

ARKANSAS SENATE
95th General Assembly - Fiscal Session, 2026
Amendment Form

DRAFT

Subtitle of Senate Bill 8

AN ACT FOR THE DEPARTMENT OF COMMERCE APPROPRIATION FOR THE 2026-2027
FISCAL YEAR.

Amendment No. ___ to Senate Bill 8

Amend Senate Bill 8 as originally introduced:

Page 24, immediately following SECTION 41, insert the following SECTIONS:

" SECTION 42. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE
ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW.
Transfer of the Film Office.

(a) The Film Office is transferred by a cabinet-level department transfer under § 25-43-101 et seq. from the Arkansas Economic Development Commission of the Department of Commerce to the Department of Parks, Heritage, and Tourism.

(b) The administrative functions of the Film Office are transferred by a cabinet-level department transfer under § 25-43-105 from the Arkansas Economic Development Commission of the Department of Commerce to the Department of Parks, Heritage, and Tourism.

(c) The statutory authority, powers, duties, functions, records, personnel, property, contracts, and unexpended balances of appropriations, allocations, or other funds, including the functions of budgeting or purchasing, of the Film Office are transferred to the Department of Parks, Heritage, and Tourism.

(d)(1) The transfer of the Film Office does not affect the orders, rules, directives, or standards made or promulgated by the Film Office before the effective date of this act.

(2) The orders, rules, directives, or standards under subdivision (d)(1) of this section shall continue to be in effect until amended or repealed under authority given by law.

(e) The Arkansas Economic Development Commission of the Department of Commerce shall grant access to and provide all information requested by the Department of Parks, Heritage, and Tourism to accomplish the transfer of the Film Office and the mission of the Film Office.

SECTION 43. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL, AND TEMPORARY LAW. Transfer of the Arkansas Film Commission.

(a) The Arkansas Film Commission is transferred by a cabinet-level department transfer under § 25-43-101 et seq. from the Arkansas Economic Development Commission of the Department of Commerce to the Department of Parks, Heritage, and Tourism.

(b) The administrative functions of the Arkansas Film Commission are transferred by a cabinet-level department transfer under § 25-43-105 from the Arkansas Economic Development Commission of the Department of Commerce to the Department of Parks, Heritage, and Tourism.

(c) The statutory authority, powers, duties, functions, records, personnel, property, contracts, and unexpended balances of appropriations, allocations, or other funds, including the functions of budgeting or purchasing, of the Arkansas Film Commission are transferred to the Department of Parks, Heritage, and Tourism.

(d)(1) The transfer of the Arkansas Film Commission does not affect the orders, rules, directives, or standards made or promulgated by the Arkansas Film Commission before the effective date of this act.

(2) The orders, rules, directives, or standards under subdivision (d)(1) of this section shall continue to be in effect until amended or repealed under authority given by law.

(e) The Arkansas Economic Development Commission of the Department of Commerce shall grant access to and provide all information requested by the Department of Parks, Heritage, and Tourism to accomplish the transfer of the Arkansas Film Commission and the mission of the Arkansas Film Commission.

SECTION 44. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2003(4), concerning the definitions under the Digital Product and Motion Picture Industry Development Act of 2009, is amended to read as follows:

(4) “Film Office” means the division of the ~~Arkansas Economic Development Commission~~ Department of Parks, Heritage, and Tourism charged with the responsibility of promoting and assisting the digital content industry in Arkansas in order to enhance Arkansas as a land of opportunity for digital and motion picture filmmaking;

SECTION 45. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2003(13)(C), concerning the definition of "state-certified production" under the Digital Product and Motion Picture Industry Development Act of 2009, is amended to read as follows:

(C) Approved by the ~~Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism as qualifying for a discretionary production tax incentive under this subchapter;

SECTION 46. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2004(b)(2), concerning the registration requirement for a production company, is amended to read as follows:

(2) The ~~Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism may waive this requirement if he or she determines that the state should not be acknowledged.

SECTION 47. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2005(a), concerning production tax incentives, is amended to read as follows:

(a)(1) The ~~Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism may offer to a production company that has submitted an approved application for a tax incentive under § 15-4-2007 a tax incentive of twenty-five percent (25%) on all qualified production costs in connection with the production of a state-certified film project.

