's since the 1970s. The goal of Accelerate Arkansas is to increase per capita income to the national average by 2020.



2. Accelerate Arkansas' **five core strategies** are systemic, long term, and correlate with higher per capita income.
3. In order to identify objectives for each core strategy, Accelerate Arkansas reviewed **strategic plans from other states**, including California, Idaho, Maine, New York, Oklahoma, Pennsylvania, Texas, and even Ireland; brainstormed objectives using a strategic planning steering committee of Arkansans from around the state; and ranked **objectives** in order of importance from a statewide perspective.
4. Accelerate Arkansas took the top objectives for all five core strategies to **six metropolitan areas**, including Fayetteville, Fort Smith, Hot Springs, Little Rock, Paragould, and Pine Bluff. Leaders in each metro area ranked the objectives in order of importance to the community.
5. The top two **objectives** from each community and the top two statewide objectives (shaded) are combined for each core strategy and are shown in the following Table.

Table. Accelerate Arkansas' Core Strategies and 30 Key Objectives.

Strategy #1: Increase Job-creating Research	
1	Seek a greater portion of federal funding to come to Arkansas for research.
2	Create a pool of funds for seed research funding for aspiring researchers.
3	Encourage faculty/staff to collaborate in the development of commercially viable ideas and to partner with the business community.
4	Develop best practices and reduce impediments for how higher education and industry work together and reduce impediments to university-industry collaborations.
5	Invest in research, especially matching and equipment grants.
6	Encourage faculty members at the research universities to perform applied research.
Strategy #2: Coordinate and Enhance Entrepreneurship Development	
1	Provide tax incentives for entrepreneurs.
2	Promote, coordinate, inspire, and grow commercialization (entrepreneurship).
3	Mentor and support entrepreneurs by identifying and supporting resources/infrastructure to reduce the need for capital investment.
4	Develop processes for identifying high performers and keeping them in the state.
5	Focus on regional enterprise centers and regional support for entrepreneurship and commercialization.
Strategy #3: Develop Risk Capital for all stages of the business cycle	
1	Create incentives for private investors to invest in early stage knowledge-based companies.
2	Link investors to new businesses.
3	Create a pool of funds that could be used for capital investments or matches consistent with other core strategies involving education, research, and entrepreneurship.
4	Improve availability of capital for early stage firms by linking deals to private inventors.
5	Provide public funds for early-stage risk capital investments to increase deal flow
Strategy #4A: K-12 achievement in science, technology, engineering, and math	
1	Begin STEM education in early grades.
2	Include science, technology, pre-engineering, and math content in curriculum frameworks for all appropriate grades.
3	Create accelerated learning programs for students with an aptitude for STEM.
Strategy #4B: Increase achievement in science, technology, engineering, and math	
1	Create incentive programs for new and existing STEM teachers and administrators (with inclusion of rural communities).
2	Enhance teacher-training at colleges and universities to improve overall

	subject matter mastery and teaching techniques.
3	Connect the K-12 STEM curriculum to the higher education curriculum.
4	Create scholarships for science, technology, and engineering that are hard to get, but easy to keep.
5	Remove barriers to transferring and using intellectual property.
Strategy #5: Sustain successful existing industry.	
1	Create economic incentives for existing knowledge-based companies to expand within the state.
2	Develop incentives for universities to do targeted research for existing/emerging industries.
3	Improve and enhance K-16 education to keep up with evolving technology.
4	Develop statewide R&D networks and promote university-industry collaborations.
5	Create competitive research and development incentives to stimulate R&D investments by existing industry.
6	Support technological training for emerging/existing industry to support high-paying jobs.

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6. Accelerate Arkansas convened a series of sessions focused on individual core strategies and asked content experts to identify action steps for each objective related to that specific core strategy. **Over 660 action steps** were identified. For example, one action step is shown below:

Strategy #4A: K-12 achievement in science, technology, engineering, and math	
1.	Begin STEM education in early grades.
1.1	Provide better training for elementary teachers in science, mathematics, and technology. Elementary teachers have little formal training in the STEM areas and little time in the school day for instruction in these areas. The pre-service and in-service training for teachers should be made more rigorous in STEM areas and strategies need to be developed to give more attention to these areas during the school day. An integrated curriculum that focuses on literacy, math, science, and technology is one answer. Teachers can develop integrated units; however, this is time consuming and requires much expertise on the part of the teachers. Integrated curriculum units should be prepared by experts for use by teachers.

7. The Institute of Government at the University of Arkansas at Little Rock has identified the **Movers and Shakers** from among the 331

metropolitan areas around the United States. Shakers have the highest per capita incomes and Movers have the largest percentage gains in per capita income over the most recent decade. The Institute is sifting through the Movers and Shakers data to identify the factors contributing to the scale and growth of regional per capita income that can be replicated in Arkansas.

8. The Institute is also investigating **Rural Best Practices** for communities that are outside metro areas.
9. The Center for Business and Economic Research at the University of Arkansas, Fayetteville is preparing a **Scorecard** that will track over time metrics related to each core strategy.
10. Using all of this information, Accelerate Arkansas will prepare **model legislation** to accelerate growth of per capita income in Arkansas.
11. Accelerate Arkansas would appreciate the opportunity to return to the Committee to review the completed strategic plan.

