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## 93rd General Assembly Friday, Jan. 22, 2021 – Session Day 12

### TODAY AT THE CAPITOL

The House and Senate are in recess until Monday at 1 p.m.

### LEGISLATIVE COMMITTEE MEETINGS

No meetings scheduled today.

To view the schedule of committee meetings, their agendas and video access, click [here](#).

### STATE CHAMBER/AIA PRIORITY BILLS

**HB 1209** by Rep. Joe Jett is a State Chamber/AIA Priority Agenda bill. This bill will help about 40,000 Arkansas businesses reduce their federal taxes by an estimated \$50 million or more while generating \$4 million in state revenue. The businesses impacted are those set up as passthrough entities—the owners pay tax at the individual level on their business income. Most businesses are set up this way. Under federal law, businesses can deduct state and local taxes (“SALT”) they have paid without a cap, but the individual SALT deduction is limited to \$10,000 for individuals—this is the “SALT cap.” **HB 1209** would let passthrough businesses choose (elect) to instead pay Arkansas tax at the entity level, as a flat tax at the top rate of 5.9%, such that the Arkansas tax should be 100% deductible for federal purposes. The IRS recently blessed the validity of this approach in Notice 2020-75. Several states have already adopted such options, including Oklahoma and Louisiana, and more are expected to adopt them in the coming year. This bill has been assigned to the House Revenue and Taxation Committee.

**HB 1212** by Rep. Jack Ladyman and Sen. Missy Irvin is another State Chamber/AIA Priority Agenda bill that will help employers by reducing the impact of layoffs due to COVID-19 on their unemployment insurance taxes. The bill allows benefits paid for unemployment to be noncharged to the separate account of each employer in the base period if they are a result of a declared disaster emergency. The impact has a retroactive effective date of April 4, 2020. This bill has been assigned to the House Public Health, Welfare and Labor Committee.

### BILLS OF INTEREST

#### HEALTHCARE

**SB 99** by Sen. Cecile Bledsoe and Rep. DeAnn Vaught would require healthcare insurers to base step therapy protocols on appropriate clinical practice guidelines or published peer-reviewed data developed by independent experts and establishes exceptions from protocols and procedures for requesting them. This bill received a Do Pass recommendation from the Senate Public Health, Welfare and Labor Committee yesterday afternoon. Supporting testimony was provided by the American Cancer Society and a doctor. Opposing testimony was provided by Arkansas Blue Cross and Blue Shield and Centene, whose concerns were about cost increases on health plans. Sen. Bledsoe filed one amendment before the committee hearing and said she is considering more. The bill

is on Monday's Senate Calendar to adopt the amendment.

## LOCAL BROADBAND

**SB 74** by Sen. Ricky Hill and Rep. Brian Evans seeks to extend the definition of a government entity to include consolidated utility districts. It would authorize utility districts to provide, directly or indirectly, voice, data, broadband, video or wireless telecommunications services. This bill is on Monday's Senate Calendar to adopt an amendment.

## STATE CHAMBER/AIA BILL TRACKING

Total Bills Filed: 410 | Filed Yesterday: Total 24 - House 12 – Senate 12  
Bills added to State Chamber/AIA Tracking: 10 | Total Tracked Bills: 132

To see the list of new bills added to our tracking click [here](#).

To see all tracked bills saved by category, click [here](#).

## LEGISLATIVE SESSION INFORMATION

To view schedules, calendars, bill information and legislator information, click [here](#).

To view the joint statement regarding Capitol access and committee attendance click [here](#).

## Legislative Message Center

House of Representatives: 501-682-6211  
Senate: 501-682-2902

## STATE CHAMBER/AIA INFORMATION

### 2021 LEGISLATIVE AGENDA

To view the State Chamber/AIA's legislative agenda click [here](#).

## BILL SCORING

Floor votes on bills that address issues in our Legislative Agenda and/or are discussed in a Daily Legislative Update are subject to being scored.

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