

**OVERVIEW
OF LEGISLATION
ENACTED BY
THE 94th GENERAL ASSEMBLY
OF THE STATE OF ARKANSAS**



The 94th General Assembly convened on January 9, 2023, and adjourned sine die on May 1, 2023.

Using the methodology of Attorney General Opinion 2017-052, under which the 2017 regular session adjourned sine die on May 1, acts of the General Assembly without an emergency clause or other specified effective date are effective on August 1, 2023.



TOTAL NUMBER OF BILLS AND ACTS

849 House bills and 590 Senate bills were filed during the 2023 Regular Session - a total of 1,439 bills.

890 of those bills passed both chambers of the General Assembly and became law.



OVERVIEW OF LEGISLATION

The following slides briefly highlight certain legislation enacted by the Ninety-Fourth General Assembly.

This presentation is not a comprehensive overview of all enacted legislation - if you would like additional information on legislation in a certain area please let me know.



ACT 237 – THE “LEARNS” ACT

CABINET TRANSFER AND EARLY CHILDHOOD EDUCATION

- The duty to administer Arkansas's early learning education system, including the administration of rules related to funding, licensing, standards, and program requirements, quality rating, and streamlining the burden reduction for families and providers, is transferred from the Department of Human Services to the State Board of Education.
- The Department of Education shall establish a comprehensive, locally supported plan for early childhood programs and services.
- The State Board of Education shall establish kindergarten readiness standards and a uniform accountability system for publicly funded early childhood education programs.



ACT 237 – THE “LEARNS” ACT

CAREER READINESS

- Beginning with the ninth grade class of 2024-2025, a public high school student shall have the option to earn a high school diploma through a career-ready pathway, which shall be developed by the Division of Elementary and Secondary Education and include challenging academic courses and modern career and technical studies aligned with high-wage, high-growth jobs in Arkansas.
- Each public school district shall offer at least 1 career-ready pathway that is aligned to state and regional workforce demands and according to rules adopted by the State Board of Education.



ACT 237 – THE “LEARNS” ACT

TEACHERS

- Requires public school district boards of directors to adopt policies and establish procedures that require a superintendent to consult with teachers employed by the public school district before making any decisions regarding the hiring or placement of a principal at the school in which the teachers are employed. The teachers’ recommendations shall be considered, but are not binding.
- Hiring decisions and reduction-in-force procedures shall be based on: (1) performance; (2) effectiveness (primary criterion); and (3) qualifications. Seniority and tenure shall not be used as the primary criterion when making employment-related decisions.
- The act prescribes the required contents of public school district employment contracts, including the employee’s right to a notice of recommendation for termination and an opportunity for a hearing before the school district board of directors.
- Repeals the Teacher Fair Dismissal Act and the Public School Employee Fair Hearing Act.
- Establishes paid maternity leave for education personnel based on a cost-sharing agreement between the Division of Elementary and Secondary Education and a public school district or open-enrollment public charter school that elects to participate.
- Repeals the statute establishing incentives for teacher recruitment and retention in high-priority districts.
- Loan repayments under the State Teacher Education Program are increased from \$3,000 to \$6,000.



ACT 237 – THE “LEARNS” ACT

TEACHER SALARIES, BONUSES, AND SCHOLARSHIPS

The following slide details three separate programs:

- Minimum Teacher Compensation Schedule (teacher salaries);
 - Merit Teacher Incentive Fund Program (bonuses for teachers meeting certain criteria); and
- Arkansas Teacher Academy Scholarship Program (aspiring teachers).



