



Daily Legislative Update

Tuesday, May 12, 2015

SPECIAL ARKANSAS LEGISLATIVE SESSION TO BEGIN MAY 26

Yesterday Gov. Asa Hutchinson announced that he plans to call the Arkansas General Assembly into a Special Session on May 26. The primary purpose of the Special Session is to adopt a bond issue that would help Lockheed Martin bid on the opportunity to build military vehicles in Arkansas. The Governor may also ask the legislature to consider additional efforts to streamline government and change the date of the Arkansas Primary Election.

The State Chamber/AIA will monitor the developments leading up to and during the Special Session.

Talk Business & Politics produced the following report last night on Gov. Hutchinson's announcement:

Lockheed Martin seeks to land a contract to assemble the U.S. Army's and Marine Corps' Joint Light Tactical Vehicle (JLTV), the successor to the Humvee, at the Highland Industrial Park at Camden.

Gov. Hutchinson made the announcement during a speech before the Political Animals Club at the Governor's Mansion.

Hutchinson said the plant could create more than 500 jobs if Lockheed Martin wins the contract. J.R. Davis, Hutchinson's spokesperson, later clarified that the bond issue would help create about 600 jobs and secure an additional 550 jobs currently in existence.

As part of the call, legislators also will consider how to promote efficiency in government. Still to be determined is whether legislators will consider moving Arkansas' primary elections to March.

Amendment 82, approved by voters in 2004, allows the state to issue bonds for infrastructure and other needs to promote economic development. Hutchinson told reporters afterwards that the details of what will be involved in the request are known and would be revealed about a week before the session. He is still waiting on an independent analysis to have a better idea of the investment and the size of the return.

"It is really a bond initiative that will create jobs," he said. "There's a training component to it, but this is really a very simple, straightforward bond initiative."

He anticipates calling the session about a week before the session and expects it would last about a week.

Lockheed Martin's Camden Operations Site Director Colin Sterling told Talk Business & Politics in March that the company employs an average of 650 employees per year in Camden. The company performs final assembly on a number of systems there, including the Multiple Launch Rocket System launcher and rockets and the Patriot Advanced Capability-3 Missile.

Other finalists are Oshkosh and AM General, the maker of the Humvee. The Army and Marines have said they will procure approximately 55,000 JLTVs at a cost not to exceed \$250,000 each. International buyers also are expected to have interest in the vehicle. Hutchinson pointed out that this would be the state's first vehicle assembly plant.

After Hutchinson's announcement, House Speaker Jeremy Gillam, R-Judsonia, predicted the bond issue would pass. "I think that once the membership is able to see all of the information that we have, I feel like that they're going to be as excited as we are about the project," he said. "But with a hundred members in the House, I'm not going to presume to offer up any analysis just yet since the members really haven't had a chance to look at the information yet."

Also included in the call would be proposals to streamline state government. Hutchinson did not provide specifics but did cite two examples that have already occurred: the Lottery Commission being moved under the umbrella of the Department of Finance and Administration, and the Department of Rural Services' physical location being moved into the current offices of the Arkansas Economic Development Commission because space was available.

Another potential topic would be moving Arkansas' primary to March 1 to coincide with other Southern states in what is being called the "SEC primary," or simply moving the primary to another date. A proposal to do that was debated in the legislative session but failed.

"I'm still talking to the legislators about that and weighing that option," he told reporters.

Asked by reporters about the option, Gillam said, "We're anticipating that there's a high probability that it will be on the call, but we don't know for sure." He said success this time could depend "on what the actual legislation says."

LEGISLATIVE CONTACT INFORMATION

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To view schedules, calendars, bill information and legislator information, visit:
www.arkleg.state.ar.us.

To view live stream video and audio from the Arkansas House of Representatives,
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