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93rd General Assembly Friday, April 16, 2021 – Session Day 96

TTODAY AT THE CAPITOL

The House and Senate are in recess until Monday.

YESTERDAY'S FLOOR VOTES

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. It sets the effective date on the first day of the calendar quarter following the effective date of the act.

This bill passed the House yesterday afternoon 88 yes to 2 no and has been assigned to the Senate Revenue and Taxation Committee.

We support this bill.

RELEASE OF TAXPAYER INFORMATION

SB 528 by Sen. Bill Sample and Rep. Les 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 passed the House yesterday afternoon 86 yes to 2 no.

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.

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.

An amendment to this bill was adopted in the House yesterday.

We support this concept, 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.

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 annually in lost federal funding.

This bill was defeated on the House floor a third time yesterday 64 yes to 23 no (it needs 75 yes votes to pass). It is expected to be considered again next week.

We support this bill.

SALES TAX REDUCTION

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 passed the Senate yesterday 33 yes to 0 no and has been assigned to the House Revenue and Taxation Committee.

We support this bill.

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 was not considered yesterday by the House.

We oppose this bill.

CONSTITUTIONAL AMENDMENTS

In each session, the General Assembly can refer up to three measures to the next General Election ballot. These are the Joint Resolutions that appear to be in play.

SIXTY PERCENT VOTE TO APPROVE CONSTITUTIONAL AMENDMENTS

HJR1005 by Rep. David Ray and Sen. Bart Hester would 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.

The House passed this Joint Resolution yesterday 74 yes to 18 no and it has been assigned to the Senate State Agencies Committee.

KEEP AND BEAR ARMS

SJR 13 by Sen. Jason Rapert and Rep. Jimmy Gazaway would amend the constitution to provide that Arkansans have a fundamental right to keep and bear arms, ammunition and accessories.

A second amendment was adopted yesterday to this Joint Resolution.

SPECIAL SESSIONS CALLED BY LEGISLATURE

SJR 10 by Sen. Breanne Davis and Rep. Frances Cavanaugh would authorize the legislature to enter a special session by joint proclamation of the Speaker of the House and Senate President Pro Tempore.

After an amendment, this Joint Resolution awaits consideration by the Senate State Agencies Committee.

HJR 1001 by Rep. Frances Cavanaugh and Sen. Breanne Davis is the same as **SJR 10**.

After an amendment, this Joint Resolution awaits consideration by the Senate State Agencies Committee.

YESTERDAY'S COMMITTEE ACTION

DATA FOR ECONOMIC DEVELOPMENT

HB 1868 by Rep. Delia Haak seeks to provide data related to sales and use tax revenues generated in a political subdivision that requests the data from DF&A.

This bill received a Do Pass as amended yesterday afternoon from the House Revenue and Taxation Committee.

The amendment was our request, so we support this bill as amended.

REPEAL ARKANSAS WORKS

HB 1428 by Rep. Josh Miller seeks to repeal the Arkansas Works Act of 2016.

A Do Pass motion on this bill failed yesterday in the House Public Health, Welfare and Labor Committee.

We oppose this bill.

BILLS WE SUPPORT

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 nonresidents' 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.

This bill awaits consideration in the Senate Revenue and Taxation Committee.

We support this bill.

HIRING FORMER OFFENDERS

HB 1719 by Rep. Robin Lundstrum and Sen. Breanne Davis seeks to create an income tax credit program for businesses that hire qualifying former offenders.

This bill awaits consideration on the House floor.

This is a good bill.

BILLS WE OPPOSE

COVENANTS TO NOT COMPETE

SB 665 by Sen. Bob Ballinger and Rep. Justin Gonzales seeks to place limitations on the enforcement of covenant not-to-compete agreements and narrows the definition of the protectable business interest of the employer.

- a) Provides that the covenant may not unduly burden an employee's ability to obtain gainful employment and freedom of movement; or unduly burden the public.
- b) Specifies that protectable business interest includes customer lists that are not compiled as a result of action by an employee, goodwill with customers that is not based on the action of an employee, knowledge of the employer's business practices that are unique or peculiar to the employer, and methods that are specialized and unique to the employer.
- c) Requires a covenant not-to-compete agreement be separately signed from any standard employment agreement and any other ancillary agreements with clear notice from the employer to the employee of the nature and scope of the agreement.
- d) Requires an employer to provide a copy of the employee's job description to the employee at the time of execution of a covenant not-to-compete agreement; provides that if an employer fails to comply the agreement is unenforceable.
- e) Places the burden of proof on the employer attempting to enforce a covenant not-to-compete agreement; provides that the employer will also be responsible for attorney fees incurred by the employee.
- f) Exempts a person who holds a professional license under Arkansas Code 17-3 or who is a nonmanagement employee; defines nonmanagement employee as an employee who is not employed in a supervisory role as described in the employee's job description.

This bill may be considered April 20 by the Senate Insurance and Commerce Committee.

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 awaits consideration in the Senate Public Health, Welfare and Labor Committee.

We oppose this bill.

WORKERS' COMPENSATION – EMERGENCY RESPONDERS PTSD COMPENSATION

HB 1935 by Rep. Carlton Wing would make emergency responders with qualifying conditions eligible for compensation for PTSD for which a qualifying event was the major cause. It would include EMTs, paramedics, advanced EMTs, firefighters and employees of investigators, law enforcement officers, and other emergency medical service workers with 40 hours of completed curriculum. It defines qualifying events as extraordinarily traumatic bodily injury or death of a person, the serious injury, death, abuse, or exploitation of a minor, an immediate threat to the life of the claimant or another person, or mass casualties. It considers emergency responders employees of their employers for the

purpose of the section and worker's compensation payment. Limits responders to 3 claims in their lifetime.

This bill awaits consideration in the House Public Health, Welfare and Labor Committee.

We oppose this bill.

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 awaits consideration 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 awaits consideration in the Senate Insurance and Commerce Committee.

We oppose this bill.

ACCESS TO EMPLOYMENT AND INCOME DATA

HB 1911 by Rep. Joshua Bryant seeks to establish a pilot program for real-time employment and income data to be used for determining an individual's eligibility for the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families and Unemployment benefits.

This bill awaits consideration in the House Public Health, Welfare and Labor Committee.

We have concerns about this bill and are looking for input.

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 awaits consideration 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, etc.

This bill awaits consideration 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 awaits consideration in the Senate Public Health, Welfare and Labor Committee.

We oppose this bill.

CLEAN ELECTRICITY 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 awaits consideration in the Senate Public Health, Welfare and Labor Committee.

We oppose this bill.

NEXT WEEK AT THE CAPITOL

REVENUE STABILIZATION ACT

Joint Budget Committee co-chair Rep. Lane Jean announced in the House yesterday afternoon that a draft of the RSA will be available early next week. The official “lay on the table,” which starts the three day clock, might happen on Wednesday.

STATE CHAMBER/AIA BILL TRACKING

Total Bills Filed: 1634 | New Bills Filed: Senate 2 | House 5

Bills and resolutions added to State Chamber/AIA Tracking: 1 | Total Tracked: 610

To view 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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