TEACHER SALARIES	<ul style="list-style-type: none"> ❖ School districts shall be open for on-site, in-person instruction for at least 178 days or 1,068 hours ❖ School districts shall utilize 80% or more of the amount of state funds allocated for school-level personnel salaries as recommended in the most recent adequacy study 	<ul style="list-style-type: none"> ❖ Teacher contracts: 190 school days each year; personnel policies cannot incorporate more rights than those in law ❖ School districts shall adopt employee salary schedules and not have a waiver for teacher salary requirements 	<ul style="list-style-type: none"> ❖ State Board of Education may promulgate rules ❖ Teacher Minimum Salary and Raise Fund created within the Public School Fund of the Department of Education 	<ul style="list-style-type: none"> ❖ Minimum salary is \$50,000 ❖ For the 2023-2024 year, teachers to be paid \$2,000 more than their current salaries
MERIT TEACHER INCENTIVE FUND	<ul style="list-style-type: none"> ❖ Teacher who demonstrates outstanding growth in student performance ❖ Teacher serving as a mentor to aspiring teachers ❖ Aspiring teachers participating in yearlong residencies ❖ Teachers instructing in subject areas or regions experiencing a critical shortage of teachers ❖ Other state board categories 	<ul style="list-style-type: none"> ❖ Division of Elementary and Secondary Education shall consider the poverty level of a school and the designated performance rating of a school when distributing funds to eligible teachers ❖ A teacher in intensive support status is ineligible 	<ul style="list-style-type: none"> ❖ State Board of Education may promulgate rules ❖ Merit Teacher Incentive Fund created within the Public School Fund of the Department of Education 	<ul style="list-style-type: none"> ❖ Annual bonus of up to \$10,000
ARKANSAS TEACHER ACADEMY	<ul style="list-style-type: none"> ❖ Academy attendees shall agree to teach at least 1 full school year in a school that serves primarily public school students with disabilities ❖ An Arkansas Teacher Academy may include a new or existing teacher preparation program 	<ul style="list-style-type: none"> ❖ A higher education institution may develop a portfolio of teacher preparation programs and give priority to students in grades 11 and 12 ❖ An institution shall develop partnerships with public schools to build 	<ul style="list-style-type: none"> ❖ Institution implements an Arkansas Teacher Academy ❖ Division of Higher Education shall implement administrative process and distribution criteria 	<ul style="list-style-type: none"> ❖ Annual scholarship of the cost of an institution's tuition and fees ❖ Amount for obtainment of a teaching license, including the cost of 1 exam



ACT 237 – THE “LEARNS” ACT

OPEN-ENROLLMENT PUBLIC CHARTER SCHOOLS AND SCHOOL CHOICE

SCHOOL TRANSFORMATION CONTRACTS:

- A public school district with a “D” or “F” school rating or a public school district classified as in need of Level 5 – Intensive support shall be eligible to partner with an open-enrollment public charter school or other approved entity to operate a public school district transformation campus.

ARKANSAS OPPORTUNITY PUBLIC SCHOOL CHOICE ACT AND PUBLIC SCHOOL CHOICE ACT OF 2015:

- The act prohibits establishing a maximum on school choice transfers into or from a public school unless required to do so according to an enforceable desegregation order or a public school district’s court-approved desegregation plan.

ARKANSAS QUALITY CHARTER SCHOOLS ACT OF 2013:

- The act repeals the limitation of the State Board of Education to grant no more than 24 charters for open-enrollment public charter schools.
- The act repeals the prohibition against open-enrollment public charter schools opening in the service area of a public school district administratively reorganized by statute until after the 3rd year of the administrative reorganization.
- The act creates an expedited renewal process for open-enrollment public charter schools that meet certain criteria, including having a school rating above the state average, demonstration of exceptional academic growth with enrolled students, and adherence to operational requirements.



ACT 237 – THE “LEARNS” ACT

STUDENTS

COMMUNITY SERVICE DIPLOMA REQUIREMENT:

- Beginning with the graduating class of 2026-2027, each public high school student shall complete at least 75 hours of documented community service in grades 9-12 (9th grade: 15 hours; 10th-12th grades: 20 hours).

CURRICULUM:

- Public school employees, representatives, or guest speakers shall not compel a person to adopt, affirm, or profess an idea in violation of Title IV and Title VI of the Civil Rights Act of 1964.
- Public school employees and students shall not be required to attend trainings or orientations based on prohibited indoctrination or Critical Race Theory.



ACT 237 – THE “LEARNS” ACT

STUDENTS

LITERACY SCREENERS: KINDERGARTEN THROUGH GRADE THREE (K-3):

- The existing statewide student assessment system shall now include high-quality, evidence-based literacy screeners for K-3 students, which shall be used to determine a student’s progression in reading in K-3 and shall be given during the first 30 days of the school year; repeated, if indicated, midyear; and given at the end of each school year.
- The division shall collect and publish aggregated overall state literacy assessment results from public school districts and open-enrollment public charter schools annually by October 1.

RIGHT TO READ ACT:

- If a student has not met the third-grade reading standard, as defined by the State Board of Education, or does not have a good-cause exemption, the student shall not be promoted to the 4th grade.
- A good-cause exemption may include students who have limited English proficiency with less than 3 years of instruction in an English-language learner program; students with a disability who are not eligible for an alternate assessment; students who have participated in a literacy intervention program aligned to the science of reading for 2 or more years, still demonstrate a need in reading proficiency, were previously retained, received a special education referral and a full evaluation, and have not met “exceptional education criteria”; and those who have already been retained in kindergarten or grades 1-3 for one year.



