



Daily Legislative Update

91st General Assembly

Wednesday, February 22, 2017 – Day 45

CAPITOL SCHEDULE

The House and Senate will both convene at 1:30 p.m. this afternoon.

To view schedules for all of today's activities, committee agendas, bills and other information related to the Session, visit www.arkleg.state.ar.us.

* * * Call to Action * * * STATE CHAMBER/AIA PRIORITY BILLS

TODAY

WORKERS COMPENSATION

HB 1586 by Rep. John Payton, R-Wilburn, and Sen. Jason Rapert, R-Conway, received a Do Pass recommendation from the House Public Health, Welfare and Labor Committee yesterday and is on this afternoon's House Calendar. It seeks to set a cap on Workers' Comp Death and Permanent Total Disability claims at 450 weeks, which is like caps used in over one-third of the states and the way Arkansas handled these claims before the Trust Fund was created. The bill also clarifies that employees exposed to rabies can be treated by workers' comp without presentation of symptoms

We developed this bill to protect employers from the closing of the Workers' Compensation Commission's Death and Permanent Total Disability Trust Fund to new claims after June 30, 2019. This fund served as a cap on employers' exposure for these type of claims, by requiring the employer to pay the first \$200,000 (approximately) of the claims and the Trust Fund would pay the rest. Without the Trust Fund, employers become responsible for the entire cost of these claims, which typically range between \$500,000 and \$1 million.

PLEASE ASK YOUR REPRESENTATIVE TO VOTE FOR HB1586

CIVIL JUSTICE REFORM

SJR 8 by Sen. Missy Irvin, R-Mountain View, 14 additional senators and Rep. Bob Ballinger, R-Hindsville, and 52 additional representatives is likely to be considered in the House State Agencies Committee this morning.

This Joint Resolution seeks to give Arkansas voters the chance to improve the state's civil-justice system, help economic development, and keep skilled professionals in the state by adopting a cap on attorney's contingency fees, caps on economic and non-economic damages, and clarifying rule-making authority between the legislative and judicial branches.

You can read the full text of the amendment by clicking [here](#).

To view a one page summary of **SJR 8** click [here](#).

We urge everyone to contact your Representatives and ask them to vote FOR SJR 8!!!

REPAIR AND REPLACEMENT PARTS EXEMPTION FOR MANUFACTURERS

SB 362 by Sen. Lance Eads, R-Springdale and Rep. Andy Davis, R-Little Rock, along with eight Senators and 13 Representative co-sponsors is expected to be considered this morning in the Senate Revenue and Taxation Committee.

This bill seeks to create a sales tax exemption for manufacturers on their repair and replacement parts by phasing out the entire sales tax by 1 percent a year until complete, along with the Constitutional taxes, by June 30, 2022. Manufacturers must continue to seek a rebate until the tax is completely removed. To make the bill revenue neutral to the state, it will also phase out the InvestArk incentive.

This bill was developed by the State Chamber/AIA with outstanding cooperation from Governor Hutchinson and leadership at the Arkansas Department of Finance and Administration.

Please ask your Senator to SUPPORT SB 362

PENDING PRIORITY BILLS

UNEMPLOYMENT INSURANCE

HB 1405 by Rep. Robin Lundstrum, R-Elm Springs, and Sen. Jim Hendren, R-Gravette, is being amended to remove a provision to lower the benefit calculation from 1/26th to 1/30th. It awaits consideration in the Senate Public Health, Welfare and Labor Committee.

This priority bill seeks to lower the unemployment insurance taxes paid by employers by reducing the wage base from \$12,000 to \$10,000. This change will save the business community about \$50 million annually. The bill also seeks to reduce the weeks of UI coverage from five months to four months.

Please ask your Senator to vote FOR HB 1405!

EMPLOYER CLARITY REGARDING MARIJUANA

HB 1460 by Rep. Carlton Wing, R-North Little Rock, and Sen. Missy Irvin, R-Mountain View, is a bill developed for us by a group of lawyers that includes Jennifer Chang and Bruce Cross at Cross Gunter Witherspoon & Galchus, Wayne Young at Friday, Eldridge & Clark and Jim Robertson at the Barber Firm. Justin Allen and Erika Gee from Wright Lindsey Jennings, Brian Vandiver from Cox, Sterling, McClure & Vandiver and Steve

Schulte also contributed to this effort. These lawyers did this work as volunteers from our Unemployment Insurance/Human Resource Committee where the idea for this bill began. We very much appreciate the efforts of all the lawyers who have worked on this bill.

An amendment to clarify the intent of the bill has been adopted, but another one is being developed to broaden its impact. The bill awaits consideration in the House Rules Committee.