(2) If the ~~director~~ secretary approves a project for a tax incentive under this section, an additional rebate or tax credit of ten

percent (10%) shall be granted for the payroll of below-the-line employees who are full-time residents of Arkansas.

SECTION 48. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2006(a)(1), concerning postproduction tax incentives, is amended to read as follows:

(a)(1) ~~The Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism shall offer a tax credit or a rebate of twenty-five percent (25%) to a qualifying production company that has submitted an approved application for a tax incentive under § 15-4-2007 for a tax incentive on all qualified production costs in connection with the postproduction of an approved state-certified film project.

SECTION 49. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2007 is amended to read as follows:

15-4-2007. Application for tax incentive.

(a)(1) To apply for the tax incentives provided under this subchapter, a production company shall submit an application for a tax incentive and provide an estimate of total expenditures to be made in Arkansas in connection with the production.

(2) The application for a tax incentive and estimate of expenditures required under subdivision (a)(1) of this section shall be filed with the ~~Arkansas Economic Development Commission~~ Department of Parks, Heritage, and Tourism and approved by the ~~Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism as eligible for the tax incentive provided by this subchapter before the commencement of production in Arkansas.

(b)(1) If an application for a tax incentive is approved under subsection (a) of this section, the production company and the ~~director~~ secretary shall sign a financial incentive agreement.

(2)(A) The financial incentive agreement shall define the incentives to be received and the start and end date of the project.

(B) The financial incentive agreement shall include the:

(i) Effective date of the financial incentive agreement;

(ii) Term of the financial incentive agreement, which shall be calculated from the date the financial incentive agreement is signed by the production company and the ~~director~~ secretary;

(iii) Incentive for which the production company may qualify;

(iv) Investment threshold requirements necessary to qualify for eligibility;

(v) Production company's responsibilities for certifying eligibility requirements;

(vi) Production company's responsibilities for failure to meet or maintain eligibility requirements; and

(vii) Whether the tax incentive in the agreement is for a rebate under § 15-4-2008 or a tax credit under § 15-4-2012.

(c) At the time the production company registers and provides the estimate of expenditures to the ~~commission~~ Department of Parks, Heritage, and Tourism, the production company also shall designate a member or representative to work with the ~~commission~~ Department of Parks, Heritage, and Tourism and the Film Office on the reporting of expenditures and other information necessary to qualify for the tax incentives.

(d) No later than one hundred eighty (180) days after the last production expenses or costs are incurred in the production of a qualified production, the production company shall:

(1) Apply to the ~~commission~~ Department of Parks, Heritage, and Tourism for a production tax-incentive certificate; and

(2) Provide a final expenditure report that includes the amount of the production company's production expenses or costs.

(e)(1) Production companies are encouraged to make payments for production and postproduction expenses from a checking account from an Arkansas financial institution.

(2) Direct cash payments by a production company to Arkansas vendors, businesses, or citizens hired as cast or crew that are accompanied by receipts may be allowed if the sum of the cash payments does not exceed forty percent (40%) of the total verifiable expenditures.

(3) The following are eligible expenditures:

(A) Per diem expenditures by the cast or crew for lodging when accompanied by receipts; and

(B) Fringe contributions being paid for work performed in this state, including:

- (i) Health benefits;
- (ii) Pension contributions;
- (iii) Welfare contributions;
- (iv) Stipends; and
- (v) Living allowances.

(f) Expenditure reports also shall include information as required by the Revenue Division of the Department of Finance and Administration to ensure compliance with this subchapter.

(g) Payments for salaries or wages shall be eligible for the tax incentive if they are reported to the division and are subject to state income taxes.

(h)(1) If approved by the ~~director~~ secretary, the employment tax incentive under subsection (g) of this section also entitles a state-certified production to an additional tax incentive for employing full-time residents of Arkansas.

(2) The employment tax incentive under subsection (g) of this section authorizes an additional credit of ten percent (10%) for the aggregate payroll of salaries and wages to Arkansas residents who are below-the-line employees of the state-certified production.

(3) The veteran hire tax credit under §§ 15-4-2005 and 15-4-2006 also entitles a state-certified production to receive an additional tax credit for employing veterans.

(i) If approved by the ~~director~~ secretary, the tax incentives under subsections (g) and (h) of this section may include the first five hundred thousand dollars (\$500,000) of a highly compensated individual's salary.