ACT 237 – THE “LEARNS” ACT

STUDENTS

EARLY NUMERACY:

- Each public school district and open-enrollment public charter school shall develop a math intervention plan for each student in grades 3-8 who is not performing at or above grade level on the state assessment.

LITERACY COACHES:

- Subject to legislative appropriation, the division shall provide, train, and assign literacy coaches to low-performing public schools based on the most recent K-3 literacy screener.
- The division shall establish a literacy tutoring grant program for purposes of supplemental educational services for eligible students. Eligible students are K-3 students who are determined to not meet the reading standard, as defined by the state board, are determined to be at risk for reading difficulties according to the literacy screener, or have received a good cause exemption for promotion to 4th grade.



ACT 237 – The “LEARNS” Act

ARKANSAS CHILDREN’S EDUCATIONAL FREEDOM ACCOUNT PROGRAM

Participating Schools

A private school that offers students a full academic curriculum and full academic year experience and receives payments from program accounts to provide goods and services that are considered to be qualifying expenses

Shall meet accreditation requirements as established by the State Board of Education or an accrediting association or be an associate member of or have applied for accreditation by the Arkansas Nonpublic School Accrediting Association, Inc. A participating school must receive accreditation within 4 years of becoming an eligible participating school.

Shall demonstrate fiscal soundness by having been in operation for at least 1 school year or by providing the Department of Education a statement from a CPA confirming the school is insured and has sufficient capital or credit to operate.

Additional certifications and agreements, including:

- Shall not discriminate;
- Shall remain academically accountable to parents;
- Shall employ or contract with teachers who have at least baccalaureate degrees or equivalent, documented experience;
- Shall adhere to its published disciplinary procedures for all;
- Shall follow all state laws and rules, including applicable health and safety laws and rules; and
- Shall complete and maintain background checks of all employees.

Funds allocated annually to participating student accounts shall be in an amount equal to 90% of the prior year’s foundation funding amount allocated per student



ACT 237 – THE “LEARNS” ACT

ARKANSAS CHILDREN’S EDUCATIONAL FREEDOM ACCOUNT PROGRAM

Participating Student – Eligibility Requirements

2023-2024	2024-2025	2025-2026
Disability identified under the IDEA	Eligible in 2023-2024 school year	Resident of the State of Arkansas
Considered homeless under McKinney-Vento Homeless Assistance Act	Enrolled in a public school with a “D” <u>or</u> “F” rating	
Foster child or former foster child	Child of a veteran, military reserves	
Currently participating in Succeed Scholarship Program	Child of first responder or law enforcement officer	
Child of active-duty military personnel		
Enrolled in previous year in a school with an “F” rating or in need of Level 5 – Intensive Support		
Enrolling in kindergarten for the first time		

Participating Student – Maximum Enrollment

2023-2024	2024-2025	2025-2026
A maximum of 1.5% of the 2023-2023 total public school student enrollment may participate	A maximum of 3% of the 2022-2023 total public school enrollment, which includes students who continue to participate from 2023-2024	No maximum

Qualifying Expenses

2023-2024	2024-2025 - thereafter
Tuition	All those from 2023-2024
Fees	Instructional materials
Cost of testing	Tutoring and curriculum
School uniforms	Services for a student with a disability
Expenses determined to be “necessary,” including supplies, equipment, technology, and services	Transportation and any other fees approved by the Division of Elementary and Secondary Education



ACT 744 of 2023

PUBLIC SCHOOL FUNDING

- **HEALTH INSURANCE CONTRIBUTION RATE:**
 - The House and Senate Committees on Education, through the biennial adequacy review process, shall provide a health contribution rate recommendation to the General Assembly
- **FOUNDATION FUNDING AMOUNTS:**
 - 2023-2024 School Year: \$7,618 (2021-2022 School Year: \$7,182)
 - 2024-2025 School Year: \$7,771 (2022-2023 School Year: \$7,413)

