



Daily Legislative Update

91st General Assembly

Thursday, February 23, 2017 – Day 46

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

WORKERS COMPENSATION

HB 1586 by Rep. John Payton, R-Wilburn, and Sen. Jason Rapert, R-Conway, failed in the House yesterday by a vote of 57 yes, 27 no, 13 not voting and 3 present. A two-thirds majority (67 votes) is required to pass a workers' compensation bill. The vote was expunged, by a vote with 73 yeas, so the bill can be considered again.

The bill seeks to set a cap on Workers' Comp Death and Permanent Total Disability claims at 450 weeks, which is like the caps used in over one-third of the states and the way Arkansas handled these claims before a Trust Fund for these claims was created. The bill also clarifies that employees exposed to rabies can be treated by workers' comp without presentation of symptoms

This bill was developed through our Workers Comp Committee of employers 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, requiring the employer to pay the first \$215,000 (approximately) of the claims and the Trust Fund paying the rest. Without the Trust Fund, employers become responsible for the entire cost of these claims, which can range between \$500,000 and \$1 million, depending upon the claimant's earnings.

These claimants are eligible to receive social security disability at the same time, but social security offsets its payments by the workers' comp benefits. The offset ends when the workers' comp payments end.

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 was not considered yesterday in the House State Agencies Committee.

This Joint Resolution seeks to: give Arkansas voters the chance to improve the state's civil-justice system, reduce frivolous or meritless lawsuits, and keep skilled professionals in the state. It also sets rules for attorney's contingency fees, sets caps on economic and non-economic damages, and clarifies rule-making authority between the legislative and judicial branches.

You can read a letter of support and see its co-signers by clicking [here](#).

If you would like to join this letter, please email Holly Wilson at hwilson@arkansasstatechamber.com.

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!!!

PENDING PRIORITY BILLS

REPAIR & 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 received a Do Pass recommendation yesterday morning in the Senate Revenue and Taxation Committee. An amendment is being added to add an additional co-sponsor which will delay its consideration by the entire Senate.

This bill creates 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 mitigate revenue impact 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

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 approximately \$50 million annually. The bill also seeks to reduce the weeks of UI benefits from 20 weeks to 16 weeks.

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 that have worked on this bill.

An amendment to clarify the intent of the bill has been adopted, but another amendment has been completed 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!

SCHOOL BOARD ELECTION DATES

HB 1621 by Rep. Mark Lowery, R-Maumelle, and Sen. Jane English, R-North Little Rock, is our most recently filed priority bill. It seeks to set annual school elections in each school district of the state on: (A) The date of the preferential primary election in even-numbered years and the date that would be designated as the preferential primary election in odd-numbered years if a general election was held in the odd-numbered year; or (B) the first Tuesday following the first Monday in November of each year.

This bill was developed to:

- Substantially 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

Please support this bill.

STUDENT READING

SB 328 by *Sen. Alan Clark, R-Lonsdale*, is on this morning's agenda in the House Education Committee.

We support this bill which 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.

BILLS WE SUPPORT

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*, received a Do Pass recommendation yesterday by the House Rules Committee. This 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* 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*, was adopted by the House yesterday afternoon by a vote of 93-0. 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

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 is on this morning's agenda in the House Revenue and Taxation Committee.

HB 1388 by Rep. Dan Douglas, R-Bentonville, and Sen. Jake Files, R-Fort Smith, received a Do Pass recommendation yesterday morning in the Senate Revenue and Taxation Committee and awaits consideration by the full Senate. 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** these bills which would equalize the sales tax playing field between in-state brick and mortar sellers and out-of-state sellers.

BUSINESS EDUCATION

HB 1442, by Rep. Andy Davis, R-Little Rock, received a Do Pass recommendation by the House Education Committee on Tuesday and is on this afternoon's House Calendar. This bill 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.

BILLS WE OPPOSE **LICENSING**

HB 1551 by Rep. Richard Womack, R-Arkadelphia, is expected to be considered in this morning's meeting of the House Public Health, Welfare and Labor Committee.

We believe this bill would significantly limit the State's ability to enforce occupational licensing standards and allow individuals to perform skilled services without any training or other certification requirements. This would create unfair competition between businesses that abide by licensing requirements with businesses that don't hire licensed people or unlicensed individuals.

There are approximately 11 groups that appear to be exempted, but the view of many groups that join our opposition is that their licensing rules are still at risk.

We join many business types and groups that **OPPOSE this bill**.

EMPLOYER PAYMENTS

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.

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.

BILLS OF INTEREST

CONSTITUTIONAL AMENDMENTS

HJR 1016 by Rep. Robin Lundstrum, R-Elm Springs, which would require voters to present a photo identification at their polling place or when voting absentee, received a Do Pass recommendation from the House State Agencies Committee yesterday morning. It is on this afternoon's House Calendar.

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 Rep. Lundstrum and 12 co-sponsors in the Senate.

HJR 3 by Speaker Jeremy Gillam, R-Judsonia, was not voted on by the House State Agencies Committee, but may have enough support to potentially become a third legislative referral to the 2018 General Election ballot.

This 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.

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

STATE CHAMBER/AIA BILL TRACKING

TRACKED BILLS

The Senate has filed 428 bills.

The House has filed 662 bills.

We are tracking 321 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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