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93rd General Assembly Tuesday, March 30, 2021 – Session Day 79

TODAY AT THE CAPITOL

The House and Senate will convene at 1 p.m. today.

Committee Meetings

8:30 a.m. – Joint Budget

9:30 a.m. – Senate State Agencies, Agriculture and City/County/Local | House Education

11:00 a.m. – Senate Transportation

2:00 p.m. – Senate State Agencies and Insurance & Commerce | House Tax, Judiciary and Health

**** CALL TO ACTION – PLEASE ASK YOUR SENATOR TO VOTE YES ON SB 530 ****

WORKERS' COMPENSATION – State Chamber Priority Agenda Bill

SB 530 by Sen. Dave Wallace and Rep. Jack Ladyman *was defeated in the Senate yesterday afternoon by a vote of 19 yes, 12 no and 4 present but not voting. The bill needed 24 yes votes to pass. But the vote was expunged, which allows a reconsideration.*

If you asked your State Senator to vote FOR SB 530 and they did, please say thank you. Please continue to ask your State Senator to vote YES on SB 530.

You can see how your Senator voted by clicking [here](#).

When an employee is injured while on the job and the injury is caused by someone else, workers' comp is obligated to pay the injured workers' medical bills and then the employee can also seek recovery of the medical bills from the person that caused the injury.

Workers' Comp is also obligated to pay two-thirds of the employee's lost wages, unless that amount exceeds a cap. The injured employee can then make a claim for all of their lost wages against the person that caused the injury.

This means the employee's medical bills have been paid by workers' comp and collected from the person that caused the injury. Likewise, the portion of the employee's lost wages paid by workers' comp are included in any recovery the employee receives for lost wages from the person that caused the injury.

SB 530 simply seeks to allow workers' comp to recover the amounts paid to their injured employee (medical bills and temporary total disability). Such recovery is known as subrogation and is a common right in insurance. It is authorized in the workers' comp statutes, but has been blocked by a judge's decision. The subrogation recovery cannot exceed more than half of the recovery made by the employee from the person that caused the injury.

The ability to recover these funds is important to business owners and managers because the recovery will reduce the amount paid by their workers' comp coverage. Like all

insurance, whenever a claim occurs it is likely the premiums will go up, too.

SB 530 also includes language about the workers' comp recovery being an absolute lien. This only means workers' comp's right to recover is superior to any other liens applied to the employee. Such liens can be for alimony, child support, taxes, materials, etc.

We ask these questions:

- a) Is it fair for the employee to have their medical bills paid by workers' comp and then recover those same medical costs from another person?
- b) Is it fair for the employee to collect part of their lost wages from workers' comp and then collect all of their lost wages from another person?

SB 530 requires a two-thirds majority to pass.

It is vitally important that Senators hear from the business community.
Simply ask them to **Vote Yes on SB 530, it's important to business.**

TODAY'S BILLS

OCCUPATIONAL LICENSING

HB 1667 by Rep. Tony Furman would require all occupational licensing entities to recognize licenses from other states. The bill defines "applicant" as an individual seeking an occupational or professional license.

This bill is on this afternoon's agenda in the House Public Health, Welfare and Labor Committee.

The State Chamber/AIA opposes this very broad bill.

INDEPENDENT TAX APPEALS COMMISSION-State Chamber/AIA Priority Agenda bill

HB 1468 by Rep. Joe Jett and Sen. Jonathan Dismang is our bill that seeks to create an Independent Tax Appeals Commission and a technical companion bill, **HB 1705**.

This bill is on Wednesday's agenda in the Senate Insurance and Commerce Committee.

The State Chamber/AIA supports **HB 1468 & HB 1705**.

INDEXING WEEKS OF UNEMPLOYMENT INSURANCE

HB1676 by Rep. Austin McCollum seeks to scale back the duration of unemployment compensation benefits in increments as indexed to the current unemployment rate. It would set the lower cap at 12 times the weekly benefit amount at or below 5.5 percent unemployment and sets the upper cap at 16 times the weekly benefit at more than 7 percent unemployment.