CATEGORICAL FUNDING				
YEAR	2021-22	2022-23	2023-24	2024-25
ALTERNATIVE LEARNING ENVIRONMENTS	\$4,794	\$4,890	\$4,987	\$5,086
ENGLISH-LANGUAGE LEARNERS	\$359	\$366	\$366	\$366
ENHANCED STUDENT ACHIEVEMENT	\$1,594	\$1,613	\$1,613	\$1,613
	\$1,063	\$1,076	\$1,076	\$1,076
	\$532	\$538	\$538	\$538
PROFESSIONAL DEVELOPMENT	\$40.80	\$40.80	\$41	\$41

Amounts in Red	90-100% of enrolled students are National School Lunch students
Amounts in Green	70-89% of enrolled students are National School Lunch students
Amounts in Blue	0-69% of enrolled students are National School Lunch students



ACT 461 - PUBLIC EDUCATION REORGANIZATION ACT

- Repeals the requirement that the Division of Elementary and Secondary Education annually publish a list of all school districts with fewer than 350 students, also known as the “consolidation list”.
- Repeals the authority of the division to administratively consolidate a school district that is on the consolidation list and does not submit a petition for purposes of voluntarily consolidating with another school district.



ACT 386 -ARKANSAS CHALLENGE PLUS SCHOLARSHIP PROGRAM

- Creates the Arkansas Challenge Plus Scholarship Program.
- A student is eligible if he or she:
 - Applies for and maintains eligibility for a scholarship awarded under the Arkansas Academic Challenge Scholarship Program; and
 - Demonstrates financial need as determined by the Free Application for Federal Student Aid (FAFSA).
- A scholarship shall be awarded in addition to a scholarship awarded under the Arkansas Academic Challenge Scholarship Program. The amount of the scholarship shall be based on the amount of financial need determined by the FAFSA.
 - If funds are available for scholarships, then scholarships shall be awarded by the Division of Higher Education in increments of \$1,000 per eligible student per academic year, with a maximum of \$4,000 per eligible student per academic year.
 - The sum of an Arkansas Academic Challenge Plus and Arkansas Academic Challenge scholarship awarded to an eligible student in a single academic year shall not exceed \$5,000.



ACT 656 -FREE AND REDUCED-PRICE SCHOOL BREAKFASTS AND LUNCHES

- Requires the Department of Education to use federal funds appropriated to it for child nutrition programs in order to provide school breakfasts and lunches at no cost to each qualifying student.
- Prohibits public schools that serve school breakfasts or school lunches as part of a child nutrition program from charging qualifying students a reduced-price copayment for school breakfasts or school lunches.



ACT 659

THE PROTECT ARKANSAS ACT

- The act overhauls the state's parole system and replaces it with a new post-release supervision system beginning January 1, 2025.
- The act requires offenders to serve 100% of their sentence for the most serious crimes, including first degree murder, rape, kidnapping, and aggravated robbery, and requires offenders to serve 85% of their sentence for other specified crimes such as second degree murder and sexual indecency with a child.
- For other offenders who may be eligible for earlier release, the act creates a path for inmates to earn their way to early release by completing a GED or other courses and accumulating earned release credits for other positive behaviors while incarcerated.



ACT 659 (cont.)

- The act provides visitation for inmates with families and provides bonding time for a postpartum female inmate and her newborn.
- The act creates a program for Specialty Courts to appoint attorneys to represent Specialty Court defendants, who are typically working toward rehabilitation from a substance addiction or mental illness.
- The act prohibits credit bonding by providing that the premium or compensation for giving bond shall be deposited in full prior to release.
- The act creates a Recidivism Task Force to study ways to reduce recidivism.
- The section of the act establishing the Recidivism Task Force is effective August 1, 2023, and the remainder of the act is effective January 1, 2024.



ACT 584 – THE FENTANYL ENFORCEMENT AND ACCOUNTABILITY ACT OF 2023

- The act creates new “death by delivery” offenses that apply when a person delivers or conveys a controlled substance to another person and the controlled substance causes the death of the other person.
- Aggravated death by delivery occurs when the person knowingly delivers or conveys fentanyl or when the person receiving the fentanyl is a minor. The offense is an unclassified felony with a penalty of imprisonment of twenty (20) to sixty (60) years, or life.
- Death by delivery in the first degree occurs when the person knowingly delivers or conveys methamphetamine, heroin, or cocaine that causes the death of the recipient. The offense is a Class A felony, with a term of imprisonment of six (6) to thirty (30) years, or a Class Y felony, with a term of imprisonment of ten (10) to forty (40) years, or life.
- Death by delivery in the second degree applies to controlled substances other than fentanyl, methamphetamine, heroin, and cocaine. The offense is a Class A felony, with a term of imprisonment of six (6) to thirty (30) years, or a Class B felony, with a term of imprisonment of five (5) to twenty (20) years.



