We are pleased to present the 2019 Legislative Agenda of the Arkansas State Chamber of Commerce and the Associated Industries of Arkansas, Inc., the voice of business in Arkansas. The State Chamber/AIA represents about 1,200 businesses of all types from every county in Arkansas as well as most business associations. We also work closely with local chambers of commerce and local economic developers across the state.

To help Arkansas be a better place to live, work and do business, these are our primary interests:
- Develop and maintain a capable and available workforce
- Support a long term funding solution for infrastructure
- Achieve and maintain a fair, equitable and competitive tax environment
- Maintain our nationally competitive workers’ compensation system
- Maintain an unemployment insurance program that has a solvent trust fund and provides competitive rates to employers and reasonable benefits
- Support efforts to reduce costs and increase efficiency of state government
- Make Arkansas’s civil justice system nationally competitive

This agenda is a continuing document that is reviewed and advanced prior to every state legislative session through a series of State Chamber/AIA committee meetings, board review and executive committee action.

The Priority Issues section is a list of issues that we intend to produce legislation, support legislation or oppose specific issues. The General Issues section serves as a guide for our Governmental Affairs team as all business related issues are reviewed and allow quick decisions, when necessary, in the fast paced legislative sessions. Issue based committees will meet as necessary to review legislation. On issues of significant importance or when conflicts of business interests arise, the State Chamber/AIA Executive Committee will provide direction.

We are proud to represent employers during each General Assembly to help Arkansas business and industry create more jobs, invent new products and increase productivity. Legislators are most responsive to their constituents, so grass roots contacts by employers is needed and very helpful to accomplish the goals of this agenda. We encourage local chambers of commerce across the state to adopt as much of this agenda as possible.

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MISSION

The Arkansas State Chamber of Commerce/Associated Industries of Arkansas is the leading voice for business at the State Capitol and serves as the primary business advocate on all issues affecting Arkansas employers. Our mission is to continually enhance the state’s economic climate by promoting a pro-business, free-enterprise agenda and preventing anti-business legislation, regulations and rules.

2019 PRIORITY ISSUES

Workforce Quality and Education

• Allow technical education instructors or adjunct faculty teaching technical courses to be simultaneously employed by multiple educational institutions or an educational institution and a private entity.
• Permit two-year schools to communicate statewide the programs offered on primary or satellite campuses without regard to where a prospective student or company-partner is located.
  » Permit the use of operating funds for purposes of recruitment and marketing its programs statewide.
• Require schools who cover the cost of student’s AP test to also cover, through the same funding source and in same frequency, the cost of a student sitting for a national technical credential examination related to a course in which a student is enrolled.
• Amend statute(s) related to Modern-Day Workplace Training to permit Perkins funds to be used for professional development:
  » To create flexibility to 40-hour industry requirement so teachers can work with area companies to make industry visits throughout a calendar year, instead of during a designated week during the summer
  » Permit Perkins funds be used for online courses.
• Align technical programs to instruction that result in a credential nationally recognized by a predominance of companies within each industry sector.
• Dedicate .5% of corporate income tax (Workforce 2000 Funds passed in 1991) to performance-based funding of career education leading to employment.
• Require schools to provide extended learning time in career and technical education courses to all students beginning in the 8th grade.
• Require school districts to use operations funding for transporting students not enrolled at the campus where extended CTE learning is provided (within a district).
• Require schools to use general operating funding for transporting students to and from Secondary Learning Centers and/or industry tours / site visits that take place during a school year or in conjunction with an approved school-sponsored summer program.
• Support efforts to improve grade level reading in Arkansas.

Taxation

• Support South Dakota / Wayfair model remote seller legislation (including marketplace collection requirements)
• Support single sales factor apportionment of multi-state business income
• Support repeal of the sales factor throwback rule
• Support extension of net operating loss (NOL) carryforwards
• Support reducing corporate income tax rates in line with reductions in individual income tax rates
• Support an income tax credit for property taxes paid on inventory, and elimination of inventory tax as soon as possible
• Oppose elimination of the capital gains exemption
• Support a referred constitutional amendment restoring legislative authority over sovereign immunity and restore access to courts in agency appeals.

Transportation and Infrastructure

• The State Chamber/AIA supports providing the AR DOT with sufficient revenue to maintain safe highways.
• We also support all other forms of government provisions related to transportation and infrastructure.

