

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4  
5 By: Representative Capp  
6 By: Senator K. Hammer  
7

As Engrossed: H4/1/19

# A Bill

HOUSE BILL 1920

## For An Act To Be Entitled

9 AN ACT CONCERNING THE CONSOLIDATION OF VENTURE  
10 CAPITAL PROGRAMS IN THE STATE; TO AMEND THE VENTURE  
11 CAPITAL INVESTMENT ACT OF 2001; TO REPEAL THE  
12 ARKANSAS RISK CAPITAL MATCHING FUND ACT OF 2007; AND  
13 FOR OTHER PURPOSES.

## Subtitle

17 TO CONSOLIDATE VENTURE CAPITAL PROGRAMS  
18 IN THE STATE; TO AMEND THE VENTURE  
19 CAPITAL INVESTMENT ACT OF 2001; AND TO  
20 REPEAL THE ARKANSAS RISK CAPITAL MATCHING  
21 FUND ACT OF 2007.

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

26 SECTION 1. Arkansas Code § 15-3-503(b)(2)(C), concerning the programs  
27 and initiatives for which the Board of Directors of the Division of Science  
28 and Technology of the Arkansas Economic Development Commission shall make  
29 funding recommendations, is amended to read as follows:

30 (C) ~~Arkansas Risk Capital Matching Fund Act of 2007, § 15-~~  
31 ~~5-1601 et seq.~~ Venture Capital Investment Act of 2001, § 15-5-1401 et seq.;  
32

33 SECTION 2. Arkansas Code § 15-5-703(8), concerning the definitions  
34 used under the Arkansas Development Finance Authority Small Business Act of  
35 1989, is amended to read as follows:

36 (8) "Direct Fund" means a cash fund used for qualified



1 investments to invest exclusively in Arkansas small businesses, preferably as  
2 a co-investor with other professional venture investors or accredited  
3 investors as defined in § ~~15-5-1603~~ 15-5-1403, consisting of the total dollar  
4 amount of cash funds of the authority from any combination of:

5 (A) The Venture Capital Investment Trust as defined in §  
6 ~~15-5-1603~~ 15-5-1403 that is dedicated and made available by the board; and

7 (B) An authorized source under § 15-5-711;

8  
9 SECTION 3. Arkansas Code § 15-5-703(11), concerning the definitions  
10 used under the Arkansas Development Finance Authority Small Business Act of  
11 1989, is amended to read as follows:

12 (11) "Qualified investment" means any form of investment by the  
13 Venture Capital Investment Trust as defined in § ~~15-5-1603~~ 15-5-1403 in the  
14 capital structure of a small business:

15 (A) Through the Direct Fund; or

16 (B) By investing in or cooperating with other investment  
17 entities, including without limitation an accredited investor as defined in §  
18 ~~15-5-1603~~ 15-5-1403;

19  
20 SECTION 4. Arkansas Code § 15-5-1403, concerning the definitions used  
21 under the Venture Capital Investment Act of 2001, is amended to add  
22 additional subdivisions to read as follows:

23 (12) "Accredited investor" means an accredited investor as  
24 defined in 17 C.F.R. § 230.215, as it existed on January 1, 2013;

25 (13) "Equity capital" means capital invested in common stock or  
26 preferred stock, royalty rights, limited partnership interests, limited  
27 liability company interests, and any other equity, securities, or rights that  
28 evidence ownership or investment in private enterprises;

29 (14) "Near-equity capital" means capital invested in unsecured,  
30 undersecured, subordinated, or convertible loans or debt securities;

31 (15) "Review committee" means a committee composed of the  
32 President of the Arkansas Development Finance Authority, the Executive  
33 Director of the Arkansas Economic Development Commission, and the members of  
34 the Board of Directors of the Arkansas Development Finance Authority;

35 (16) "Technology-based enterprises" means a group of growing  
36 businesses in one (1) or more of the following business sectors:

- 1                   (A) Advanced materials and manufacturing systems;  
2                   (B) Agriculture, food, and environmental sciences;  
3                   (C) Biotechnology, bioengineering, medical technology, and  
4 life sciences;  
5                   (D) Information technology;  
6                   (E) Transportation logistics; and  
7                   (F) Biobased products;  
8                   (17) "Venture capital funds" means private, for-profit  
9 investment funds that seek to invest in technology-based enterprises; and  
10                   (18) "Venture Capital Investment Trust" means the public trust  
11 formed July 21, 2003, under § 28-72-201 et seq., the trustees of which are  
12 the President of the Arkansas Development Finance Authority, the Executive  
13 Director of the Arkansas Economic Development Commission, and the Director of  
14 the Department of Finance and Administration, and that has as a principal  
15 purpose increasing the availability of equity capital and near-equity capital  
16 for emerging and expanding enterprises in the State of Arkansas.