ACT 584 (cont.)

- The act provides that trafficking fentanyl is an unclassified felony with a penalty of imprisonment of twenty-five (25) to sixty (60) years, or life, and a fine of one million dollars (\$1,000,000).
- The act creates the offense of predatory marketing of fentanyl to minors which targets creating fentanyl or fentanyl packaging that appeals to minors due to a child-like appearance that is colorful, includes an animal, vehicle, or character, or resembles candy or other food that is attractive to minors. Predatory marketing of fentanyl to minors is an unclassified felony with a penalty of life imprisonment and a fine of one million dollars (\$1,000,000).
- The act decriminalizes fentanyl testing strips, which are used by a person preparing to use a drug to determine whether it contains fentanyl.
- The act declares an emergency and is effective on and after April 11, 2023.



**ACT 629 – TO PROHIBIT INDUSTRIAL HEMP THAT
CONTAINS CERTAIN DELTA
TETRAHYDROCANNABINOL SUBSTANCES**

- The act prohibits the possession and use of hemp-derived intoxicating substances and adds delta-8, delta-9, and delta-10 substances that contain a minimum percentage of hemp-derived cannabidiol to the list of Schedule VI controlled substances in the Uniform Controlled Substances Act.
- The act contains an exception for industrial uses of hemp products.
- The act declares an emergency and is effective on and after April 11, 2023.



ACT 532 – TO REDUCE THE INCOME TAX RATES APPLICABLE TO INDIVIDUALS, TRUSTS, ESTATES, AND CORPORATIONS

- The act reduces the top individual income tax rate to 4.7% and reduces the top corporate income tax rate to 5.1%.
- The act is effective for tax years beginning on or after January 1, 2023.



ACT 485 – TO ENHANCE ECONOMIC COMPETITIVENESS BY PHASING OUT THE THROWBACK RULE

The act phases out the income tax apportionment throwback rule over 7 years so that business income from sales of tangible personal property are sourced as follows:

- For tax year 2024, 85.71% within the state and 14.29% outside the state;
- For tax year 2025, 71.42% within the state and 28.58% outside the state;
- For tax year 2026, 57.13% within the state and 42.87% outside the state;
- For tax year 2027, 42.84% within the state and 57.16% outside the state;
- For tax year 2028, 28.55% within the state and 71.45% outside the state;
- For tax year 2029, 14.26% within the state and 85.74% outside the state;
and
- For tax years beginning on or after January 1, 2030, 100% outside the state.



ACT 315 – TO INCREASE THE AMOUNT OF THE HOMESTEAD PROPERTY TAX CREDIT

- The act increases the homestead property tax credit from \$375 to \$425.
- The act is effective for assessment years beginning on or after January 1, 2023.



**ACT 372 – TO CREATE THE OFFENSE OF
FURNISHING HARMFUL ITEMS TO A MINOR;
AND TO AMEND THE LAW CONCERNING
OBSCENE MATERIALS LOANED BY A LIBRARY**

- The act creates the offense of furnishing harmful items to a minor.
- The act eliminates the defense to prosecution for schools and public libraries for disseminating material that is claimed to be obscene and adds loaning a book from a library to the list of actions that can constitute the offense of possessing, selling, or distributing obscene material.
- The act establishes requirements for school media centers and public libraries regarding the selection, relocation, and retention of physical materials that are available to the public.
- The act allows libraries to disclose confidential library records to the parent or legal guardian of a library patron who is a minor.



**ACT 777 – TO CLARIFY THAT A
LICENSE TO CARRY A CONCEALED
HANDGUN IS NOT REQUIRED TO
CARRY A CONCEALED HANDGUN IN
THIS STATE**

- The act clarifies that the purpose of the concealed carry licensing statutes is to provide licensees reciprocity in other states that require a license to carry a concealed handgun.
- The act clarifies that Arkansas law does not require a person to obtain a license to carry a concealed handgun in order to carry a concealed handgun in this state.



ACT 274 – PROTECTING MINORS FROM MEDICAL MALPRACTICE ACT OF 2023

- The act establishes a statute of limitation of fifteen (15) years after the date on which the minor turns 18 years of age in cases in which a gender transition procedure is performed on a minor and the minor is injured by the procedure, related treatment, or the after effects of the procedure or treatment.
- The act contains exceptions for certain situations such as persons born with a medically verifiable disorder of sex development or an individual with a physical disorder, injury, or illness that places the individual in imminent danger of death or impairment of major bodily functions.
- The act provides that consent to a gender transition procedure is voluntary and informed only if, at least 30 days before the first treatment of a gender transition procedure and during each subsequent visit for treatment during the following 6 months, the minor and the minor's parent or guardian receives a specified verbal and written notice.