Unemployment Insurance

• Adopt measures that maintain a solvent trust fund, at the lowest cost to employers possible, while providing competitive benefits

Legal Environment

• Seek referral to 2020 ballot a Joint Resolution to amendment to the state’s constitution regarding Sovereign Immunity
• Improve the ability of commercial contracts to contain waivers of jury trial clauses

Ballot Initiative Process

• Promote legislation to improve all phases of the ballot initiative process.
  » Promote assistance to Secretary of State to have adequate staff during ballot initiative reviews.

Labor & Employment

• Improve the state’s payable on discharge laws
• Oppose any & all efforts to repeal, reverse or limit in any way the Arkansas Right-to-Work law
• Revise the Arkansas Minimum Wage Act
  » Make exemptions/interpretations consistent with FLSA
  » Require opt-in in AMWA lawsuits
  » Seek solutions to mitigate negative economic impact of increases in the minimum wage

Occupational Licensing

• Support reductions of unnecessary licensing and regulatory requirements
- Oppose elimination of all license requirements

**Healthcare**
- Fully support re-adoption of the Arkansas Works program

**GENERAL ISSUES**
*(listed alphabetically)*

**Civil Justice Reform**
- Support civil justice reform legislation that promotes a fair and nationally competitive business environment

**Economic Development**
- Support the Arkansas Economic Development Commission’s legislative package as endorsed by the Arkansas Economic Developers & Chamber Executives
- Support other legislation that will enhance economic development in Arkansas that is recommended by the Arkansas Economic Developers & Chamber Executives
- Support proactive legislation that will attract and keep jobs in the State of Arkansas
- Support legislation that encourages venture capital investment in Arkansas
- Support the Governor’s Quick Action Closing Fund
- Ensure continued support of the Create Rebate Program
- Support incentives for targeted industry sectors
- Improve the competitiveness of corporate income tax structure

**Education and Workforce Quality**
- Encourage and support any and all efforts to improve grade level reading
- Support the RISE program
- Support public K-12 open-enrollment and district conversion charter schools and grant maximum autonomy and flexibility
- Support legislation that ensures the development and maintenance of a globally competitive workforce in Arkansas
- Support the coordination and continuation of productive, efficient and accountable workforce development programs
- Support legislation which identifies and addresses the needs of academically distressed schools and districts
- Support legislation that authorizes a strategic planning process for PreK-12 education
- Support legislation that enhances the education reform measures of accountability, transparency, rewards and choice throughout our public education system
- Support, defend and expand inter district school choice and educational choice for all students and parents
- Monitor debate and influence policy discussions on how state funds are being spent on education, and support legislation that puts a priority on expenditures that yield real academic improvement
- Encourage both the legislature and other state policy makers to evaluate our state’s current school calendar; through an interim study on expanding the school day/year
- Support the state’s leadership of the Little Rock School District
- Support the education-based legislative agendas of Arkansas Learns, the STEM Coalition, Accelerate Arkansas, Economics Arkansas, Arkansas AIMS and other complementary groups as approved by the State Chamber/AIA Executive Committee

**Energy and Environment**
- We believe all energy policy decisions must be made based on facts and sound economic justification
- Any changes in the state’s environmental policy must balance environmental concerns with economic development concerns
- Arkansas’s families, businesses, schools and government agencies must have access to the energy necessary to keep our economy growing
  - Energy must be delivered at reasonable costs to ensure our state’s competitiveness
- Environmental policy should recognize that Arkansas businesses must be competitive nationally and globally
- Arkansas businesses should be good stewards of the environment and the energy supply by taking a balanced approach to the use of energy-efficient programs and technologies.
  - Without this balance, consumers will bear the costs of both inefficient operations and overreaching government programs
- The State Chamber/AIA Task Force on Energy may review and analyze environmental legislation proposed or filed and provide position recommendations to the staff and Executive Committee
- Protect and promote the exploration, production and use of Arkansas’s natural resources
- Support the environmental legislative agenda developed by the Arkansas Environmental Federation (AEF) as approved by the State Chamber/AIA Executive Committee
  - (The AEF was founded out of and continues the role as the State Chamber/AIA’s environmental committee. The State Chamber/AIA Executive Vice President sits as an ex-officio member of the AEF board of directors)

