



Daily Legislative Update

92nd General Assembly

February, 1, 2019 – Session Day 19

TODAY AT THE CAPITOL

The General Assembly is in recess today. The Senate will convene at 1:00 p.m. and the House at 1:30 p.m. Monday afternoon.

Legislative Calendar: www.arkleg.state.ar.us

NEXT WEEK AT THE CAPITOL

* * * CALL TO ACTION * * *

TAX REDUCTIONS

SB 211 by Sen. Jonathan Dismang and Rep. Joe Jett is the Governor's plan for his third step in reducing income taxes. The bill is on Monday morning's agenda in the Senate Revenue & Taxation Committee, which will meet at 11 a.m.

Randy Zook, State Chamber/AIA President & CEO said, "This bill will be an important step to make Arkansas's tax structure more competitive and attractive for investment and job growth."

Please ask your Senator to vote FOR SB 211.

This bill's revenue impact will be about \$97 million annually after fully implemented.

The Tax Foundation published a very concise report yesterday:

Yesterday [Wednesday], Governor Hutchinson and legislative leaders in Arkansas announced their final plan for restructuring Arkansas's individual income tax brackets. After more than 18 months of study, the Arkansas General Assembly will consider the plan starting next week. The plan would lower tax liabilities for a number of filers in Arkansas and implements the third phase of tax cuts in the Natural State.

The plan introduced yesterday [Wednesday] differs from previous versions discussed in the Tax Reform and Relief Legislative Task Force. Several weeks ago, it was reported that the previous version of the "2/4/5.9% plan," as it was known, contained a miscalculation, which would have increased taxes for approximately 200,000 Arkansans.

This new plan targets the tax relief onto higher-income Arkansans, defined as those with taxable incomes above \$79,300. Arkansas currently uses three rate schedules for individuals, based on their income. This plan would simplify the third rate schedule, reducing state revenues by \$97 million over the next several years.

Starting on January 1, 2020, the plan would simplify the brackets for those above \$79,300 in income from six to three, with the top rate falling from 6.9 percent to 6.6 percent. Then, on January 1, 2021, the top rate would

be cut again from 6.6 percent to 5.9 percent. At the same time, the top rate on the middle rate schedule, for those between \$22,200 and \$79,300 in income, would drop from 6 percent to 5.9 percent, to match the top table.

Click this link to read the Tax Foundation's full report, which contains full tax brackets:

https://taxfoundation.org/arkansas-2019-tax-cuts-impact/?utm_source=Tax+Foundation+Newsletters&utm_campaign=7a746737a4-EMAIL_CAMPAIGN_2019_01_31_02_57&utm_medium=email&utm_term=0_8387957ec9-7a746737a4-428932989&mc_cid=7a746737a4&mc_eid=2c1d2593fb

YESTERDAY AT THE CAPITOL

SCIENCE OF READING LITERACY

SB 153 by Sen. Jane English and Rep. Sonia Barker was adopted unanimously yesterday by the Senate. The bill would require public school districts and open-enrollment public charter schools to include a literacy plan in the school-level improvement plan that complies with established standards and incorporates an approved list of sources to be identified by 2020.

The State Chamber/AIA supports this bill and endorses it as its own bill. Please ask your State Representative to vote FOR SB 153.

NEXT WEEK AT THE CAPITOL

GOVERNMENT TRANSFORMATION

SB 1305 by Rep. Andy Davis and Sen. Bart Hester is the 13th of 16 expected bills addressing Government Transformation. SB 1305 establishes the Department of Labor and Licensing and will include the Workers' Compensation Commission.

LICENSING AND REGULATION BILLS

SB 171 and **SB 175** by Sen. John Cooper are expected to be considered Monday in the Senate Public Health, Welfare and Labor Committee.

SB 171 would create a seven-member Occupational Licensing Sunrise and Sunset Commission appointed by the Governor to review all legislation relating to licensure requirements, unregulated occupations inconsistent with the public health and safety, and other similar matters.

SB 175 would permit an occupational licensing entity to waive disqualification or revocation of a license for offenses in the Arkansas Code upon the request of listed parties who meet enumerated criteria.

Here's a quick review of some of the bills related to occupational licensing:

HB 1301 by Rep. Bruce Cozart, would require professional licensing boards and other entities to adopt the least restrictive requirements for reciprocal licensing of persons who hold relevant licenses in other states, through issuance of temporary one-year licenses. It would also allow for occupational licensing entities to grant one-year temporary licenses if the individual holds a previous or current licensing in another state. It awaits consideration by the House Public Health Committee.

