

Daily Legislative Update

Friday, January 23, 2015 12th Day of 90th General Assembly

TODAY AT THE CAPITOL

The House and Senate are in recess until Monday, January 26th.

YESTERDAY

Governor Asa Hutchinson delivered his planned major health care policy speech at UAMS yesterday morning. He called on the General Assembly to renew funding for the private option through Dec. 31, 2016. He also asked lawmakers to form a task force to study the issue of health care reform and to develop long-term solutions.

SB 96 was filed yesterday by Sen. Jim Hendren which would create the "Health Reform Legislative Trask Force." The Task Force would consist of the President Pro Tempore of the Senate, five senators appointed by the President Pro Tem, the Senate Majority and Minority Leaders, the Speaker of the House, five Representatives appointed by the Speaker, and the Majority and Minority Leaders of the House. It would also include the Surgeon General as a nonvoting member.

Gov. Hutchinson said it was "time to close this chapter and start a new one," and the debate over the "politically toxic" private option funding could not occur year after year and provide instability for the state's health care community and citizens, particularly those on the private option.

Hutchinson outlined principles he wants to see built into health coverage reform efforts, including the need for more federal flexibility, which he thinks can occur. He read excerpts of a letter from federal Health and Human Services Secretary Sylvia Burwell, who said she would commit to work "on a potential broad block of changes."

SB6 by Senate President Jonathan Dismang and House Speaker Jeremy Gillam, which contains the Governor's middle class income tax reduction, passed the full Senate by a vote of

30 to 3 yesterday afternoon. It has now been assigned to the House Revenue and Taxation Committee.

If SB6 becomes law, Arkansans with taxable incomes between \$21,000 and \$75,000 would see the tax rate drop from 6 percent to 5 percent on income between \$21,000 and \$35,099, starting next year. The tax rate on income between \$35,100 and \$75,000 would fall from 7 percent to 6 percent.

SB6 delays a 0.1 percentage point income tax rate cut for most Arkansans until next year. Only those with taxable incomes of less than \$21,000 will get that tax cut, as scheduled, this year. SB6 also repeals Act 1488 of 2013 which increased the capital gains exclusion from the state income tax from 30 percent to 50 percent, starting this tax year, and provided an income-tax exemption for that part of a capital gain received by a taxpayer in excess of \$10 million starting last tax year. The law would be repealed retroactive to Jan. 1 of this year.

STATE CHAMBER/AIA BILL TRACKING

To date, the House has filed 136 bills and the Senate has filed 97 bills.

The State Chamber/AIA is tracking 44 bills and resolutions.

New bills added to State Chamber/AIA tracking today:

HB 1132	Hodges, Monte (D) Burnett, David (D)	Authorizes DF&A to allocate recycling tax credits to public retirement systems that are vested in waste reduction or recycling projects, in the same manner that it would allocate credits to a proprietorship, partnership or LLC.
HB 1133	Baltz, Scott (D)	Establishes requirements for licensure as a community paramedic, including existing licensure as a paramedic and completion of an additional training program; authorizing community paramedic to perform particular services.
HB 1136	Magie, Steve (D)	Allows registered nurses and physician assistants to prescribe hydrocodone combination products if authorized by a supervising physician.
<u>SB 92</u>	Files, Jake (R) Hickerson, Mary (R)	Makes permanent the State Aid Division of the Highway Department; Revises service on the State Aid Street Committee from formation of a new committee each four years to staggered terms and requires minimum two meetings per year.

SB 95	Woods, Jon (R) Neal, Micah (R)	Creates a sales tax exemption for sales to service organizations such as the Lions Club, a masonic lodge, a local club of Optimist International, etc.
SB 96	Hendren, Jim (R)	Creates the Arkansas Health Reform Legislative Task Force for recommending alternative healthcare coverage models.

For the complete, searchable list of bills being tracked please visit our <u>tracking site</u>. The full text of each bill is available at the site.

NEXT WEEK AT THE CAPITOL

House convenes Monday at 1:30 p.m. Senate convenes Monday at 1:30 p.m.

Committee Meetings for Monday, January 26, 2015

JOINT

10:00 AM	Mac, Room A	JBC-PEER REVIEW	<u>Agenda</u>	Ø
10:00 AM	Room 130	PUBLIC RETIREMENT & SOCIAL SECURITY PROGRAMS-JOINT	<u>Agenda</u>	
Upon Adjournment of Both Chambers	Room 171	STATE & PUBLIC SCHOOL LIFE & HEALTH INSURANCE TASK FORCE	<u>Agenda</u>	0

HOUSE

None listed.

SENATE

None listed.

LEGISLATIVE SESSION CONTACT INFORMATION

State Senators: 501-682-2902

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To view schedules, calendars, bill information and legislator information, visit:

www.arkleg.state.ar.us.

To view live stream video and audio from the Arkansas House of Representatives,

visit www.arkansashouse.org.

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