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93rd General Assembly Wednesday, April 7, 2021 – Session Day 87

TODAY AT THE CAPITOL

The House and Senate will convene at 1:00 p.m. today.

Committee Meetings

9:30 a.m. – Senate Judiciary and Tax | House State Agencies and Insurance/Commerce

11:00 a.m. – House Management

Noon – House Rules

2:00 p.m. – Senate Education and Health | House Agriculture, Aging and City/County/Local

*** * CALL TO ACTION – YOUR CONTACTS ARE IMPORTANT ***
*

PLEASE ASK YOUR LEGISLATOR TO VOTE YES ON SB622!

CLASS PROTECTION BILL – State Chamber/AIA Priority Agenda Bill

Leadership in the Arkansas House and Senate filed **SB622**, a “Class Protection Bill” to **send the message that crimes targeting individuals simply because of who they are will NOT be tolerated in our state.** As you know, we are one of only three states in the country without a law on the books to ensure justice for crime victims who are targeted because they belong to a certain group or class of individuals. We could easily find ourselves the **ONLY** state in the nation without a similar law on the books. **We CANNOT let that happen.**

Please reach out to your legislator, as well as members of the House Judiciary Committee, and let them know SB622 is *critically* important – not just for creating jobs, but retaining the ones we have. Please let them know this measure is important to you and your community. Our employees deserve to know their state values equity and inclusion, and that diverse groups throughout Arkansas are both valued and protected under the law.

This bill is on this afternoon’s Senate Calendar.

Ask your Senator to Vote Yes on SB 622 - It’s important to business and our state.

TODAY’S BILLS

EXTENDED TAX RETURN DEADLINE – State Chamber/AIA Priority Agenda Bill

SB 420 by Sen. Jonathan Dismang and Rep. Joe Jett would set the deadline for state income tax returns following application for a federal extension to one month after the federal deadline for tax returns that have been granted a federal extension.

This bill received a Do Pass recommendation yesterday afternoon from the House Revenue and Taxation Committee and is on this afternoon’s House Calendar.

The State Chamber/AIA supports this bill.

PUBLIC ROADS IMPROVEMENT TAX CREDIT– State Chamber/AIA Priority Agenda Bill

SB 481 by Sen. Jonathan Dismang allows 100 percent of the public roads improvements tax credit to be taken in a single year, instead of limiting it to 50 percent. It also extends the carry-forward period for the credit from three to 10 years.

This bill received a Do Pass recommendation yesterday afternoon from the House Revenue and Taxation Committee and is on this afternoon's House Calendar.

The State Chamber/AIA supports this bill.

MODERNIZED UNEMPLOYMENT INSURANCE SYSTEM

HB 1765 by Rep. Robin Lundstrum would authorize a diversion of a set portion of existing revenue from unemployment insurance (UI) taxes to be spent on modernizing the state's UI computer system. The system dates back to the 1960s and uses Cobol programming. We believe it is important for this system to be upgraded. The bill also sets forth some actions to address fraud issues.

This bill passed 33 to 0 in the Senate yesterday afternoon and is on this afternoon's House Calendar for concurrence in a Senate amendment.

The State Chamber/AIA supports this bill.

RELEASE OF TAXPAYER INFORMATION

HB 1873 by Rep. Howard Beaty, Jr., Rep. Rick McClure and Rep. Jon Milligan would require the Department of Finance and Administration to include the taxpayer identification number and the total amount of sales tax collected for the year by each vendor in a vendor list requested by a county or city.

This bill is on this afternoon's agenda in the House City, County and Local Committee.

This bill has a technical error and needs provisions to protect business confidentiality as well as an exception to FOIA. We are investigating potential impact on competitive issues.

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 received a Do Pass recommendation yesterday from the Senate Insurance and Commerce Committee and is on today's Senate Calendar.

We oppose this bill because it will shift costs to employers and employees .

EMPLOYEE TRAINING

SB 627 by Sen. Trent Garner would place limitations on the content of state agency employee training based on a given definition of divisive concepts. It applies a provision to all contracts that requires a statement by the contractor that they will abstain from certain training concepts. It would also require the heads of all state entities to review their respective grant programs and may require the recipient to certify that it will not use state funds to promote a divisive concept and require training materials to be reviewed by the Department of Transformation and Shared Services for compliance. The provisions of this bill will apply to private businesses.

This bill received a Do Pass recommendation yesterday afternoon from the Senate State Agencies Committee and is on this afternoon's Senate Calendar.

We have concerns about this bill.

HIGHWAY REVENUE INTEREST INCOME

HB 1782 by Rep. Rick Beck and Sen. Mark Johnson would add workforce development grants in the transportation field to the list of eligible projects for use of highway revenue interest income.

This bill received a Do Pass recommendation yesterday by the House Public Transportation Committee and is on this afternoon's House Calendar.

The State Chamber/AIA supports this bill.