17  
18           SECTION 5. Arkansas Code Title 15, Chapter 5, Subchapter 14, is  
19 amended to add additional sections to read as follows:

20           15-5-1410. Legislative findings.

21           The General Assembly finds:

- 22                   (1) There is a need to strengthen and advance the infrastructure  
23 that supports and accelerates the advancement of the growth of technology-  
24 based enterprises in Arkansas;  
25                   (2) There exists a shortage of risk capital and financial  
26 assistance at the early stages of development for technology-based  
27 enterprises;  
28                   (3) An improved investment climate for early stage technology-  
29 based enterprises is expected to increase, advance, and accelerate the growth  
30 and development of technology-based enterprises in Arkansas;  
31                   (4) The ultimate goal of supporting technology-based enterprises  
32 is to convert research and development activities and early stage technology-  
33 based enterprises into viable commercial ventures; and  
34                   (5) The provision of financial investment and assistance to aid  
35 early stage technology-based enterprises is expected to strengthen the  
36 economic base of the State of Arkansas and create better paying jobs, thereby

1 benefiting all residents of the state.

2  
3 15-5-1411. Creation of the Arkansas Venture Capital Development Fund.

4 (a) There is established the Arkansas Venture Capital Development  
5 Fund, and within that fund the Arkansas Venture Capital Development Fund  
6 Account, which fund and account shall be held by and maintained as a separate  
7 fund and separate account within the Venture Capital Investment Trust.

8 (b)(1) The fund is a Direct Fund, as defined in § 15-5-703, created  
9 for the purpose of providing financial assistance to technology-based  
10 enterprises located in Arkansas with the expectation of:

11 (A) Developing jobs paying in excess of county and state  
12 average wages;

13 (B) Improving the growth, development, and advancement of  
14 technology-based enterprises; and

15 (C) Converting research and development activities and  
16 early stage technology-based enterprises into viable and productive  
17 commercial ventures.

18 (2) The fund shall target financial assistance toward:

19 (A) Technology-based enterprises that are in the early  
20 stages of development and that are not yet able to attract adequate private  
21 sources of traditional financing or venture or investor-backed capital for  
22 their growth and development; and

23 (B) Venture capital funds that have a direct connection to  
24 Arkansas and are focused on providing equity capital or near-equity capital  
25 to technology-based enterprises.

26  
27 15-5-1412. Eligibility for financial assistance – Limitation.

28 (a) For a technology-based enterprise or venture capital fund to be  
29 eligible for financial assistance under this subchapter, the technology-based  
30 enterprise or venture capital fund shall:

31 (1) Demonstrate that at least one dollar (\$1.00) of financial  
32 assistance provided by the Arkansas Venture Capital Development Fund will  
33 result in at least one dollar (\$1.00) of new private financial assistance;

34 (2) Demonstrate a reasonable expectation that financial  
35 assistance from the Arkansas Venture Capital Development Fund can, over time,  
36 result in private financial assistance that is at least ten (10) times the

1 amount of financial assistance provided by the Arkansas Venture Capital  
2 Development Fund; and

3 (3) Have no more than five hundred (500) employees.

4 (b) Funds from the Arkansas Venture Capital Development Fund shall not  
5 be used to provide financial assistance that exceeds five million dollars  
6 (\$5,000,000) to any single technology-based enterprise or venture capital  
7 fund.

8  
9 15-5-1413. Funding of Arkansas Venture Capital Development Fund.

10 (a) The trustees of the Venture Capital Investment Trust may accept  
11 moneys and funds for the Arkansas Venture Capital Development Fund from any  
12 source.

13 (b) Moneys and funds received by the trustees of the trust for the  
14 fund shall be dedicated and used solely as authorized in this subchapter.

15 (c)(1) Moneys and funds received by the Arkansas Development Finance  
16 Authority or the Arkansas Economic Development Commission designated for use  
17 or ownership by the fund shall be deposited to the trust and held in the  
18 Arkansas Venture Capital Development Fund Account, as applicable and as  
19 specified in this subchapter, until used for the purposes of this subchapter.

20 (2) Moneys deposited to the trust for the purposes of providing  
21 financial assistance to technology-based enterprises under this subchapter  
22 shall be allocated to the Arkansas Venture Capital Development Fund Account  
23 according to a ratio approved by the trustees of the trust.