This bill seeks to create new definitions or modify existing definitions for employers in matters related to the use of marijuana. These definitions include:

- Employer
- Under the Influence
- Current use of marijuana
- Good faith belief
- Safety-sensitive position
- Clarify that a “written certification” for marijuana is not a medical prescription

Please ask your State Representative to vote FOR HB 1460!

STUDENT READING

SB 328 by Sen. Alan Clark, R-Lonsdale, awaits consideration in the House Education Committee.

We support this bill that would require the State Board of Education to test applicants for first-time teacher licensure for elementary education K-6 and for special education K-12 in subject matter content, pedagogy and knowledge of beginning reading instruction. We added this bill to our Priority List because it supports efforts to improve student reading, particularly to promote the standard that every student should be able to read by the end of the third grade.

TODAY AT THE CAPITOL WINE SALES IN GROCERY STORES

SB 284 by Sen. Bart Hester, R-Cave Springs, Sen. Linda Chesterfield, D-Little Rock, and Rep. Jon Eubanks, R-Paris, will be considered this afternoon as a special order of business in the House Rules Committee. The bill would permit grocery stores to sell wine for off-premises consumption. This bill does not change existing laws regarding the ability to sell alcohol in any location in the state. We join our member grocers and retail merchants in support of this bill.

ARKANSAS HISTORIC REHABILITATION CREDIT

SB 253 by Sen. Bill Sample, R-Hot Springs, and Rep. Joe Jett, R-Success, received a Do Pass recommendation in the House Revenue and Taxation Committee yesterday and is on this afternoon’s House Calendar.

This bill seeks to increase the per-project cap for income-producing properties from \$125,000 in credits to \$400,000 in credits under the existing Arkansas Historic Rehabilitation Income Tax Credit Act for projects that start on or after July 1, 2017. The bill does not increase the current annual aggregate cap of \$4 million in credits. We support this bill.

EDUCATION

SB 31, by Sen. Jimmy Hickey, R-*Texarkana*, and Rep. Kim Hammer, R-*Benton*, received a Do Pass recommendation from the House Education Committee yesterday and is on this afternoon's House Calendar. It seeks to expand the definition of "traditional student" for purposes of lottery scholarships to include students who spent the previous academic year as full-time freshmen at higher learning institutions. We **support** this bill.

COLLECTING SALES TAXES FROM REMOTE SELLERS

HB 1388 by Rep. Dan Douglas, R-*Bentonville*, and Sen. Jake Files, R-*Fort Smith*, is on this morning's Agenda in the Senate Revenue and Taxation Committee. It would require out-of-state sellers to provide notice to Arkansas purchasers that taxes are owed, provide information regarding purchases and apply fines for failure to implement the requirements of this bill. We **support** this bill that would equalize the sales tax playing field between in-state brick and mortar sellers and out-of-state sellers.

IMPORTANT BILLS

LICENSING

HB 1551 by Rep. Richard Womack, R-*Arkadelphia*, was filed February 16. We hosted a meeting of interested parties Monday and 40 people participated and more have contacted us since the meeting joining the concerns about the bill. In short, the group believes the bill would significantly limit the State's ability to enforce occupational licensing standards and allow private individuals to perform skilled services without any training or other certification requirements.

This bill awaits consideration in the House Public Health, Welfare and Labor Committee.

We encourage all businesses that have licensed employees to take a very close look at this bill. There are about 11 groups that appear to be exempted, but the consensus of our group Monday was that their licensing rules may still be at risk.

The group agreed that this bill should be **OPPOSED**.

EMINENT DOMAIN

HB 1444, by Rep. Bob Ballinger, R-*Hindsville*; this 82-page bill seeks to make changes to the state's eminent domain procedures. Specifically, it would:

- Require an entity exercising eminent domain to condemn private property to file a complaint for condemnation of the property in the circuit court of the county in which the private property is located.
- Establish requirements for the complaint of condemnation.
- Require an entity exercising eminent domain to deposit with the circuit clerk the amount of money estimated by the entity to be just compensation for the private property to be condemned.
- Require the circuit court to enter an order with the circuit clerk that evidences the right of the entity to the title to the property within five business days after the title vests.
- Provide that neither this subsection nor the Rules of Civil Procedure limits the right of an entity to immediately receive vested title upon the deposit of the estimated amount of just compensation or an order evidencing the entity's right to the title.

- Establish a circuit court's duties in processing a complaint of condemnation.
- Revises code sections concerning eminent domain to reflect this section.

This bill awaits consideration in the House Judiciary Committee.

We encourage all businesses with an interest in eminent domain to look at this bill and let us know your thoughts. We have received multiple reports of concerns about the bill.