PARTISIAN LOCAL ELECTIONS

SB 1655 by Rep. Clint Penzo and Sen. Bart Hester would require county party committees to conduct party primaries for municipal offices unless the municipal governing body passes a resolution for nonpartisan elections for the forthcoming year.

This bill is on this morning's agenda in the House State Agencies Committee.

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 received a Do Pass recommendation yesterday from the House Judiciary Committee and is on this afternoon's House Calendar.

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 bill is on this afternoon's agenda in the Senate Judiciary Committee.

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

TOMORROW'S BILLS

SOFT DRINK SYRUP EXCISE TAX PHASE OUT – State Chamber/AIA Priority Agenda Bill

HB 1546 by Rep. Lanny Fite and Sen. David Wallace seeks to sunset the syrup excise tax that was enacted to fill a \$42 million budget shortfall over 28 months. That was more than 28 years and \$1.2 billion dollars ago. Removing the tax will provide relief to both consumers and the Arkansas hospitality industry, specifically restaurants and retailers—two of the hardest hit sectors of our economy as a result of the COVID-19 pandemic.

Concerns about this bill have arisen because it stops a dedicated revenue flow to the state's important Medicaid Trust Fund. But this bill was amended to specify replacement revenue and is being amended a second time to set triggers tied to growth in revenue from the Sales and Use tax to provide assurance that revenue for the Trust Fund will be available. The triggers mean that if a set amount of sales tax revenue growth is not achieved, the reduction in the tax will be paused. There is no fiscal impact in the next two fiscal years. By eliminating the excise tax and keeping the current sales tax on soft drinks, the state is replacing a declining revenue stream with one that continues to grow.

This bill is on today's House Calendar to adopt the second amendment that contains the triggers and is expected to be voted on tomorrow in the House Revenue and Taxation Committee.

We support this bill.

YESTERDAY'S BILLS

WORKERS' COMPENSATION – State Chamber Priority Agenda Bill

SB 530 by Sen. Dave Wallace and Rep. Jack Ladyman, which sought to address the issue of subrogation in workers' compensation cases, *was pulled down by leadership yesterday.*

PRINTING & MACHINERY SALES TAX EXEMPTION – State Chamber/AIA Priority Agenda Bill

HB 1596 by Rep. Joe Jett and Sen. Jonathan Dismang would extend existing sales and use tax exemptions for items sold for resale to include property sold for use in printing and extend the sales tax exemption for certain machinery and equipment to include articles of commerce.

This bill was discussed yesterday in the House Revenue & Taxation Committee, but no vote was taken because it has a revenue impact that is still being finalized.

The State Chamber/AIA supports this bill.

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.
This bill failed yesterday afternoon in the House Public Health, Welfare and Labor Committee.

We opposed this bill.

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.

This bill, which was previously defeated in the House Public Health, Welfare and Labor Committee, was back on the committee's agenda yesterday afternoon but was not considered.

We oppose this bill.

REPEAL OF ARKANSAS WORKS

HB 1428 by Rep. Josh Miller and Sen. Dan Sullivan seeks to repeal Arkansas Works.

This bill was not considered yesterday in the House Public Health, Welfare and Labor Committee

We oppose this bill.

BILLS OF CONCERN

RELEASE OF TAXPAYER INFORMATION

HB 1868 by Rep. Delia Haak would expand exceptions to provisions for the confidentiality of tax records to include data related to sales and use tax revenues generated in a political subdivision that requests the data from DF&A.

This bill has been assigned to the House Revenue and Taxation Committee.

We have concerns about this bill and are giving it a deeper review.

LOCAL ELECTIONS

SB 635 by Sen. Bart Hester and Rep. David Ray seeks to set the date for most special elections as the presidential preferential primary date or the general election date in a year in which those elections are held, otherwise on the third Tuesday in May or the Tuesday after the first Monday in November. It requires the calling to set a special election be filed at least 75 days before the date of the election. It exempts special elections to fill vacancies in office, special runoff elections, local option elections, special elections provided for by the Arkansas Constitution, or emergency elections, including if a delay of the election would cause an undue hardship to the governing entity.

This bill is identical to **HB 1368**, which was defeated twice on the House floor earlier in the session.

This bill has been referred to the Senate State Agencies Committee.

We oppose this bill, and we view **SB 496** as an acceptable approach to changing the local Special Election laws.

RELEASE OF TAXPAYER INFORMATION

SB 528 by Sen. Bill Sample would require the Department 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.

This bill awaits consideration by the House Revenue and Taxation Committee.

We understand the problems rebates and tax credits are causing local governments and support providing them more information. But we oppose release of taxpayer identities.

STATE CHAMBER/AIA BILL TRACKING

Total Bills Filed: 1526 | New Bills Filed: Senate 8 | House 9

Bills and resolutions added to State Chamber/AIA Tracking: 7 | Total Tracked: 569

To view a list of the new bills added to our tracking today 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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