**Healthcare**
- Support legislation that stabilizes or reduces healthcare costs to employers
- Support telemedicine legislation that enhances access to health care services and reduces employers’ healthcare costs
- Support legislation that provides employers stable and reasonable pharmacy costs
- Support legislative and other efforts to reduce opioid abuse
- Monitor health care-related legislation, determine its impact on employers and respond accordingly
• Identify & support reasonable efforts that seek to reduce employers’ healthcare costs
• Encourage a move of pre-K management from the state Department of Health Services to the Arkansas Department of Education

Immigration
• We view immigration as a federal issue and support comprehensive immigration reform

Labor & Employment
• Oppose legislation that requires public or private employers to withhold union dues from employee pay checks
• Support incentives to encourage employers to consider hiring people with criminal records
• Support Franchise law reform to protect small businesses from attacks by unions
• Support state pre-emption of local regulation of employment conditions like wages, leave and scheduling
• Provide trespass protection to protect employers’ confidential information from unauthorized distribution
• Prohibit large and dangerous protests that prevent employees and customers from accessing a business
• Oppose attempts to enact a Public Employee Collective Bargaining Act
• Review and consider support for bills filed by ARSHRM
• Support measures that protect employers from union card check activities

Taxation
• Guiding Principles
  » Oppose all measures that would shift tax burden to business and industry, thereby making Arkansas less competitive with neighboring states for investments and jobs
  » Maintain historic opposition to any erosion of tax base that does not promote economic development
  » Support the state's three-pronged tax system of property taxes, income taxes and sales taxes
  » Favor the current legal requirements for passage of taxes
• Sales & Use Taxes
  » Oppose new taxes on business services
  » Oppose attempts to shift tax responsibility from property and income taxes to business-to-business sales taxes, including software downloads
  » Support existing sales and use tax exemptions and proposed new exemptions designed to promote business and industry in Arkansas
  » Support extending manufacturing exemption to all equipment in a manufacturing facility, not just equipment used directly
  » Support creating a data center exemption or business computer equipment exemption
  » Support creating a warehouse and distribution exemption
  » Support repeal of sales and use taxation of services performed out-of-state
  » Support legislation to extend the time allowed to obtain local sales and use tax refunds.
• Income Taxes
  » Oppose adoption of any sales factor throwout rule
  » Remain neutral (at this time) on market-based sourcing of services
  » Oppose mandatory unitary combined income tax reporting
  » Oppose adverse income tax treatment of multi-state partnerships and LLCs
  » Support preferential tax treatment of capital gains
  » Support an elective passthrough entity-level tax
  » Support capital gains exemptions
• Property Taxes
  » Oppose increases in homestead credit
• Business Incentives
  » Monitor attempts to update or repeal business incentives enacted over the years and make certain that no incentives are eliminated that are deemed necessary by specific businesses or industries
  » Support reforms to make incentives compliance less burdensome so long as the incentives retain their value
• Taxpayer Rights
  » Protect and expand taxpayers’ rights related to the collection of taxes

Term Limits
• Support reasonable term limits in Arkansas that allow members of the General Assembly to serve an adequate amount of time to allow a majority of members to have knowledge of the process and history, and create a fair balance of power between the legislative branch and the state’s administration departments

Transportation
• The State Chamber/AIA believes that adequate transportation is vital to the economic success of the state
  » We will examine and support well-reasoned and balanced plans to improve surface transportation as well as the development needs of the Arkansas waterways navigation system, rail and intermodal transportation

Unemployment Insurance
• Assure that Arkansas has competitive laws on drug testing
• Improve DWS hearing notice and procedures
• Assist employers in avoiding misclassifying workers
• Improve integrity of unemployment insurance program
• Oppose any legislation that is a detriment to a sound unemployment compensation system

Workers’ Compensation
• Protect the workers’ compensation reforms enacted by Act 796 of 1993
• Support efforts of impacted businesses regarding the AR Workers’ Compensation Commission’s Death and Permanent Disability Trust Fund.
### 2018 State Chamber Officers and Board

