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## **93rd General Assembly Wednesday, April 14, 2021 – Session Day 94**

### **TODAY AT THE CAPITOL**

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

#### **Committee Meetings**

8:00 a.m. – Joint Budget Committee Special Language

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

Noon – House Rules

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

### **TODAY'S BILLS**

#### **TAXABILITY OF NONRESIDENTS WORK IN AND OUT OF ARKANSAS – State Chamber/AIA Priority Agenda Bill**

**SB 484** by Sen. Jonathan Dismang provides that a nonresident's work performed both inside and outside of the state is taxable only on the portion of the income allocated to work performed in-state.

It exempts a nonresident's income if all of the following apply: compensation is paid for duties performed less than 30 days of in-state work in a year, duties were performed in multiple states during the calendar year, the compensation is not paid for duties in the individual's capacity as a professional athlete, entertainer, public figure, or qualified production employee; and either the individual's state or residence provides a similar income tax exemption or does not impose individual income tax.

It provides that if an individual exceeds the 30-day threshold for tax exemption, the employer will be required to withhold and remit taxes for every day in that calendar year, including the first 30 days.

It prohibits the Department of Finance and Administration from collecting penalties for failing to withhold or deduct income taxes when determining whether or not withholding was required if the employer maintains a time and attendance system specifically designed to allocate employee wages, and the employer relied on this data; or if the employer relied on either its own records, or the employee's reasonable determination of the time the employee expected to spend performing employment duties in this state.

It exempts employee travel from being considered in determining the location of an employee's performance of duties.

It sets the effective date of sections 2 and 3 of the act for the tax years beginning on or after January 1, 2021, and section 4 of the act on the first day of the calendar month following the effective date of the act.

*This bill is on this morning's agenda in the Senate Revenue and Taxation Committee.*

**We support this bill.**

### **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.

This bill specifies replacement revenue for the Medicaid Trust Fund and contains 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 was defeated on the House floor yesterday, but the vote was expunged and the bill is on this afternoon's House Calendar.*

**We support this bill.**

### **FUNDING FOR ARHOME**

**SB 55** by the Joint Budget Committee is the DHS funding appropriation that includes funding for the important ARHOME program. If this bill fails, it will cost the state hundreds of millions of dollars in lost federal funding.

*This bill was defeated on the House floor yesterday afternoon 54 yes to 31 no (it needs 75 yes votes to pass), but is back on this afternoon's House Calendar.*

**We support this bill.**

### **RELEASE OF TAXPAYER INFORMATION**

**SB 528** by Sen. Bill Sample and Rep. Lew Warren seeks to 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. The reports would be required 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 received a Do Pass recommendation yesterday from the House Revenue and Taxation Committee and is on this afternoon's House Calendar.*

**We sympathize with the problems that local governments are having and offered alternatives to provide information that would help.**

**We oppose the release of business taxpayers' confidential tax records.**

### **PROHIBIT MANDATORY COVID IMMUNIZATIONS OR VACCINES**

**HB 1547** by Rep. Robin Lundstrum and Sen. Breanne Davis seeks to prohibit mandatory 2019 (COVID-19) immunizations or vaccines.

*This bill received a Do Pass recommendation yesterday from the House Public Health, Welfare and Labor Committee and is on this afternoon's House Calendar.*

**We oppose this bill.**

### **EMPLOYER MANDATES – NEW HIRES, PAYROLL, WAGE PAYMENTS**

**SB 600** by Sen. Greg Leding would require employers to provide new hires with written notification regarding normal hours, agreed upon wages and pay schedules. It would also add requirements for payroll process and unconditional payment of wages due in case of a dispute.

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

**We oppose this bill.**

### **VACCINE PASSPORTS**

**SB 615** by Sen. Trent Garner would prohibit state and local authorities from using a vaccine passport as a condition of entry, travel, employment, etc.

*This bill is on today's agenda in the Senate Health Committee.*

**We could not find a way to amend this bill to make it acceptable.**

## **CARBON DIOXIDE EMISSIONS DATA**

**SB 675** by Sen. Greg Leding and Rep. Denise Ennett would require electric utilities to provide customers and the public with carbon dioxide equivalent emissions data and information about carbon intensity per electrical unit produced. It would also require:

- a) the calculation to include the life cycle greenhouse gas content calculation for each type of energy resource in the electric utility company's electric system portfolio, and weighted average life cycle of greenhouse gas content calculation for the annual electricity production by the electric utility company's electric system portfolio.
- b) the Arkansas Pollution Control and Ecology Commission to require an electric utility to use median values for life cycle emission, monitor developments in life cycle emissions, and instruct electric utility companies to use updated values in carbon intensity calculations if more precise estimates become available; allows an eclectic utility to request permission from the commission to use an energy resource carbon intensity value that differs from the value required by the commission.
- c) the commission to consolidate the annual carbon intensity data and issue a report that details the carbon intensity and aggregate carbon intensity for the electric power sector in the state; requires that the commission provide a copy of the report to the General Assembly, the Public Service Commission, the Department of Health, the Department of Commerce, and each electric utility company in the state; requires the report to be published via press release, website posting, or other effective means for review by the public.