(j) Payments for penalties or fines, payments to nonprofit organizations, and payments to federal and state entities that do not pay state taxes are not eligible.

(k) If a production company hires a payroll service company to handle the payroll of a production, the payroll payments otherwise allowable may be allowed as eligible expenditures if all eligible income payments to employees and independent contractors done through the payroll service are subject to Arkansas state income taxes.

(1)(1)(A) Within two (2) weeks after principal photography begins, the production company shall begin filing weekly expenditure reports.

(B) Failure to file weekly expenditure reports may result in a delay in the disbursement of the tax incentives provided in §§ 15-4-2005 and 15-4-2006.

(2) The weekly expenditure report shall be filed in accordance with but shall not be limited to the following:

(A) Direct cash payments by the production company to Arkansas vendors, businesses, or citizens hired as cast or crew that are accompanied by receipts shall be allowed if the sum of those cash payments does not exceed forty percent (40%) of the total verifiable expenditures;

(B) Per diem expenditures by cast or crew, or both, for lodging, when accompanied by receipts, shall be allowed as eligible expenditures; and

(C) Expenditure reports shall include without limitation:

(i) Check identification number;

(ii) Date of payment;

(iii) Name of payee;

(iv) Address of payee;

(v) Amount paid; and

(vi) Other information the division deems necessary to ensure compliance with this subsection.

(m) When a production company hires a food catering service company that is located outside the state, payments otherwise allowable that are made by the out-of-state food catering service to food businesses located in Arkansas shall be allowed as eligible expenditures.

(n)(1) Upon completion of filming or production, or both, in Arkansas, the production company shall file an application for a tax incentive allowed under this subchapter.

(2) The application for a tax incentive shall include a proof of performance expenditure list that provides the total amount of expenditures that were made in the state in connection with the filming or production, or both, of a film and digital product that complies with this subchapter.

(3) When filing the application for a tax incentive under subdivision (n)(1) of this section, the production company shall provide a

final expenditure report that includes the amount of the production company's production expenses or costs.

SECTION 50. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2010 is amended to read as follows:

15-4-2010. Rules.

The ~~Arkansas Economic Development Commission~~ Department of Parks, Heritage, and Tourism shall promulgate appropriate rules to carry out the intent and purposes of this subchapter and to prevent abuse.

SECTION 51. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2012(b), concerning the approval of production and postproduction tax credits, is amended to read as follows:

(b)(1) The ~~Arkansas Economic Development Commission~~ Department of Parks, Heritage, and Tourism shall not approve tax credits under this subchapter for more than four million dollars (\$4,000,000) in any one (1) fiscal year.

(2) The division shall not issue tax credits in excess of the amount approved by the ~~commission~~ Department of Parks, Heritage, and Tourism in the financial incentive agreement.

SECTION 52. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 15-4-2014 is amended to read as follows:

15-4-2014. Supplemental tax credit.

(a) If the ~~Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism receives an application for a tax incentive for tax credits under this subchapter that would exceed the amount of tax credits remaining to be issued in a fiscal year under § 15-4-2012, the ~~director~~ Secretary of the Department of Parks, Heritage, and Tourism may request that the Secretary of the Department of Commerce and Secretary of the Department of Finance and Administration approve supplemental tax credits to be issued in excess of the amount in § 15-4-2012.

(b) Supplemental tax credits under this section shall not exceed the amount in the Arkansas Supplemental Digital Product and Motion Picture Industry Development Trust Fund as certified by the Secretary of the Department of Finance and Administration.

(c)(1) The Secretary of the Department of Commerce and the Secretary of the Department of Finance and Administration may jointly approve supplemental tax credits under this section if a cost-benefit analysis demonstrates that the issuance of the supplemental tax credits is in the prudent interests of the state.

(2) The cost-benefit analysis conducted under subdivision (c)(1) of this section shall be:

(A) Performed by the ~~Director of the Arkansas Economic Development Commission~~ Secretary of the Department of Parks, Heritage, and Tourism or his or her designee; and

(B) Confirmed by the Secretary of the Department of Finance and Administration or his or her designee.

(d) Supplemental tax credits issued under this section shall be considered tax credits for the purposes of §§ 15-4-2012 and 15-4-2013.

