

# DAILY LEGISLATIVE UPDATE



*Business matters.*

## Daily Legislative Update

94<sup>th</sup> Arkansas General Assembly  
Monday, April 3, 2023 | Day 85

### TODAY'S MEETINGS

Rules have been suspended so schedules can change on short notice. The legislative website [www.arkleg.state.ar.us](http://www.arkleg.state.ar.us) remains the best source of information.

### WEEK 12 UPDATE

On Friday, the Arkansas General Assembly concluded an eventful week after its spring break recess. Legislation is now moving at a fast pace, as legislators hope to end the session on April 7. There has been speculation about whether legislators will meet that deadline. While it is still uncertain, leadership in both the House and Senate are diligently working toward that date, as was demonstrated last week when several committee meetings lasted well into the evening. To extend the session beyond April 7 would require a three-fourths vote of both the House and Senate.

Governor Sarah Sanders joined legislative leaders Thursday to announce a plan to reduce the state's top individual income tax rate from 4.9 percent to 4.7 percent, while reducing the corporate income tax rate from 5.3 percent to 5.1 percent. The measure would reduce state income taxes by \$100 million a year and corporate income taxes by \$24 million, effective retroactively to January 1, 2023.

Legislators began hearing presentations on proposed constitutional amendments last week, as well. Each session, the legislature can refer up to three measures to the general election ballot. Committee chairs have said legislators will begin voting on the measures on Monday. The House narrowed its options down to two proposals: HJR 1006, which would allow lottery scholarship funds for technical training and HJR 1009, which would return judicial elections to partisan. The Senate has seven items on the State Agencies Committee Agenda today.

### NEW TRACKED BILLS

We began tracking [10 additional bills](#) today.

### **Collateral Source**

#### **HB 1822 by Rep. Rebecca Burkes**

This bill would require a court to reduce damages by the amount the plaintiff has or will receive in compensation from third parties when a verdict has been issued in an action to recover damages for a tort resulting in death/injury to a person or damage to property.

*This bill awaits consideration in the House Judiciary Committee.*

### **TODAY'S BILLS**

#### **Franchise Law Revisions**

#### **HB 1783 by Rep. Jeff Wardlaw and Sen. Ricky Hill**

We oppose this bill, which seeks to interfere with private contracts and substantially rewrite the Arkansas Franchise Law, including nullifying provisions in existing contracts between franchisors and franchisees. This bill would allow a franchisee to transfer its franchise without the consent of the franchisor. It would also modify existing transfer provisions to reduce a franchisor's time to review a transfer request to 30 days and expressly require uniform application of the franchisor's criteria for evaluating the transferee. Existing law requires "good cause" to terminate or elect to not renew a franchise. This bill narrows the definition of "good cause." It also expands remedies, restricts a franchisor from requiring a franchisee to sign a general release as a condition of exiting the franchise system.

*This bill is on this afternoon's agenda in the House Insurance & Commerce Committee.*

#### **Criminal Justice – Public Safety**

#### **SB 495 by Sen. Ben Gilmore and Rep. Jimmy Gazaway**

This is Governor Sanders' Protect Arkansas plan, which we support. This is a comprehensive prison reform bill that calls for \$470 million for 3,000 new state prison beds and \$20 million to recruit new corrections officers. **SB 495** would also mandate that prisoners convicted of violent offenses such as capital murder, first-degree murder, rape (and a list of other violent offenses) serve 100 percent of their sentences. The new prison beds are needed to alleviate a backup of more than 2,000 state prisoners now housed in local jails.

*This bill is on this afternoon's House Calendar.*

#### **Arkansas Adult Diploma Program**

#### **HB 1529 by Rep. David Ray and Sen. Breanne Davis**

We support this bill, which seeks to establish the Arkansas Adult Diploma Program. It would require the Department of Education to annually issue a request for public, nonprofit, or other entities to apply to become approved program providers in the Arkansas Adult Diploma Program. It would also require the Department of Education to announce the approved program providers no later than October 15 annually. An approved program provider may begin enrolling students starting no later than November 15 of each year.

*This bill is on this afternoon's House Calendar.*

### **STATE CHAMBER/AIA PRIORITY BILL**

#### **Throwback Rule Repeal**

#### **HB 1045 by Rep. Howard Beaty and Sen. Ben Gilmore**

We support this bill, which is part of our priority agenda and seeks to repeal the throwback rule. This is a complicated tax rule that allows Arkansas to charge income tax on products

that are made in Arkansas but are sold in states that do not charge income tax on the transaction for whatever reason.

*A second amendment is being added today.*

## **BILLS WE OPPOSE**

### **Workers' Compensation**

#### **HB 1611 and 1612 by Rep. Josh Miller and Sen. John Payton**

We oppose these bills, which seek to allow attorneys' fees on medical benefits (**HB1611**) and eliminate disability benefit caps (**HB1612**).