HB 1303 by Rep. Bruce Cozart would create a basis for occupational licensing entities to waive a person's disqualification or revocation of licensure when based on a criminal background check. Requires occupational education programs to establish criteria for checks. It provides that former criminal convictions may be waived in the consideration of revoking or issuing an occupational license when requested by the applicant or individual with a license subject to revocation. It also outlines, without limitation, the criteria for consideration when waiving a criminal offense in order to waive revocation of an occupational license. Finally, it would

require all applicants for any occupational licensure to undergo state and federal background checks but allows for occupational licensing entities to establish criteria for related requirements. It awaits consideration in the House Public Health Committee.

HB 1296 by Rep. Austin McCollum would prohibit suspension or revocation of an occupational license for defaulting or having delinquent payments or satisfaction of student loans or scholarships.

SB 178 by Sen. Trent Garner, which addresses athletic trainers, is on Monday's agenda in the Senate Public Health, Welfare and Labor Committee.

Other bills include:

SB 172-Social Workers, **SB 189**-Advanced Practice Nurses, **SB 190**-Genetic Counselors, **HB 1264**-Veterinary supervision of chiropractic animal care, **HB 1265**-full independent practice authority to certain nurses, **HB 1271**-Real estate course deadline, **HB 1276**-Duties of Real Estate Commission, **HB 1282**-Advanced Practice Nurses' prescription authority and **HB 1283**-Registered Nurse Anesthetists.

If you see any bill that impacts your business, please review it and let me know if you have any concerns or see anything that might need to be amended.

PROCUREMENT RULES

The handful of bills related to procurement laws are in the Senate State Agencies Committee. In addition to general changes to the procurement laws, the following specific changes are included in the bills:

HB 1161 by Rep. Jim Dotson and Sen. Scott Flippo adds procedures and requirements for service contracts.

HB 1162 by Rep. Jim Dotson and Sen. Scott Flippo adds contract review procedures and requires contractors to ensure compliance with this revised law in cooperation with state agencies.

HB 1179 by Rep. Jeff Wardlaw and Sen. Scott Flippo relates to aggrieved bidders and the process for protesting solicitations and awards. It also seeks to require the State Procurement Director to create a written delegation order when delegating authority.

HB 1180 by Rep. Jeff Wardlaw and Sen. Scott Flippo prioritizes opportunities for awarding mandatory state contracts under cooperative purchasing agreements.

HB 1181 by Rep. Jeff Wardlaw and Sen. Scott Flippo seeks to prohibit firms that have an existing state contract under which it has demonstrated poor material performance from submitting additional bids.

BILLS TO WATCH

MEDICAL MARIJUANA

HB 1150 by Rep. Doug House seeks to greatly expand the list of qualifying medical conditions to use medical marijuana. Some of the proposed additional conditions are: asthma, attention deficit disorder, attention deficit hyperactivity disorder, chronic insomnia, complex regional pain syndrome Type I and Type II, general anxiety disorder, migraine, post-concussion syndrome and restless leg syndrome.

STATE CHAMBER/AIA TRACKED BILLS

The House filed 41 bills yesterday to bring their total to 359 bills. Senators filed 28 bills yesterday and their total is now 239 bills. We added 15 bills to our tracking and are now tracking 160 bills and resolutions.

Click this link to see the new bills added to our tracking: <https://arkansasstatechamber-my.sharepoint.com/:w:/p/khall/Ecev6qFBCQJFvM6VmSt6RAoBvCjvo4k5UsiF4rvxzENakg?e=mojeQb>

All bills we are tracking are posted on our website by category, click this link:
<https://www.arkansasstatechamber.com/governmental-affairs/legislative-tracking/>

LEGISLATIVE SESSION INFORMATION

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

Legislative Message Center

House of Representatives: 501-682-6211

Senate: 501-682-2902

State Chamber/AIA 2019 Legislative Agenda

To review our 2019 Legislative Agenda, click this link: <https://arkansasstatechamber-my.sharepoint.com/:b:/p/khall/EaL12Jp74lNJs5oLpIGDXw8BMAKxeaisr7hcr0VSIEIFRg?e=afChNW>

The House and Senate now both have live streaming of their business. Links to the live stream are on their webpages.

House: <https://www.arkansashouse.org/>

Senate: <http://www.arkansas.gov/senate/>

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