24  
25 15-5-1414. Review committee.

26 The review committee shall:

27 (1) Recommend to the trustees of the Venture Capital Investment  
28 Trust the payment of fees and expenses out of the Arkansas Venture Capital  
29 Development Fund for the operation of the fund; and

30 (2) Approve an investment policy under this subchapter.

31  
32 15-5-1415. Annual report.

33 The trustees of the Venture Capital Investment Trust shall publish an  
34 annual report within five (5) months after the close of each fiscal year that  
35 shall:

36 (1) Include an annual audit of the Arkansas Venture Capital

1 Development Fund's activities conducted by the trustees with the assistance  
 2 of the review committee;

3 (2) Be presented in writing, and by testimony if requested, to  
 4 the:

5 (A) Governor;

6 (B) House Committee on Agriculture, Forestry, and Economic  
 7 Development;

8 (C) Senate Committee on Agriculture, Forestry, and  
 9 Economic Development;

10 (D) Arkansas Development Finance Authority; and

11 (E) Arkansas Economic Development Commission; and

12 (3) Document and review the progress of the trustees of the  
 13 trust and the review committee in implementing the investment and financial  
 14 assistance activities under this subchapter.

15  
 16 15-5-1416. Powers of the trustees of the Venture Capital Investment  
 17 Trust.

18 The trustees of the Venture Capital Investment Trust may promulgate  
 19 guidelines and rules and make any contract, execute any document, perform any  
 20 act, or enter into any financial or other transaction necessary to implement  
 21 the duties of the trustees under this subchapter.

22  
 23 SECTION 6. Arkansas Code Title 15, Chapter 5, Subchapter 16, is  
 24 repealed.

25 ~~Subchapter 16 — Arkansas Risk Capital Matching Fund Act of 2007~~

26  
 27 ~~15-5-1601. Title.~~

28 ~~This subchapter shall be known and may be cited as the "Arkansas Risk~~  
 29 ~~Capital Matching Fund Act of 2007".~~

30  
 31 ~~15-5-1602. Legislative intent.~~

32 ~~The General Assembly finds:~~

33 ~~(1) There is a need to strengthen and advance the infrastructure~~  
 34 ~~that supports and accelerates the advancement of the growth of technology-~~  
 35 ~~based enterprises in Arkansas;~~

36 ~~(2) There exists a shortage of risk capital and financial~~

1 ~~assistance at the early stages of development for technology-based~~  
2 ~~enterprises;~~

3 ~~(3) An improved investment climate for early stage technology-~~  
4 ~~based enterprises is expected to increase, advance, and accelerate the growth~~  
5 ~~and development of technology-based enterprises in Arkansas;~~

6 ~~(4) The ultimate goal of supporting technology-based enterprises~~  
7 ~~is to convert research and development activities and early stage technology-~~  
8 ~~based enterprises into viable commercial ventures; and~~

9 ~~(5) The provision of financial investment and assistance to aid~~  
10 ~~early stage technology-based enterprises is expected to strengthen the~~  
11 ~~economic base of the State of Arkansas and create better paying jobs, thereby~~  
12 ~~benefiting all citizens of the state.~~

13  
14 ~~15-5-1603. Definitions.~~

15 ~~As used in this subchapter:~~

16 ~~(1) "Accredited investor" means an accredited investor as~~  
17 ~~defined in 17 C.F.R. § 230.215, as it existed on January 1, 2013;~~

18 ~~(2) "Enterprise Development Account" means a separate account~~  
19 ~~bearing that name and to be maintained within the Arkansas Risk Capital~~  
20 ~~Matching Fund, the moneys in which account shall be used for the purposes and~~  
21 ~~in the manner prescribed by this subchapter;~~

22 ~~(3) "Equity capital" means capital invested in common stock or~~  
23 ~~preferred stock, royalty rights, limited partnership interests, limited~~  
24 ~~liability company interests, and any other equity, securities, or rights that~~  
25 ~~evidence ownership or investment in private enterprises;~~

26 ~~(4) "Near equity capital" means capital invested in unsecured,~~  
27 ~~undersecured, subordinated, or convertible loans or debt securities;~~

28 ~~(5) "Review committee" means a committee composed of the~~  
29 ~~President of the Arkansas Development Finance Authority and the Executive~~  
30 ~~Director of the Arkansas Economic Development Commission;~~

