



Daily Legislative Update

92nd General Assembly

Tuesday, February 5, 2019 – Session Day 23

TODAY AT THE CAPITOL

The Senate will convene at 1:00 p.m. and the House at 1:30 p.m. this afternoon.

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

* * * 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 this afternoon's Senate Calendar. The bill will need a 75% vote to pass. **Please ask your Senator to vote FOR SB 211. Also, please begin discussing support for SB 211 with your State Representatives.**

This bill is an important step to make Arkansas's tax structure more competitive and attractive for investment and job growth. Its revenue impact will be about \$97 million annually after fully implemented.

The bill 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, effective on January 1, 2020. Then, on January 1, 2021, the top rate would be reduced 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.

SCIENCE OF READING LITERACY

SB 153 by Sen. Jane English and Rep. Sonia Barker was adopted unanimously by the Senate last week and is on this morning's agenda in the House Education Committee. 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.

HB 1268 by Rep. Sonia Barker and Sen. Jane English is very similar to SB 153 and is also on today's agenda in the House Education Committee.

ECONOMIC DEVELOPMENT

SB 226 by Sen. Mat Pitsch makes changes to the income tax credit for donations or sales of machinery and equipment to certain educational institutions. Specifically, it makes provisions for cash donations for the purchase of new machinery or equipment. It received a Do Pass recommendation this morning by the Senate Revenue & Taxation Committee and is on this afternoon's Senate Calendar. This is an AEDC bill that we support.

LIENS

SB 148 by Sen. Bart Hester and Rep. Aaron Pilkington would create a temporary lien in favor of a judgment creditor when the creditor files a charging application against a member's limited liability company until a ruling is made or the application is dismissed. It also adds that a court must charge an LLC interest with payment of the unsatisfied amount, which includes interest on lack of payments for the duration of the lien.

We requested a one-word change in this bill that Sen. Hester graciously accepted. The bill has been amended per our request and is on this morning's agenda in the Senate Insurance & Commerce Committee.

LICENSING AND REGULATION BILLS

HB1255 by Rep. Jim Dotson and Sen. Bart Hester, as filed, sought to 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. This bill was amended in response to construction industry concerns and is on this morning's agenda in the House Public Health, Welfare & Labor Committee.

HB1303 by Rep. Bruce Cozart is on today's House Calendar for withdrawal.

HB 1373 by Rep. Jana Della Rosa was filed yesterday. It would make various changes to employment and licensure law, providing that criminal background checks that have been sealed do not disqualify those applicants. It would also remove permanent disqualifications for licenses and renewal, such as capital murder, murder in the first degree, kidnapping, sexual assault, etc.

SB 175 by Sen. John Cooper 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. It is on today's Senate Calendar to be amended.

Other pending licensing and regulation bills include:

HB1301 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 license in another state.

HB1302 by Rep. Bruce Cozart provides for proposed state agency rules resulting from legislation that affects multiple agencies to be grouped together for purposes of providing notice, holding joint hearings, and moving the rules through the legislative review process. It also seeks to provide that enacted legislation regarding the adopting, amending, or repealing of rules for multiple state agencies on a similar subject matter may be reviewed as a whole by the Legislative Council, the council's Administrative Rules and Regulations Subcommittee or the Joint Budget Committee, after which they are required to provide a combined notice of the changes reviewed. Finally, it would allow agencies to hold a joint public hearing on the content reviewed in cases required by law.

SB 171 by Sen. John Cooper 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.

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.

Other bills include:

SB 172-Social Workers, **SB 178**-athletic trainers **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 us know if you have any concerns or see anything that might need to be amended.

PROCUREMENT RULES

All but one of the handful of bills related to procurement laws are in the Senate State Agencies Committee, which meets this morning. 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 they have demonstrated poor material performance from submitting additional bids.

HB 1178 by Rep. Jeff Wardlaw and Sen. Scott Flippo was amended yesterday to change the word “architectural” to “legal architectural.” As originally filed, it would require 90 days, rather than 30 days’ notice for inviting bids before opening competitive bidding. It would also authorize time discounts only in certain circumstances, provide procedures for the Office of Procurement in evaluating, entering and rejecting bids. Finally, it would require the State Procurement Director to enhance training on drafting of specifications for procures and require that the Director maintain records of bids that are rejected by the office for failure to follow mandatory requirements of solicitation.

GOVERNMENT TRANSFORMATION

HB 1371 by Rep. Andy Davis and Sen. Bart Hester was filed yesterday. It would establish the Department of Commerce as a cabinet-level department and assign powers and duties under the Transformation and Efficiencies Act of 2019. The bill would transfer 26 state departments, names the executive head as Secretary of the Department of Commerce, and authorizes the secretary to delegate functions, powers and duties to other personnel as necessary. It would also create an Adult Education Section in the Division of Workforce Services. Finally, it would strike the Arkansas Economic Development Commission's ability to hire staff.