This bill is on today's agenda in the House Public Health, Welfare and Labor Committee.

This is a concept that is used in a few states. We have plans to consider this for the 2023 session. The current UI computer system is very old and most likely cannot handle this type of change before it is upgraded. We have discussed upgrading the system with DWS.

UNEMPLOYMENT INSURANCE SYSTEM UPDATE

HB 1765 by Rep. Robin Lundstrum would require the Director of the Division of Workforce Services (DWS) to adopt and implement by July 1, 2021 internal administrative policies and business processes to pursue recovery of improper overpayments of unemployment benefits and to allow an employer to notify the Division of a refusal of an offer of suitable work so the individual can be reviewed for continued eligibility.

This bill also provides that an additional .15 percent of the proceeds of the existing unemployment stabilization tax for April 1, 2021 through December 31, 2023, not to exceed \$35 million will go to the Division of Workforce Services unemployment Insurance Administration Fund for modernization of information technology systems and hardware.

This bill is on this afternoon's House Public Health, Welfare and Labor Committee.

We support updating the DWS UI system and this bill.

SCIENCE OF READING

SB 349 by Sen. Alan Clark and Rep. Keith Brooks would prohibit schools from using reading programs of instruction that are not aligned with the science of reading.

This bill is on today's agenda in the House Education Committee.

We support the science of reading.

ARHOME

SB 410 by Sen. Missy Irving seeks to create the Arkansas Health and Opportunity for Me Act of 2021 (ARHOME), replacing the Arkansas Works Program for expanded Medicaid coverage. It creates incentives for individuals to gain qualified health insurance premium assistance.

This bill is on this afternoon's House Calendar.

We support SB 410 and the companion appropriation bill SB 55.

REPEAL OF ARKANSAS WORKS

HB 1428 by Rep. Josh Miller and Sen. Dan Sullivan seeks to repeal the Arkansas Works Act of 2016 and move enrollees to the fee-for-service Medicaid Program.

This bill is on today's agenda in the House Public Health, Welfare and Labor Committee.

The State Chamber/AIA opposes this bill.

CIVIL EVICTION

HB 1563 by Rep. Jimmy Gazaway would establish a civil eviction process, including provisions on notice, complaint requirements, jurisdiction, civil pleadings, etc. and prohibits certain terms and conditions in rental agreements and also creates a duty that the landlord maintain habitable premises.

This bill was passed over yesterday and is on this afternoon's House Calendar.

The State Chamber/AIA is concerned about this bill.

CONSTITUTIONAL AMENDMENT REFERRALS

The Senate State Agencies will consider **SJR 15, 16, 6, 13, and 14** in their meeting today. To view a summary and status report on all Joint Resolutions, click [here](#).

TOMORROW'S BILLS

RELEASE OF TAXPAYER INFORMATION

SB 528 by Sen. Bill Sample seeks to require the Dept. of Finance and Administration to provide reports to counties and cities containing data on sales tax rebates and credits awarded for local sales and use tax rebates, and for purchased property used in construction contracts. It would require the reports to be delivered electronically on a monthly basis and to include the name of the taxpayer and the amount of the credit or rebate awarded.

This bill is on Wednesday's agenda in the Senate Revenue & Taxation Committee.

We oppose the release of the taxpayer information.

PHARMACY BENEFITS MANAGEMENT

HB 1804 by Rep. Brian Evans and Sen. Ron Caldwell seeks to make changes to the Arkansas Pharmacy Benefits Manager Licensure Act.

This bill is an intrusive bill that would severely limit the ability of **self-funded health plans**, usually offered by the state's large employers, to make prescription drugs more affordable for their members.

The bill places self-insured groups and governmental plans under the provisions of the state PBM (pharmacy benefits manager) Licensure Act, which established a single-rate system of reimbursement for each drug dispensed by every pharmacy in the state, regardless of the quality of services provided.

Arkansas Blue Cross and Blue Shield believes HB1804 will negatively impact the employers that sponsor self-funded health plans and the hundreds of thousands of hard-working Arkansans who depend on them. We further believe HB1804 will accelerate the escalation of healthcare costs in Arkansas.