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

## **CLEAN ELECTRICTY JOBS TASK FORCE**

**SB 681** by Sen. Greg Leding and Rep. Keith Brooks seeks to create the Clean Electricity Jobs Task Force to study policies related to clean energy businesses, workforce training, consumer issues, etc. The Task Force would expire on October 31, 2022

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

## **TECHNICAL CORRECTIONS TO MEDICAL MARIJUANA REGULATIONS**

**HB 1851** by Rep. Carlton Wing seeks to clarify the definition of "safety sensitive positions" in medical marijuana regulations. Rep. Wing carried a bill for us in 2017 to set some parameters for employers to follow when they have employees with medical marijuana cards. A comma was left out of the 2017 bill and has created a debate over how to interpret safety-sensitive positions regarding employees who work with confidential information or employers' clients, customers or others.

*This bill is being amended today.*

**We support 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 is being amended today.*

**SB 26** by Sen. James Sturch seeks to extend the reduced sales and use tax rates for utilities used by manufacturers to the use of coal. It provides that the sale of natural gas, electricity and coal will be subject to the excise tax levied in Amendment 101.

*This bill is on this morning's agenda in the Senate Revenue and Taxation Committee.*

**We support this bill.**

## **CONSTITUTIONAL AMENDMENTS**

The Senate State Agencies Committee gave Do Pass recommendations yesterday to the following Senate Joint Resolutions:

**SJR 10** by Sen. Breanne Davis and Rep. Frances Cavanaugh will allow legislative leaders to call a Special Session.

**SJR 13** by Sen. Jason Rapert and Rep. Jimmy Gazaway addresses the fundamental right to keep and bear arms

**SJR 14** by Sen. Jason Rapert and Rep. Jimmy Gazaway addresses religious freedom and government restrictions.

**SJR 18** by Sen. Alan Clark proposes an amendment to the U.S. Constitution to set the

number of U.S. Supreme Court justices at nine.

The House State Agencies Committee will be discussing the following House Joint Resolutions in their meeting this morning.

**HJR1005** by Rep. David Ray and Sen. Bart Hester to require 60 percent approval by both legislative chambers to refer a measure to the ballot and a 60 percent vote by the public to adopt a constitutional amendment or initiated act.

**HJR 1004** by Rep. Stephen Meeks would authorize the General Assembly to make exemptions to property taxes and require the General Assembly to abolish personal property taxes by 2047.

**HJR 1001** by Rep. Frances Cavanaugh and Sen. Breanne Davis would authorize the legislature to enter a special session by joint proclamation of the Speaker of the House and Senate President Pro Tempore.

To view a summary and status of the 43 House and Senate Joint Resolutions click [here](#).

## **YESTERDAY AT THE CAPITOL**

### **CLASS PROTECTION BILL – State Chamber/AIA Priority Agenda Bill**

**SB 622** by Senate President Pro Tem Jimmy Hickey, House Speaker Matthew Shepherd and Judiciary Committee chairs Sen. Alan Clark and Rep. Carol Dalby *was signed into law yesterday by Governor Hutchinson as Act 681.*

### **EXTEND MANUFACTURING SALES TAX EXEMPTION TO PRINTING – State Chamber/AIA Priority Agenda Bill**

**HB 1596** by Rep. Joe Jett and Sen. Jonathan Dismang seeks to extend the existing sales and use tax exemptions for items sold for resale to include property sold for use in printing. Sets the effective date on the first day of the calendar quarter following the effective date of the act.

*This bill received a Do Pass recommendation yesterday from the House Revenue & Taxation Committee.*

**We support 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 received a Do Pass as amended recommendation yesterday from the House Public Health, Welfare and Labor Committee.*

**We support this bill's goal, but the Department of Workforce Services computer system is running Cobol and using green screens. A new system needs to be in place before attempting a complicated change like this.**

### **EMINENT DOMAIN**

**SB 334** by Sen. Bob Ballinger and Rep. Justin Gonzales seeks to place restrictions on the use of eminent domain by state agencies.

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

**We oppose this bill.**

**SB 335** by Sen. Bob Ballinger and Rep. Justin Gonzales seeks to place restrictions on the use of eminent domain by local governments.

*This bill was defeated in the House Judiciary Committee yesterday.*

**We oppose this bill.**

## **TOMORROW'S BILLS**

### **RESTRICTIONS ON CORPORATE POLITICAL ACTIVITY**

**SB 651** by Sen. Greg Leding would restrict a corporation's political activity to those actions approved by 75 percent of the shareholders and directors of the corporation.

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

**We oppose this bill.**

## **REQUIRE TWO-FIFTHS OF A CORPORATE BOARD TO BE ELECTED BY EMPLOYEES**

**SB 653** by Sen. Greg Leding would require two-fifths of the directors of any corporation with more than \$50 million gross revenue to be elected by the employees of the corporation using an election process.

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

**We oppose this bill.**

## **UNIFORM LIMITED LIABILITY COMPANY ACT**

**SB 601** by Sen. Jonathan Dismang seeks to create the Uniform Limited Liability Company Act and repeals the Small Business Entity Tax Pass Through Act.

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

**The Bar Association asked us to seek input and we've received and shared some responses.**

## **STATE CHAMBER/AIA BILL TRACKING**

Total Bills Filed: 1598 | New Bills Filed: Senate 5 | House 9

Bills and resolutions added to State Chamber/AIA Tracking: 11 | Total Tracked: 601

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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