CONSTITUTIONAL AMENDMENTS

The House State Agencies Committee has reduced the number of House Joint Resolutions that seek to send an issue to the 2018 General Election Ballot to four and will vote on those four today along with consideration of SJR 8, our tort reform referral.

The four HJRs to be considered by the House are:

HJR 1016 by Rep. Robin Lundstrum, R-Elm Springs, would require voters to present a photo identification at their polling place or when voting absentee. The Legislature would establish by law the types of photo identification that would qualify. The state would be required to issue photographic identification for free to voters who do not have them. Voters without an identification would be able to cast a provisional ballot. This resolution has 37 co-sponsors in the House in addition to Lundstrum and 12 co-sponsors in the Senate.

HJR 3 by Speaker Jeremy Gillam, R-Judsonia, has many provisions meant to address issues with the process for amending the Constitution. The amendment would require legislatively referred amendments to have the support of a two-thirds vote of the House and the Senate, instead of the current simple majority vote in both chambers. All amendments would require a three-fifths majority of voters, rather than the current simple majority. The attorney general would be required to review legislatively referred amendments, which currently doesn't happen. Constitutional amendments could not bestow privileges on specific individuals and business entities, as has been attempted in several recent voter-initiated amendments, especially as they relate to casino and gambling amendments.

HJR 1011 by Rep. Trevor Drown, R-Dover, would give the Legislature the authority to enact legislation impacting higher education institutions, including regarding tuition and fees, and would allow the Legislature to exercise oversight over those institutions' operations and finances.

HJR 1008 by Rep. Jim Dotson, R-Bentonville, which would give the Legislature authority over the State Highway Commission, which now is constitutionally autonomous.

BUSINESS EDUCATION

HB 1442, by Rep. Andy Davis, R-Little Rock, seeks to amend the personal finance curriculum standard to include job-seeking skills, soft job skills and employment benefits. It also would require high school students to earn a course credit under this curriculum for graduation. We support this bill. It awaits consideration in the House Education Committee.

STATE BOARDS, COMMISSIONS AND COMMITTEES

SB 341, by Sen. Lance Eads, R-Springdale, nine additional senators and 14 representatives, awaits consideration in the Senate State Agencies Committee. It seeks to make various revisions to the composition and membership of numerous stage boards, committees, commissions, and other administrative bodies, including

- Repealing the Commission for Coordination of Educational Efforts
- Repealing the Distance Learning Coordinating Council
- Amending the membership of the Apprenticeship Coordinating Steering Committee
- Amending the membership of the Coalition for Juvenile Justice Board
- Repealing the Museum of Natural Resources Advisory Committee
- Repealing the Commission on Information Age Communities Act
- Repealing the Scenic Resources Preservation Coordinating Committee
- Making members of the Board of Examiners in Counseling subject to Senate confirmation
- Repealing the Board of Health Education
- Various other changes

COLLECTING SALES TAXES FROM REMOTE SELLERS

SB 140 by Sen. Jake Files, R-Fort Smith, and Rep. Dan Douglas, R-Bentonville, would require certain high-volume merchants that sell products in Arkansas, but do not have a physical presence in Arkansas, to remit sales taxes to Arkansas. It could be considered tomorrow in the House Revenue and Taxation Committee. We support this bill because it would equalize the sales tax playing field between in-state brick and mortar sellers and out-of-state sellers.

STATE CHAMBER/AIA BILL TRACKING

NEW BILLS OF NOTE

HB 1621 by Rep. Mark Lowery, R-Maumelle and Sen. Jane English, R-North Little Rock, seeks to provide school districts the option of having their school board elections at either the Primary Election or General Election.

This is a State Chamber/AIA Priority Bill, please support.

Benefits of this bill include:

- Exponentially increase voter turnout by holding elections when most voters vote
- Save taxpayer dollars in even-numbered years by combining school elections with general or preferential primary elections
- Allow local districts to continue to choose dates for millage elections
- Allow local districts to choose between preferential primary and general election for school board elections
- Allow local districts to continue holding isolated, stand-alone elections in odd-numbered years
- Alternate candidates running in preferential primary/general elections and isolated, stand-alone elections

HB 1609 by Rep. Clarke Tucker, D-Little Rock, seeks to require employers to pay employees no less frequently than semi-monthly.

HB 1624 by Rep. Greg Leding, D-Fayetteville, would establish that overdue wage payments do not release an employee's other claims to balances due to them by employers and amends the processes governing disputes over wages.

TRACKED BILLS

The Senate has filed 644 bills.
The House has filed 418 bills.
We are tracking 309 bills.

The most recent list of bills added to our tracking can be viewed [here](#).

Our entire list of tracked bills are posted on our website, by category, which you can access by clicking [here](#).

LEGISLATIVE SESSION INFORMATION AND MESSAGE CENTER

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

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