*These two bills remain on the House Public Health, Welfare and Labor Committee agenda.*

### **Career and Technical Courses**

#### **SB 470 and SB 369 by Sen. Jim Dotson and Rep. Rick Beck**

These bills seek to require the Division of Career and Technical Education to review new and existing career and technical pathways to determine which courses meet criteria for weighted credit and publish a list of approved pathways annually.

We oppose these bills because they weaken Arkansas's nationally leading computer science education requirement.

*These bills are on the House Education Committee agenda.*

### **Pharmaceutical Executives – Felony for Drug Misinformation**

#### **SB 7 and SB 8 by Sen. Bryan King**

We oppose these bills because of the precedent they would set in creating a felony for actions by corporate executives. We also have concerns about the bills' attempt to apply Arkansas criminal law to individuals who are not in Arkansas. **SB 7** applies to prescription drugs, and **SB 8** applies to vaccines.

*These bills await consideration in the House Judiciary Committee*

### **Pay Stubs**

#### **SB 522 by Sen. Greg Leding**

We oppose this bill, which requires certain employers to furnish to each employee at the time the employee's wages are paid an itemized statement showing the pay basis in hours or days worked, rate of pay, gross pay, and deductions for the respective pay period.

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

### **Healthcare Mandate Bills with Cost Concerns**

There are a series of pending health care mandate bills. Although these bills are well intentioned, they will raise healthcare costs on fully insured plans used by individual consumers and small businesses. A health insurance provider has provided us with the following cost estimates on these bills.

**HB 1261 by Rep. Lee Johnson** would mandate coverage for ambulance service to triage, treat and transport a patient to alternative destinations. The estimated cost is \$4.5 to \$6.8 million.

*This bill is on this afternoon's House Calendar.*

**HB 1252 by Rep. Lee Johnson** would require coverage for prosthetic devices for athletics or recreation and prosthetic devices for showering or bathing.

*This bill received a Do Pass recommendation Friday and is on this afternoon's Senate Calendar.*

**SB 181 by Sen. Kim Hammer** would mandate coverage for use of IVIG PANS/PANDA. The estimated cost is \$14.5 million, but this amount would double if the adult population is included.

*This bill received a Do Pass Friday from the Senate Insurance & Commerce Committee and is on today's Senate Calendar.*

**SB 137 by Sen. Missy Irvin** would mandate coverage for necessary maxillofacial services. The estimated cost is \$7 to \$9.4 million.

*This bill is on this afternoon's agenda in the Senate Insurance & Commerce Committee.*

### **BILL TRACKING**

1379 Bills Filed | Senate bills: New 19 - 573 filed | House bills: New 8 - 833 filed  
State Chamber Tracking Bills & Resolutions: 546 – 10 added today

To view all tracked bills by category, click [State Chamber AIA Bill Tracking Categories](#)

### **2023 STATE CHAMBER AIA LEGISLATIVE AGENDA**

---

#### **LEGISLATIVE SESSION INFORMATION**

To view schedules, calendars, bill information, and legislator information, click [www.arkleg.state.ar.us](http://www.arkleg.state.ar.us).

#### **LEGISLATIVE MESSAGE CENTER**

House of Representatives: 501-682-6211  
Senate: 501-682-2902

#### **LIVE STREAMING FROM THE CAPITOL**

The House and Senate have links to live streaming of their committee meetings and floor session online.

- House: <https://www.arkansashouse.org/>
- Senate: <http://www.arkansas.gov/senate/>

#### **STATE CHAMBER/AIA GOVERNMENTAL AFFAIRS TEAM**

- Randy Zook, President/CEO  
[rzook@arkansasstatechamber.com](mailto:rzook@arkansasstatechamber.com)
- Kenny Hall, Executive Vice President  
[khall@arkansasstatechamber.com](mailto:khall@arkansasstatechamber.com)
- Andrew Parker, Director of Governmental Affairs  
[aparker@arkansasstatechamber.com](mailto:aparker@arkansasstatechamber.com)
- Toni Lindsey, Director of Governmental Affairs  
[tlindsey@arkansasstatechamber.com](mailto:tlindsey@arkansasstatechamber.com)

Visit our website



1200 W. Capitol Ave., P.O. Box 3645  
Little Rock, AR 72203-3645

501-372-2222  
FAX 372-2722

---

STAY CONNECTED



Arkansas State Chamber of Commerce/Associated Industries of Arkansas  
1200 W. Capitol Ave., Little Rock, AR 72201  
P.O. Box 3645, Little Rock, AR 72203  
501-372-2222 | [arkansasstatechamber.com](http://arkansasstatechamber.com)