31 ~~(6) "Technology-based enterprises" means a group of growing~~  
32 ~~businesses in one (1) or more of the following business sectors:~~

33 ~~(A) Advanced materials and manufacturing systems;~~

34 ~~(B) Agriculture, food, and environmental sciences;~~

35 ~~(C) Biotechnology, bioengineering, medical technology, and~~  
36 ~~life sciences;~~

1 ~~(D) Information technology;~~

2 ~~(E) Transportation logistics; and~~

3 ~~(F) Biobased products;~~

4 ~~(7) "Technology Validation Account" means the separate account~~  
5 ~~bearing that name and to be maintained as a separate account within the~~  
6 ~~Arkansas Risk Capital Matching Fund, the moneys in which account shall be~~  
7 ~~used for the purposes and in the manner prescribed by this subchapter; and~~

8 ~~(8) "Venture Capital Investment Trust" means the public trust~~  
9 ~~formed July 21, 2003, under § 28-72-201 et seq., the trustees of which are~~  
10 ~~the President of the Arkansas Development Finance Authority, the Executive~~  
11 ~~Director of the Arkansas Economic Development Commission, and the Director of~~  
12 ~~the Department of Finance and Administration, and that has as a principal~~  
13 ~~purpose increasing the availability of equity capital and near-equity capital~~  
14 ~~for emerging and expanding enterprises in the State of Arkansas.~~

15  
16 ~~15-5-1604. Creation of Arkansas Risk Capital Matching Fund.~~

17 ~~(a) There is established the Arkansas Risk Capital Matching Fund, and~~  
18 ~~within that fund the Enterprise Development Account and the Technology~~  
19 ~~Validation Account, which fund and accounts shall be held by and maintained~~  
20 ~~as a separate fund and separate accounts within the Venture Capital~~  
21 ~~Investment Trust.~~

22 ~~(b)(1) The fund is created for the purpose of providing financial~~  
23 ~~assistance to technology-based enterprises located in Arkansas, with the~~  
24 ~~expectation of developing jobs paying in excess of county and state average~~  
25 ~~wages, improving the growth, development, and advancement of technology-based~~  
26 ~~enterprises, and converting research and development activities and early~~  
27 ~~stage technology-based enterprises into viable and productive commercial~~  
28 ~~ventures.~~

29 ~~(2) The fund shall target the financial assistance toward those~~  
30 ~~technology-based enterprises that are in the early stages of development and~~  
31 ~~that are not yet able to attract adequate private sources of traditional~~  
32 ~~financing or venture or investor-backed capital for their growth and~~  
33 ~~development.~~

34  
35 ~~15-5-1605. Funding of Arkansas Risk Capital Matching Fund.~~

36 ~~(a) The trustees of the Venture Capital Investment Trust may accept~~



1 ~~moneys and funds for the Arkansas Risk Capital Matching Fund from any source.~~

2 ~~(b) Moneys and funds received by the trustees of the trust for the~~  
3 ~~fund shall be dedicated and used solely as authorized in this subchapter.~~

4 ~~(c)(1) Moneys and funds received by the Arkansas Development Finance~~  
5 ~~Authority or the Arkansas Economic Development Commission designated for use~~  
6 ~~or ownership by the fund shall be deposited to the trust and held in the~~  
7 ~~Technology Validation Account and the Enterprise Development Account of the~~  
8 ~~fund, as applicable and as specified in this subchapter, until used for the~~  
9 ~~purposes of this subchapter.~~

10 ~~(2)(A) Moneys deposited to the trust for the purposes of~~  
11 ~~providing financial assistance to technology-based enterprises under this~~  
12 ~~subchapter shall be allocated between the Technology Validation Account and~~  
13 ~~the Enterprise Development Account according to a ratio recommended by the~~  
14 ~~private sector advisory committee and approved by the trustees of the trust~~  
15 ~~from time to time.~~

16 ~~(B) Until a different ratio is approved by the trustees,~~  
17 ~~moneys shall be allocated as follows:~~

18 ~~(i) Seventy-five percent (75%) of the moneys shall~~  
19 ~~be allocated to the Enterprise Development Account; and~~

20 ~~(ii) Twenty-five percent (25%) of the moneys shall~~  
21 ~~be allocated to the Technology Validation Account.~~

22 ~~(d) The trustees of the trust will establish separate accounting and~~  
23 ~~tracking and will be responsible for administering the moneys in the~~  
24 ~~Enterprise Development Account and the Technology Validation Account.~~