SECTION 53. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code § 19-43-287 is amended to read as follows:

19-43-287. Digital Product and Motion Picture Office Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a special revenue fund to be known as the “Digital Product and Motion Picture Office Fund”.

(b) The fund shall consist of revenues as authorized by law.

(c) The fund shall be used for providing additional funds for duties and functions of the Arkansas Film Commission of the ~~Arkansas Economic Development Commission~~ Department of Parks, Heritage, and Tourism.

(d)(1) The fund shall be administered in accordance with rules promulgated by the Department of Finance and Administration.

(2) The ~~department~~ Department of Finance and Administration shall consult with the ~~Arkansas Film Commission of the Arkansas Economic Development Commission~~ commission."

AND

Appropriately renumber subsequent SECTIONS of the bill.

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator J. Dismang
CJW/CJW - 04-17-2026 08:24:35
CJW039

Secretary

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas
2 95th General Assembly
3 Fiscal Session, 2026

A Bill

SENATE BILL 8

4
5 By: Joint Budget Committee
6
7

For An Act To Be Entitled

8
9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
10 AND OPERATING EXPENSES FOR THE DEPARTMENT OF COMMERCE
11 FOR THE FISCAL YEAR ENDING JUNE 30, 2027; AND FOR
12 OTHER PURPOSES.
13
14

Subtitle

15
16 AN ACT FOR THE DEPARTMENT OF COMMERCE
17 APPROPRIATION FOR THE 2026-2027 FISCAL
18 YEAR.
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. REGULAR SALARIES - SHARED SERVICES. There is hereby
24 established for the Department of Commerce for the 2026-2027 fiscal year, the
25 following maximum number of regular employees.
26

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2026-2027
31	(1) ESE02A	SECRETARY OF COMMERCE	1	GRADE EXE04
32	(2) EEX10A	CHIEF OF STAFF II	1	GRADE EXE02
33	(3) EEX12A	CHIEF WORKFORCE OFFICER	1	GRADE EXE02
34	(4) FAC09C	CHIEF FISCAL OFFICER II	1	GRADE SPC10
35	(5) HDH03C	HR ADMINISTRATOR II	1	GRADE SPC08
36	(6) CPR02C	CHIEF OF COMMUNICATIONS II	1	GRADE SPC07



1 Committee; and

2 (4) Thereupon, the Department of Finance and Administration shall include all
3 information obtained in item (3) above in the budget manuals and/or a
4 statement of non-compliance by the Agency, Board, Commission or Institution.

5 The provisions of this section shall be in effect only from July 1,
6 ~~2025~~ 2026 through June 30, ~~2026~~ 2027.

7

8 SECTION 42. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
9 authorized by this act shall be limited to the appropriation for such agency
10 and funds made available by law for the support of such appropriations; and
11 the restrictions of the State Procurement Law, the General Accounting and
12 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
13 Procedures and Restrictions Act, or their successors, and other fiscal
14 control laws of this State, where applicable, and regulations promulgated by
15 the Department of Finance and Administration, as authorized by law, shall be
16 strictly complied with in disbursement of said funds.

17

18 SECTION 43. LEGISLATIVE INTENT. It is the intent of the General
19 Assembly that any funds disbursed under the authority of the appropriations
20 contained in this act shall be in compliance with the stated reasons for
21 which this act was adopted, as evidenced by the Agency Requests, Executive
22 Recommendations and Legislative Recommendations contained in the budget
23 manuals prepared by the Department of Finance and Administration, letters, or
24 summarized oral testimony in the official minutes of the Arkansas Legislative
25 Council or Joint Budget Committee which relate to its passage and adoption.

26

27 SECTION 44. EMERGENCY CLAUSE. It is found and determined by the
28 General Assembly, that the Constitution of the State of Arkansas prohibits
29 the appropriation of funds for more than a one (1) year period; that the
30 effectiveness of this Act on July 1, 2026 is essential to the operation of
31 the agency for which the appropriations in this Act are provided, and that in
32 the event of an extension of the legislative session, the delay in the
33 effective date of this Act beyond July 1, 2026 could work irreparable harm
34 upon the proper administration and provision of essential governmental
35 programs. Therefore, an emergency is hereby declared to exist and this Act
36 being necessary for the immediate preservation of the public peace, health