

Daily Legislative Update

91st General Assembly Friday, March 31, 2017 – Day 82

CAPITOL SCHEDULE

The Senate will convene at 9:00 a.m. and the House will convene at 10:00 a.m. this morning.

Many signs point to a conclusion of the session on Monday.

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.

IMPORTANT BILL – ACTION TODAY SALES TAXES BY REMOTE SELLERS

SB 140, by Sen. Jake Files, R-Fort Smith and Rep. Dan Douglas, R-Bentonville, received a Do Pass recommendation yesterday from the House Revenue and Taxation Committee yesterday morning and likely will be considered today on the House floor.

This bill 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.

Benefits of this bill becoming law include:

- The passing of this bill encourages fair competition between small and large businesses, both local and out of state.
- Although Amazon has voluntarily chosen to start collecting Arkansas sales tax in March of this year, other online sellers do not collect this tax and retain a competitive advantage over brick and mortar retailers by being able to charge lower prices and advertise "no sales tax" although it is owed by Arkansas residents.
- Local sellers provide revenue that supports Arkansas schools, transportation, and many other public services funded by sales tax revenue.
- Most importantly, this is not a new tax, and hasn't been since 1949. The false claim that this is a new tax is in large part the reason our state has struggled to collect this tax, as well as why our state sales tax revenue losses have grown year over year.

STATE CHAMBER/AIA PRIORITY BILLS – ACTION TODAY PROTECTION FROM MASS PICKETING

SB 550 by Sen. Trent Garner, R-El Dorado, was signed out of the Senate Judiciary Committee yesterday and is on this morning's Calendar in the Senate for concurrence in a House Amendment. This bill will create a Class A misdemeanor for unlawful mass picketing, defined as engaging in demonstrations that hinder or prevent the pursuit of lawful work or employment, obstruct entrance to a place of employment or interfere with the use of roads.

INCOME TAX CREDIT

HB 688, by Sen. Dave Wallace, R-Leachville, received a Do Pass from the House Revenue Taxation Committee and is on this morning's House Calendar.

This bill seeks to amend the income tax credit for waste reduction, reuse, or recycling equipment, which would be very beneficial to the Arkansas steel industry, which is one of our leading industrial sectors. We've added this bill to our report and we <u>support</u> this bill.

BILLS WE SUPPORT

PROHIBITING GUNS AT SPORTING EVENTS

SB 724 by Sen. Jonathan Dismang, R-Searcy, was approved yesterday afternoon in the House by a vote of 71 yes, 20 no and 1 present. It has been extracted from Committee and added to today's Senate Calendar.

This is the bill that drew much media attention, which seeks to create an exception to a law previously adopted allowing guns on college campuses. This bill creates an exception for sporting venues and other places.

We **support** this bill.

STATE CHAMBER/AIA PRIORITY BILLS – ACTION YESTERDAY DECEPTIVE TRADE

HB 1742 by Rep. Laurie Rushing, R-Hot Springs, and Sen. Bart Hester, R-Cave Springs, was approved in the Senate yesterday by a vote of 19 to 12.

As it currently exists, Arkansas's consumer protection law exposes the state's businesses to frivolous lawsuits from individuals who have suffered no real harm. **HB 1742** would amend the Arkansas Deceptive Trade Practices Act to ensure fairness for all litigants in consumer protection actions.

Please say thank you to any Senator you asked to vote FOR HB1742!

REPEAL OF PREVAILING WAGE LAW

SB 601 by Sen. Bart Hester, R-Cave Springs, and Rep. Jim Dotson, R-Bentonville, was approved in the House yesterday by a vote of 70 to 24. This bill will repeal the entirety of the Prevailing Wage Law that governs required payments by contractors.

THIRD GRADE READING

SB 587 by Sen. Alan Clark, R-Lonsdale, was not considered yesterday in the House Education Committee

We <u>support</u> this bill that seeks to require all public school districts have a reading intervention program in reading for grades K-3 and make promotion to the next grade dependent on demonstration of appropriate reading skills at grade 3.

BILLS WE OPPOSE

PAY STUB REQUIREMENTS

HB 1625 by Rep. Greg Leding, D-Fayetteville, was defeated in the Senate yesterday afternoon by a vote of 16 to 11.

SPECIAL COUNSEL FOR STATE AGENCIES

HB 1832 by Rep. Doug House, R-North Little Rock, is on this morning's House State Agencies Committee agenda.

This bill seeks to allow the employment of special counsel by a state official or entity in certain circumstances and to require special counsel to obtain approval by the attorney general before entering into a settlement agreement.

We **oppose** this bill.

BACKGROUND CHECKS

HB 2000 by Rep. Greg Leding, D-Fayetteville, was approved in the Senate yesterday by a vote of 19 to 4.

BILLS OF INTEREST

GUNS IN EMPLOYER PARKING LOTS

SB 37 by Sen. Alan Clark, R-Lonsdale, was given a Do Pass recommendation yesterday morning from the House Judiciary Committee and is on today's House Calendar. This bill seeks to require employers to allow employees to keep guns in their vehicles on private employer property.

UNIFORM COMMERCIAL CODE

SB 414 by Sen. Bart Hester, R-Cave Springs, awaits consideration on the House floor.

This bill creates a process for contesting unauthorized financing statements that are filed against an individual or organization under the Uniform Commercial Code by entities other than banks or agricultural credit providers. It seeks to:

- Authorize the Secretary of State to file a termination statement based on an affidavit that a financing statement was filed by a person not authorized to do so
- Authorize a secured party identified in the termination statement to bring action in circuit court seeking determination

We have been contacted by multiple parties who have concerns with this bill. We recommend that you examine it if it appears to impact your business at all.

LANDLORDS

HB 2135 by Rep. Warwick Sabin, D-Little Rock, is on this morning's House Insurance and Commerce Committee agenda.

This bill seeks to clarify the obligations of residential landlords and residential tenants and to require minimum habitability standards for tenants of resident real estate.

If you are a landlord, you should look at this bill.

CONSTITUTIONAL AMENDMENT – BALLOT PROPOSALS

HJR 1003 by Rep. Jeremy Gillam, R-Judsonia, was not considered yesterday and is on this morning's Senate Calendar.

This Joint Resolution seeks to become the Legislature's third ballot referral to the 2018 General Election Ballot. If referred and approved by voters, it would increase petition signature requirements, prohibit an amendment that bestows powers to an individual or business by name and other changes to amendment elections.

STATE CHAMBER/AIA BILL TRACKING

TRACKED BILLS

House bills filed 1,280 Senate bills filed 789 State Chamber/AIA tracking 656

Our entire list of tracked bills are posted on our website, by category, which you can access by clicking <u>here</u>.

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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