25 ~~(e) Proceeds received by the trust as a return on or in full or~~  
26 ~~partial liquidation of any investments made from either the Enterprise~~  
27 ~~Development Account or the Technology Validation Account, subject to § 15-5-~~  
28 ~~1607, shall be restricted in their use and dedicated and retained in either~~  
29 ~~the Enterprise Development Account or the Technology Development Account or~~  
30 ~~allocated between those accounts, as recommended by the private sector~~  
31 ~~advisory committee and approved by the trustees of the trust and not~~  
32 ~~commingled with other moneys held by the trust, and such proceeds may be used~~  
33 ~~and reused from time to time for the purposes specified for moneys held in~~  
34 ~~such accounts as provided by this subchapter.~~

35 ~~(f) Moneys shall be withdrawn from either the Enterprise Development~~  
36 ~~Account or the Technology Validation Account, as appropriate, upon~~

1 ~~requisition from the trustees of the trust for achieving the purposes of this~~  
2 ~~subchapter.~~

3 ~~(g)(1) Moneys and funds within the Technology Validation Account shall~~  
4 ~~be used within the parameters expressed in this subsection for the purpose of~~  
5 ~~assisting very early stage technology based enterprises in developing or~~  
6 ~~achieving one (1) or more of the following:~~

7 ~~(A) A sound business plan;~~

8 ~~(B) Market research;~~

9 ~~(C) Marketing plans;~~

10 ~~(D) Software or hardware and equipment relating to the~~  
11 ~~particular technology or technologies on which the technology based~~  
12 ~~enterprise is being built;~~

13 ~~(E) Development of laboratory, preclinical, or other~~  
14 ~~testing procedures and results;~~

15 ~~(F) Attaining proof of concept;~~

16 ~~(G) Building of experimental or pilot-scale models of~~  
17 ~~products or facilities; or~~

18 ~~(H) Achieving other similar milestones required for the~~  
19 ~~advancement of very early stage technology based enterprises as approved by~~  
20 ~~the review committee.~~

21 ~~(2) Financial assistance provided from the Technology Validation~~  
22 ~~Account may be made in the form of equity capital or near-equity capital, as~~  
23 ~~approved by the review committee.~~

24 ~~(3) Financial assistance made from the Technology Validation~~  
25 ~~Account may but shall not be required to be structured or approved based on a~~  
26 ~~market rate based rate of return or other benchmark rate of return expected~~  
27 ~~to be achieved with respect to an investment, it being the primary purpose of~~  
28 ~~investments made from the Technology Validation Account, within the~~  
29 ~~reasonable discretion of the review committee, to assist in validating the~~  
30 ~~technology or technologies on which these technology based enterprises rely~~  
31 ~~or are based, so that such technology based enterprises may be better enabled~~  
32 ~~to attract additional investments by angel investors or other investors.~~

33 ~~(4) Financial assistance made from the Technology Validation~~  
34 ~~Account shall be required to be matched by a contribution of equity capital~~  
35 ~~or near-equity capital, or other sources of funds as set forth in this~~  
36 ~~section, in some proportion as determined by the review committee on a case-~~

1 ~~by case basis or as a matter of rule, but on not less than a one to nine~~  
2 ~~(1:9) basis with not less than one dollar (\$1.00) from the applicant~~  
3 ~~technology based enterprise for every nine dollars (\$9.00) from the~~  
4 ~~Technology Validation Account, from:~~

5 ~~(A) One (1) or more owners of any technology based~~  
6 ~~enterprise receiving financial assistance from the fund;~~

7 ~~(B) Proceeds of state or federal research grants,~~  
8 ~~including without limitation federal Small Business Innovation Research~~  
9 ~~grants, Small Business Technology Transfer Program grants, United States~~  
10 ~~Department of Defense research grants, National Institutes of Health research~~  
11 ~~grants, or from any successor programs or agency grants; or~~

12 ~~(C) Community based investment sources.~~

13 ~~(5) Any technology based enterprise receiving financial~~  
14 ~~assistance to be disbursed from the Technology Validation Account shall have~~  
15 ~~a business valuation as represented by the technology based enterprise and~~  
16 ~~approved by the review committee of not more than two million dollars~~  
17 ~~(\$2,000,000) determined prior to the making of the investment from the~~  
18 ~~Technology Validation Account and as the maximum valuation may be adjusted~~  
19 ~~from year to year by the review committee to take into account the effects of~~  
20 ~~inflation.~~