We believe this is the final government transformation bill. Here’s a link to brief summaries of all 16 bills.

https://arkansasstatechamber-my.sharepoint.com/:w/p/khall/Ebx0CWDscVtHm5xJAiQ0CeUBMnn7yToEIYrDB8_19EL8TA?e=vilCt4

NEW BILLS

ETHICS REFORM PACKAGE

In a press conference yesterday, a bi-partisan group of legislators, including leadership of the House and Senate, announced a package of ethics-related bills. Six bills were filed yesterday that address several issues including a measure that prohibits elected officials from serving as lobbyists and having multiple political action committees, or PACs; raising the maximum fine for ethics violations, and increasing the penalty for using campaign funds for personal use.

The six bills are:

HB 1374 by Rep. Fran Cavanaugh and Sen. Blake Johnson establishes a two-year ban on former legislators taking specific government jobs.

SB 249 by Senators Jim Hendren and Keith Ingram increases the fines for ethics violations from \$2,000 to \$3,500.

SB 256 by Sen. Keith Ingram prohibits elected state officials from registering as a lobbyist.

SB 258 by Sen. Will Bond clarifies the uses of campaign funds as personal income and increases penalties for prohibited uses.

SB 259 by Sen. Bob Ballinger prohibits constitutional officers from forming more than one PAC.

SB 260 by Senators Bart Hester and Bob Ballinger prohibits an approved PAC from receiving direct contributions from another PAC.

Wesley Brown of *Talk Business & Politics* wrote the following about yesterday's press conference:

Stressing that the ethics reform package was a bipartisan effort and not final, Hendren applauded Sen. Keith Ingram, D-West Memphis, for spearheading the effort to bring both chambers together to draft the ethics reform measures amid an ongoing federal probe that has entrapped up to eight lawmakers from both parties.

"This is not designed to be the final answer or 'this is it' as far as ethics go, but that this is always an ongoing process and there may be other bills or rules changes that you may otherwise see but we felt that it was important to go ahead and put forth several of the bills that we had already found consensus on," said [House Speaker Matthew] Shepherd, refusing to offer details of those discussions.

After the press conference, Sen. Ingram said other possible ethics reform legislation could be filed later in the session that deals with loans between lobbyists and fellow legislators, the infiltration of out-of-state "dark money" into state political races, and rule changes concerning General Improvement Funds, commonly referred to as GIF funds.

Click this link for the full story:

<https://arkansasstatechamber-my.sharepoint.com/:w:/p/khall/EVJRoaqLw0IChZvo-SrnpEB-lslm6SvgDZeJr-Mxck7oQ?e=ns3F7t>

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.

NIGHT SKY PROTECTION

HB 1309 by Rep. Stephen Meeks would create the Nighttime Environment Protection Act to regulate outdoor night lighting fixtures. It would establish costs and other considerations for a state agency, public corporation, county, or municipality to use public funds to operate, maintain, install, or cause to be installed shielded outdoor lighting to a new or replacement outdoor lighting fixture.

STATE CHAMBER/AIA TRACKED BILLS

The House filed 17 bills yesterday, bringing their total to 378 bills. Senators filed 12 bills yesterday and their total is now 260 bills. We added 15 bills to our tracking and are now tracking 177 bills and resolutions.

Click this link to see the new bills added to our tracking: https://arkansasstatechamber-my.sharepoint.com/:w:/p/khall/EcUgbZ10MG1Dq9Jpi7rKjtIBsdoYs5_yaLcqQ_wztfUy8g?e=2hPcg5

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/EaL12Jp74lNJs5oLpIGDXw8BMAKxeaisr7hcr0VSIIEFRg?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/>

State Chamber/AIA Governmental Affairs Team:

Randy Zook, President/CEO:
rzook@arkansasstatechamber.com

Kenny Hall, Executive Vice President:
khall@arkansasstatechamber.com

Andrew Parker, Director of Governmental Affairs:
aparker@arkansasstatechamber.com

Toni Lindsey, Director of Governmental Affairs:
tlindsey@arkansasstatechamber.com

State Chamber/AIA phone: (501) 372-2222

State Chamber/AIA web site: www.arkansasstatechamber.com

To unsubscribe to *Daily Legislative Updates*, please e-mail Deb Mathis at dmathis@arkansasstatechamber.com and write "unsubscribe" in the subject box.

The Daily Legislative Update is written by Kenny Hall, reviewed by Randy Zook, then edited and distributed by Jeff Thatcher.



1200 W. Capitol Ave., P.O. Box 3645
Little Rock, AR 72203-3645

501-372-2222
FAX 372-2722