Tools including protocols around prescribing and composition of pharmacy networks are used by most self-funded health plans and have been shown to be effective at helping health plans contain pharmaceutical costs. HB1804 attempts to circumvent these widely accepted and clinically sound cost-containment approaches and injects inappropriate state intervention into private-sector business strategies and free-market dynamics.

HB1804 would drive up the “out-of-pocket” costs of health plan members and ultimately could make the health plans on which they rely much less affordable. Additionally, HB1804 seeks to place an added reporting requirement on self-funded health plans that is burdensome and intrusive. Self-funded health plans would be required to share negotiated contract information including rebate and payment details that, until now, have been considered proprietary and confidential.

*This bill is on Wednesday’s agenda in the House Insurance and Commerce Committee.
We oppose this bill.*

NET METERING

HB 1787 by Rep. Lanny Fite and Sen. Blake Johnson would require the Arkansas Public Service Commission to adopt new or revised net-metering rules that require an electric utility to make adjustments to metering practices, customer fees and charges, kilowatt hour measurements, etc.

This bill seeks to correct the situation where the PSC requires utilities to purchase electricity they do not need at two to three times the market price.

*This bill is on Wednesday’s agenda in the House Insurance and Commerce Committee.
We support this bill.*

YESTERDAY’S BILLS

COVID CIVIL IMMUNITY

HB 1487 by Rep. Justin Gonzales and Sen. Ben Gilmore would create civil immunity for damages or injuries caused by or resulting from exposure to COVID-19 on business premises.

This bill received a Do Pass recommendation yesterday from the Senate Judiciary Committee.

The State Chamber/AIA supports this bill.

RIGHT TO REPAIR

SB 332 by Sen. Missy Irvin and Rep. Jim Dotson seeks to require the original equipment manufacturer of digital medical equipment to make available to an independent repair provider for a medical facility or an owner of digital electronic equipment documentation, parts, service tools, etc.

This bill passed the Senate yesterday afternoon 21 to 6.

CHANGES TO ADFA BOARD

SB 475 seeks to change the board composition and appointment process of the Arkansas Development Finance Authority and require house-related tax credits to be awarded equally among the four congressional districts each year.

This bill passed 33 to 1 in the Senate.

BILLS WE OPPOSE

PROHIBIT MANDATORY COVID IMMUNIZATIONS OR VACCINES

HB 1547 by Rep. Robin Lundstrum and Sen. Breanne Davis proposes an Act to Prohibit Mandatory 2019 (COVID-19) Immunizations or Vaccines for students and employees. A third amendment has been made to the bill.

*This bill awaits consideration in the House Public Health, Welfare and Labor Committee.
We oppose this bill.*

BILLS OF INTEREST

FIREARMS IN VEHICLES ON BUSINESS PARKING LOTS

SB 555 by Sen. Alan Clark seeks to repeal and replace the subsection that prohibits employers from restricting the storage of firearms inside employees' cars in an employer parking lot. It exempts parking lots owned by the Department of Corrections or an entity contracting with a division of the department to provide work release or post-incarceration housing services. It provides that an employer has the right to prohibit firearms for the following circumstances: a person who is not an employee storing a firearm in an

employee's vehicle, having a firearm if the employee is using an employer-owned vehicle, the employee is the subject of an active or pending employment disciplinary proceeding, and from bringing a firearm on a parking lot if the premises is being used for residential housing.

This bill awaits consideration in the House Judiciary Committee.

LIMITED LIABILITY COMPANY ACT

SB 601 by Senator Jonathan Dismang would create the Uniform Limited Liability Company Act and repeal the Small Business Entity Tax Pass Through Act. This is a 164-page bill.

The backers of this bill are interested in feedback about this bill. If you have any comments, please let us know.

STATE CHAMBER/AIA BILL TRACKING

Total Bills Filed: 1454 | New Bills Filed: Senate 12 | House 7

Bills and resolutions added to State Chamber/AIA Tracking: 11 | Total Tracked: 541

To see a list of the 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 statement regarding Capitol access and committee attendance, click [here](#).

Legislative Session 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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