

DAILY LEGISLATIVE UPDATE



Business matters.

Daily Legislative Update

94th Arkansas General Assembly
Tuesday, February 14, 2023 | Day 37

TODAY AT THE CAPITOL

A full schedule of committees meet this morning. The Senate convenes at 1:00 p.m., and the House convenes at 1:30 p.m. Visit www.arkleg.state.ar.us to view meeting schedules, floor calendar, agendas, and video links for any of the meetings.

NEW TRACKED BILLS

We added [14 bills](#) to our tracking today. The new tracked bills include one of our priority items to eliminate phantom damages (details below). There are three new tax exemptions and four higher education scholarship bills. There are also identical bills in the House and Senate to require ballot initiatives to submit petitions from 50 counties.

STATE CHAMBER/AIA PRIORITY BILL

Elimination of Phantom Damages

HB 1418 by Rep. Marcus Richmond et. al. and Sen. Missy Irvin et. al.

This State Chamber/AIA priority bill was filed yesterday. It addresses a civil justice abuse that contributes to growing litigation costs known as “phantom damages.”

“Phantom damages” exist any time lawsuit recoveries are calculated using the dollar amount a patient was billed for a medical service instead of the amount the patient, their insurer, Medicare, Medicaid, or workers’ compensation actually paid for treatment. For example, a hospital may bill \$20,000 for an emergency room visit, while the amount the hospital actually receives after adjustments may be \$8,000. The \$12,000 difference is not owed or ever paid in the real world.

Opposition contends that the bill will abolish the “collateral source rule.” It does not.

Arkansas’ collateral source rule provides that a trial court must “exclude evidence of payments received by an injured party from sources ‘collateral’ to...the wrongdoer, such as private insurance or government benefits....”

We believe injured patients should be compensated for amounts they or their insurer has actually paid for medical care, and under **HB 1418** that will still be the case. But, when recoveries are calculated using billed charges rather than actual reimbursement, “phantom damages” are created, which neither the patient nor their insurer ever paid.

Please ask your legislators to **SUPPORT HB 1418**.

BILLS ON TODAY'S AGENDAS

Income Tax Credit - Early Childhood Education

HB 1158 by Rep. Julie Mayberry and Sen. Missy Irvin

This bill creates a refundable income tax credit for qualifying early childhood education program directors, teachers, and instructional staff, and for eligible business childcare expenses.

- The tax credit applies to early childhood education program directors, teachers, and instructional staff who are employed in an early childhood education program that meets the requirements of the Better Beginnings quality rating system of DHS and who earn less than the state's minimum salary for K-12 public school teachers, as provided in 6-17-5 2403.
- Sliding scale tax credit: (1) Child Development Associate Credential - \$1,800 (2) Arkansas Children's Program Administrator Credential - \$1,800 (3) Associate degree in early childhood education or a related field - \$2,400 (4) Bachelor's degree or higher in early childhood education or a related field - \$3,000
- For the business expense tax credit, if the eligible childcare facility received a rating of: (1) Level 6 - credit up to 25% of the eligible business childcare expenses (2) Level 5 - 20% (3) Level 4 - 15% (4) Level 3 - 10% (5) Level 2 - 5%.

This bill is on this morning's agenda in the House Revenue & Taxation Committee.

YESTERDAY'S BILL ACTION

Session Extension

HCR1007 by House Speaker Rep. Matthew Shepherd and Senate President Pro Tem Sen. Bart Hester

The constitution authorizes a 60-day legislative session that is extendable. This bill extends the Regular Session of the Ninety-Fourth General Assembly until 12:00 p.m., May 1, 2023. The legislature could adjourn *sine die* before that date. The House approved this Resolution 96 to 2 on February 8, and the Senate passed it yesterday 35 to 0.

BILLS ON TOMORROW'S AGENDAS

Petitions - Ballot Titles

HB 1320 by Rep. David Ray and Sen. John Payton

This bill requires sponsors of initiative petitions or referendum petitions to file with the Attorney General before being circulated for signatures, allows the attorney general to ratify or change ballot title and popular name for each amendment/act.

- The Attorney General must approve the submitted ballot title and popular name and certify it or substitute and certify a more suitable and correct ballot title and popular name within 10 days of the petition being filed.

The State Chamber/AIA supports this bill, which is on tomorrow's agenda in the House State Agencies Committee.

BILLS WE OPPOSE

Employers - Paid Leave for Early Voting

SB 230 by Sen. Bryan King

This bill requires employers to provide eight hours of paid leave to each employee registered to vote for early voting prior to a primary election, primary runoff, and general election. It also prohibits employers from penalizing employees for using this paid leave.

The State Chamber/AIA opposes this bill. It was moved to the deferred list yesterday in the Senate State Agencies Committee.

BILL TRACKING

680 Bills Filed | Senate: 10 new – 260 filed | House: 20 new – 420 filed
State Chamber Tracking: 257 - 14 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.

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/>

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