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## 93rd General Assembly Wednesday, April 8, 2021 – Session Day 88

### TODAY AT THE CAPITOL

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

#### Committee Meetings

9:30 a.m. – Senate Agriculture and City/County/Local | House Health

10:00 a.m. – House Education and Judiciary

Noon – Senate Rules | House Management

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

**\* \* CALL TO ACTION – YOUR CONTACTS ARE IMPORTANT \***  
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**PLEASE ASK YOUR REPRESENTATIVE 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 passed the Senate 22 to 7 yesterday afternoon and is on the House Judiciary Committee agenda this afternoon.*

If you asked your Senator to vote yes, please be sure to say thank you.

**Ask your Representative to Vote Yes on SB 622 - It's important to business and our state.**

### TODAY'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 over 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 will be voted on this afternoon in the House Revenue and Taxation Committee.*  
We support this bill.

### **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 was not considered yesterday and is on this afternoon's Senate Calendar.*  
We have concerns about this bill.

### **REPEAL OF ARKANSAS WORKS**

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

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

### **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 Department of Finance and Administration.

*This bill is on this afternoon's agenda in the House Revenue and Tax Committee today.*  
We have concerns about this bill.

### **YESTERDAY'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 passed 92 to 0 in the House yesterday afternoon.*

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 passed 96 to 0 yesterday afternoon in the House.*

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.

*The House concurred in a Senate amendment 91 to 0 yesterday afternoon.  
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 was amended and given a Do Pass yesterday in the House Revenue and Taxation Committee.*

We are evaluating the amendment.

### **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 passed in the Senate yesterday 94 to 0.*

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

### **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 passed 94 to 0 in the House yesterday and has been assigned to the Senate Transportation, Technology and Legislative Affairs Committee.*

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 failed in the House State Agencies Committee yesterday.*

### **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 passed in the House yesterday 86 to 0.*

## **BILLS OF CONCERN**

### **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: 1546 | New Bills Filed: Senate 14 | House 6

Bills and resolutions added to State Chamber/AIA Tracking: 7 | Total Tracked: 576

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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*The Daily Legislative Update is written by Kenny Hall, reviewed by Randy Zook, then edited and distributed by Jeff Thatcher.*



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