21 ~~(6) The maximum investment that may be made to any one (1)~~  
22 ~~technology based enterprise from the Technology Validation Account shall be~~  
23 ~~one hundred thousand dollars (\$100,000), as may be adjusted from year to year~~  
24 ~~by the review committee to take into account the effects of inflation.~~

25 ~~(h)(1) Moneys and funds within the Enterprise Development Account~~  
26 ~~shall be used within the parameters expressed in this subsection for the~~  
27 ~~purpose of assisting early stage technology based enterprises in augmenting~~  
28 ~~the investments made or proposed to be made in early stage technology based~~  
29 ~~enterprises from accredited investors or owners of the applicant technology-~~  
30 ~~based enterprise, or both, when established milestones for further~~  
31 ~~development of early stage technology based enterprises are set forth in a~~  
32 ~~business plan to be approved by the review committee.~~

33 ~~(2) Financial assistance provided from the Enterprise~~  
34 ~~Development Account may be made in the form of equity capital or near equity~~  
35 ~~capital, as approved by the review committee, and shall be on substantially~~  
36 ~~the same terms and conditions as other investments proposed to be made by~~

1 ~~accredited investors or owners of the applicant technology based enterprise,~~  
2 ~~or both, contemporaneously with the assistance to be provided from the fund.~~

3 ~~(3) Financial assistance made from the Enterprise Development~~  
4 ~~Account shall be required to be matched by investments from accredited~~  
5 ~~investors, owners of the applicant technology based enterprise, or both~~  
6 ~~accredited investors and owners of the applicant technology based enterprise~~  
7 ~~in the proportion determined by the review committee on a case by case basis~~  
8 ~~or as a matter of rule, but on not less than a four to one (4:1) basis with~~  
9 ~~not less than four dollars (\$4.00) from the applicant technology based~~  
10 ~~enterprise for every one dollar (\$1.00) from the Enterprise Development~~  
11 ~~Account.~~

12 ~~(4) Any technology based enterprise receiving financial~~  
13 ~~assistance to be disbursed from the Enterprise Development Account shall have~~  
14 ~~a business valuation as represented by the technology based enterprise and~~  
15 ~~approved by the review committee of not more than twenty five million dollars~~  
16 ~~(\$25,000,000), determined prior to the making of the investment from the~~  
17 ~~Enterprise Development Account and as the maximum valuation may be adjusted~~  
18 ~~from year to year by the review committee to take into account the effects of~~  
19 ~~inflation.~~

20 ~~(5) The maximum investment that may be made to any one (1)~~  
21 ~~technology based enterprise from the Enterprise Development Account shall be~~  
22 ~~seven hundred fifty thousand dollars (\$750,000), as may be adjusted from year~~  
23 ~~to year by the review committee to take into account the effects of~~  
24 ~~inflation.~~

25  
26 ~~15-5-1607. Review committee.~~

27 ~~The review committee shall recommend to the trustees of the Venture~~  
28 ~~Capital Investment Trust the payment of fees and expenses out of the Arkansas~~  
29 ~~Risk Capital Matching Fund for the operation of the fund.~~

30  
31 ~~15-5-1608. Annual report.~~

32 ~~The trustees of the Venture Capital Investment Trust shall publish an~~  
33 ~~annual report within five (5) months after the close of each fiscal year that~~  
34 ~~shall:~~

35 ~~(1) Include an annual audit of the Arkansas Risk Capital~~  
36 ~~Matching Fund's activities conducted by the trustees with the assistance of~~

1 ~~the review committee;~~

2 ~~(2) Be presented in writing, and by testimony if requested, to~~  
3 ~~the:~~

4 ~~(A) Governor;~~

5 ~~(B) House Committee on Agriculture, Forestry, and Economic~~  
6 ~~Development;~~

7 ~~(C) Senate Committee on Agriculture, Forestry, and~~  
8 ~~Economic Development;~~

9 ~~(D) Arkansas Development Finance Authority; and~~

10 ~~(E) Arkansas Economic Development Commission; and~~

11 ~~(3) Document and review the progress of the trustees of the~~  
12 ~~trust and the review committee in implementing the investment and financial~~  
13 ~~assistance activities under this subchapter.~~

14  
15 ~~15-5-1609. Powers of the trustees of the Venture Capital Investment~~  
16 ~~Trust.~~

17 ~~The trustees of the Venture Capital Investment Trust shall have the~~  
18 ~~power to promulgate guidelines and rules, and make any contract, execute any~~  
19 ~~document, perform any act, or enter into any financial or other transaction~~  
20 ~~necessary to implement this subchapter.~~

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22 */s/Capp*  
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