**Officers**
- **Chairman:** Ray C. Dillon
- **Retired – Deltic Timber Corporation**
- **Treasurer:** Gary Head
- **Signature Bank of Arkansas**
- **Vice Chairman:** Phil Baldwin
- **Citizens Bank**
- **Vice Chairman:** Troy Keeping
- **I Square Management**
- **Vice Chairman:** Chris Hart
- **Central Moloney**
- **Vice Chairman:** Ed Drilling
- **AT&T Arkansas**
- **Vice Chairman:** Laura Landreaux
- **Entergy Arkansas, Inc.**
- **Vice Chairman:** Michael Lindsey
- **Walmart**
- **Vice Chairman:** George Wheatley
- **Waste Management**
- **Past Chairman:** Haskell L. Dickinson
- **McGeorge Contracting**
- **Haskell L. Dickinson**
- **Chairman**
- **Officers**
- **2018 AIA Officers and Board**

**Board Members**
- **Justin Allen**
- **Wright Lindsey**
- **& Jennings LLP**
- **David Avery**
- **Windstream**
- **Curtis Barnett**
- **Arkansas Blue Cross and Blue Shield**
- **Gary Beasley**
- **E.C. Norton & Company**
- **Paul Beran**
- **University of Arkansas – Fort Smith**
- **Don Bobbit**
- **University of Arkansas System**
- **Robin Bowen**
- **Arkansas Tech University**
- **Walter Bryant**
- **CenterPoint Energy**
- **John Burgess**
- **Mainstream Technologies, Inc.**
- **Katherine Burns**
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- **Jim Carr**
- **Harding University**
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- **Conway Corp.**
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- **Marci Casteel**
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- **Ed Chao**
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- **MurphyUSA Inc.**
- **Mel Coleman**
- **North Arkansas Electric Cooperative**
- **Steven Collier**
- **Alliance**
- **John Cooper**
- **Cooper Communities Inc.**
- **Houston Davis**
- **University of Central Arkansas**
- **Carlton Davis**
- **Waren Bank & Trust Company**
- **Rich Davis**
- **Black Hills Energy**
- **Bryan Day**
- **Little Rock Port Authority**
- **Angela DeLille**
- **Cox Communications**
- **Steve Edwards**
- **GES Inc./Food Giant**
- **Daniel Heard**
- **Utili Group Inc.**
- **Duane Higley**
- **Arkansas Electric Cooperatives**
- **Alan Hope**
- **Powers of Arkansas, Inc.**
- **Tom Hopper**
- **Craftan Tall and Associates**
- **Dick Horne**
- **Dover Dixon Home PLLC**
- **Dr. Karla Hughes**
- **University of Arkansas at Monticello**
- **Scott Bennett**
- **Arkansas Department of Transportation**
- **George Knollmeier**
- **Ben E. Keith Company**
- **Benny M. Koontz**
- **Koontz Electric Company Inc.**
- **Kim Linam**
- **Arkansas Oklahoma Gas Corporation**
- **Randy Massanelli**
- **University of Arkansas**
- **Bradley Hardin**
- **AEP Southwestern Electric Power Company**
- **Andy Miller**
- **Southwestern Energy Company**
- **Dave Moore**
- **Farm Bureau Mutual Insurance Company of Arkansas, Inc.**
- **Mike Moore**
- **Friday Eldridge & Clark LLP**
- **Rick Morgan**
- **State Farm Insurance**
- **Mike Myers**
- **Winrock International**
- **Lesley Nalley**
- **Hot Springs Village POA**
- **Gary Newton**
- **Arkansas Leams**
- **Nelson Peacock**
- **NWA Council**
- **Leon Philpot**
- **Rich Mountain Electric Cooperative Inc.**
- **Rob Ratley**
- **OG+**
- **Chris Raymer**
- **Mississippi County Hospital System**
- **Mary Jane Reck**
- **Standford Business Solutions**
- **Mike Ross**
- **Southwest Power Pool**
- **Reynie Rutledge**
- **First Security Bank**
- **Sam Sircar**
- **First National Bank of Fort Smith**
- **Stephanie Smith**
- **Easter Seals Arkansas**
- **Wayne Smith**
- **Oaklawn Jockey Club**
- **Roderick Smotherman**
- **Philander Smith**
- **Elizabeth Solano**
- **MISO**
- **Sandy Stroppe**
- **Boat World Inc.**
- **Scott Teague**
- **U.S. Bank**
- **Frank Thomas**
- **Stephens Inc.**
- **Ryan Underwood**
- **BKO, LLP**
- **Donald Walker**
- **Arvest Bank**
- **Sam Walls**
- **The Arkansas Capital Corporation Group**
- **Drew Weber**
- **U.S. Pizza Co. Inc.**
- **Charles Welch**
- **Arkansas State University System**
- **Troy Wells**
- **Baptist Health**
- **Sheree West**
- **The Windthrop Rockefeller Foundation**
- **Randy Wilbourn**
- **Martin Wilbourn Partners LLC**
- **Gordon Wilbourn**
- **Kutak Rock LLP**
- **Jeff Williams**
- **American’s Car Mart, Inc.**
- **Dan Williams**
- **Garver**
- **Cole Williamson**
- **American Data Network**
- **Larry Wilson**
- **First Arkansas Bank & Trust**
- **David Wolf**
- **Southland Park Racing & Gaming**

