



Daily Legislative Update

91st General Assembly

Monday, April 3, 2017 – Day 85

CAPITOL SCHEDULE

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

There are no Committee meetings scheduled and both Chambers have short calendars. The House and Senate each passed the Revenue Stabilization Bills (RSA) originated in their Chambers on Friday and will vote on them in the opposite Chambers today. The RSA sets the state's budget for July 1, 2017 through June 30, 2017.

So, it appears the Session will end today.

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 BILLS – 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 Friday from the House Revenue and Taxation Committee and is on this morning's House Calendar.

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.

We **support** this bill, **please ask your Representative to vote FOR SB 140.**

PAY STUB REQUIREMENTS

HB 1625 by Rep. Greg Leding, D-Fayetteville, was defeated in the Senate last week, but was recalled from the House on Friday for possible reconsideration today.

This bill would apply to employers with more five or more employees and for employees that have worked at least 60 hours. In those cases, the employer would be required to provide at least one time each month a pay stub that lists, for hourly employees, the total hours worked and the gross and net wages or for non-hourly employees, the gross and net wages. It would also require the pay stub to include the rate of pay for the pay period, overtime hours and compensation work during the pay period, the pay period for which the payment is being made, itemization of deductions describing at a minimum the name, title, or other identifying words or numbers for each deduction, and the employer's name, address, and telephone number. Finally, it would permit a pay stub under this section to be provided in either a paper or electronic format.

We fear that some small companies may need to update their payroll records to comply. The information it requires to be disclosed must already be provided to employees (by the FLSA, NLRA, or Equal Pay Act); just not on a pay stub.

However, it will require changes to nearly every "pay stub" including those from third-party payroll companies. For example, it will require employers to include a non-exempt employees number of hours worked and hourly pay rate on pay stubs (or through one month-end report). This info is not usually included on a pay stub but rather the time cards.

This bill will add more administrative requirements on businesses. Smaller businesses without a designated payroll department (or third party contractor) will be most commonly hit with the penalties for non-compliance.

We oppose this bill.

LEGISLATIVE OVERSIGHT COMMITTEE – LICENSING

HB 2159 by Rep. Richard Womack, R-Arkadelphia, is on this morning's House Calendar for referral to Interim Study. This bill seeks to create a Legislative Oversight Committee to review existing licensing requirements.

STATE CHAMBER/AIA PRIORITY BILLS & BILLS WE SUPPORT – ACTION FRIDAY PROTECTION FROM MASS PICKETING

SB 550 by Sen. Trent Garner, R-El Dorado, was approved by the Senate on a vote of 18 to 8. It now goes to the Governor.

INCOME TAX CREDIT

HB 688, by Sen. Dave Wallace, R-Leachville, was approved by the House Friday on a vote of 79 to 11. 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.

PROHIBITING GUNS AT SPORTING EVENTS

SB 724 by Sen. Jonathan Dismang, R-Searcy, was approved by the Senate Friday morning by a vote of 23 to 7.

THIRD GRADE READING

SB 587 by Sen. Alan Clark, R-Lonsdale, was not considered Friday in the House Education Committee and will apparently die without further consideration.

We support 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

SPECIAL COUNSEL FOR STATE AGENCIES

HB 1832 by Rep. Doug House, R-North Little Rock, was not considered last week and will apparently die in the House State Agencies Committee.

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.

BILLS OF INTEREST

GUNS IN EMPLOYER PARKING LOTS

SB 37 by Sen. Alan Clark, R-Lonsdale, was approved by the House Friday on a vote of 66 to 17. This bill will 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, is on this morning's House Calendar.

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, has not been considered and will apparently die in the House Insurance and Commerce Committee. 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.

CONSTITUTIONAL AMENDMENT – BALLOT PROPOSALS

HJR 1003 by Rep. Jeremy Gillam, R-Judsonia, was defeated Friday morning by a vote of 9 yes and 21 no. A motion was adopted to expunge the vote to allow a possible reconsideration today.

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

Bill Filing Summary	1997	1999	2001	2003	2005	2007	2009	2011	2013	2015	2017
House Bills	1,284	1,291	1,655	1,906	1,981	1,813	1,275	1,231	1,300	1,007	1,280
House Joint Resolutions	15	21	22	30	28	21	14	13	19	27	22
HOUSE TOTALS	1,372	1,384	1,787	2,017	2,072	1,906	1,345	1,294	1,381	1,034	1,302
Senate Bills	756	967	988	979	1,195	1,004	1,010	1,004	1,192	1,055	789
Senate Joint Resolutions	9	13	18	21	17	14	12	12	18	16	14
SENATE TOTALS	814	1,034	1,054	1,056	1,255	1,082	1,066	1,062	1,247	1,071	803
House & Senate Bills	2,040	2,258	2,643	2,885	3,176	2,817	2,285	2,235	2,492	2,062	2,069
Acts	1,362	1,598	1,843	1,816	2,325	1,755	1,501	1,242	1,520	705	tbd
State Chamber/AIA Tracking		398	560	658	698	565	537	564	613	536	656

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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