**Ex Officio**
- **Marvin Childers**
- **The Poultry Federation**
- **Mike Harvey**
- **NW A Council**
- **Tom Kennedy**
- **Entergy Arkansas, Inc.**
- **Michael O. Parker**
- **Dover Dixon Home, PLLC**
- **Myla Petrie**
- **Baldor ABB**
- **Bob Smith**
- **Robert D. Smith, II**
- **Ken Stuckey**
- **Pace Industries**
- **Lynn Tatum**
- **Tysen Foods, Inc., Retired**
- **Guy Wade**
- **Friday Eldridge & Clark LLP**

### 2018 AIA Officers and Board

**Officers**
- **Chairman:** Haskell L. Dickinson
- **McGeorge Contracting Company Inc.**
- **Immediate Past Chairman**
- **Bill J. Reed**
- **Retired – RiceLand Foods Inc.**
- **Treasurer:** Gary Head
- **Signature Bank of Arkansas**
- **Vice Chairman:** Bill Hannah
- **Nabholz Construction Services**
- **Vice Chairman:** Chris Hart
- **Central Moloney**
- **Vice Chairman:** Grady E. Harvell
- **W&V/AFCO Steel, LLC**
- **Vice Chairman:** Thad Solomon
- **Nucor-Yamato**
- **Vice Chairman:** Jeff Tyson
- **Tyson Foods, Inc.**
- **Past Chairman:** Steve Cousins
- **Arkansas Electric Energy & Arkansas Gas Consumers**
- **Past Chairman:** Steve Anthony
- **Timberlands, Inc.**
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- **Viro Manufacturing Corporation**
- **Russ Bragg**
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- **Roger Hurley**
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- **Martin Sprott & Gear Inc.**
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- **Bridgestone Americas Tube Business**
- **John Kelleher**
- **Gentau Special Steel**
- **John Kozlowski**
- **PGU Marine Coatings**
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- **Langston Companies Inc.**
- **Peggy Matherne**
- **Allermore Corporation**
- **Gary McChesney**
- **FutureFuel Chemical Company**
- **Scott McGeorge**
- **Pine Bluff Sand & Gravel Company**
- **David Peacock**
- **HydroVolt Corporation Company Inc.**
- **Luis Planas**
- **Dassault Falcon Jet Corp.**
- **Patrick Moore**
- **Evergreen Packaging Co.**
- **Paul Rich**
- **Aerogez Rocketdyne Corporation**
- **Paul Rivera**
- **Caterpillar Inc.**
- **Thomas Schueck**
- **Lexicon Inc.**
- **Mike Simpson**
- **TCPrint Solutions**
- **Jim Sikler**
- **Central States**
- **Manufacturing Melissa Smith**
- **McKee Foods Corporation**
- **Barrett Smith**
- **Trinity Rail**
- **Mark Stenger**
- **Flexsteel Industries Inc.- Harrison Division**
- **Colin Sterling**
- **Lockheed Martin Missiles & Fire Control**
- **Rob Strickland**
- **George Fischer Harvel**
- **Joe Wilson**
- **ConAgro Brands**
- **Jimmy Swain**
- **Bryce Corporation**
- **Van Tilbury**
- **East Harding Construction**
- **Lenore Trammell**
- **Big River Steel**
- **Jim Walcott**
- **Weldon Williams & Lick Inc.**
- **Ernie Walker**
- **Rineco**
- **Tammy Waters**
- **Domtar**
- **Chris Weiser**
- **J V Manufacturing Inc.**
- **Bob West**
- **HydroVolt Corporation Company**
- **Gregory Withrow**
- **El Dorado Chemical**
- **Lifet ime**
- **Dan Woods**
- **Timex (Retired)**