ACT 619 – SEXUAL INDECENCY WITH A CHILD

- The act amends the current list of behaviors that fall under the criminal offense of sexual indecency with a child to include a situation where a person, age eighteen (18) or older, for the purpose of arousing or gratifying a sexual desire of himself, herself, or another person, enters into or remains in a public changing facility that is assigned to persons of the opposite sex while knowing a minor of the opposite sex is present in the public changing facility.
- The offense is a Class C misdemeanor, which can be penalized with a fine up to five hundred dollars (\$500) and up to thirty (30) days in jail.



ACT 411 – CONCERNING THE REGULATION OF ENVIRONMENTAL, SOCIAL JUSTICE, OR GOVERNANCE SCORES

- The act regulates the use of environmental, social justice, or governance scores and prohibits discrimination against energy companies and firearm entities by a financial services provider.
- The act directs the Treasurer of State and a public entity to divest investments or obligations of the state due to the use of environmental, social justice, or governance-related metrics and discrimination against energy companies or firearm entities.
- The act defines environmental, social justice, and other governance-related factors as any nonpecuniary factors that a financial services provider uses to evaluate a company's policies including environmental impact and diversity and inclusion policies.
- The act creates the ESG Oversight Committee to determine a list of financial services providers that are discriminating against energy, fossil fuel, firearms, or ammunition companies or otherwise refuse to deal based on environmental, social justice, or governance-related metrics. This list of financial services providers will be published on the Treasurer of State's website.



ACT 689 – TO CREATE THE SOCIAL MEDIA SAFETY ACT

The act prohibits a social media company from allowing a minor in this state to create a new account on the social media company's social media platform unless the minor has the express consent of a parent or legal guardian. The act:

- Requires reasonable age verification through a third party vendor;
- Establishes liability for failure to perform age verification for use of social media and illegal retention of data; and
- Provides for penalties for violations of \$2,500 per violation, court costs, and reasonable attorney's fees as ordered by the court and damages resulting from a minor accessing a social media platform without parental consent.



ACT 612 – TO CREATE THE PROTECTION OF MINORS FROM DISTRIBUTION OF HARMFUL MATERIAL ACT

The act creates the Protection of Minors from Distribution of Harmful Material Act. The act:

- Establishes liability for the publication or distribution of material harmful to minors or pornography on the internet except for news or public interest broadcasts, website videos, reports, or events;
- Requires a commercial entity to use a reasonable age verification method before allowing access to a website that contains a substantial portion or more than 33.33% of material that is harmful to minors;
- Clarifies that a reasonable age verification method includes providing a digitized identification card, including a digital copy of a driver's license, government-issued identification, or any commercially reasonable age verification method that holds an Identity Assurance Level 2 (IAL2); and
- Prohibits a commercial entity or third party vendor that performs a reasonable age verification to retain any identifying information of the individual after access to the material has been granted.



ACT 590 – TO CREATE THE EVENT TICKETING AND RESALE CONSUMER PROTECTION ACT

- The act creates the Event Ticketing and Resale Consumer Protection Act to:
 - Allow for the resale of tickets to a legal event;
 - Prohibit a local government from regulating or prohibiting the sale or resale of a ticket for admission to a legal event at any price or prohibit the charge of any fee in connection with the sale or resale of a ticket;
 - Allow an institution of higher education or its designee to place a ticket to a collegiate sporting event held in this state at a price no greater than the face value of the ticket with associated transactional fees and costs for no less than ten (10) days before a collegiate sporting event; and
 - Regulate the refund process for event tickets.
- The act repeals the law prohibiting the resale of tickets in excess of their regular price to certain events under criminal law.
- The act establishes criminal penalties for counterfeit event tickets and penalties for violations of the Event Ticketing and Resale Consumer Protection Act.
- The act contains an emergency clause and is effective on and after April 11, 2023.



ACTS ADDRESSING ELECTION LAWS

- Act 194 – Requires the Attorney General to review initiative petitions and referendum petitions before circulation and the gathering of signatures. This act was effective on March 6, 2023, via an emergency clause.
- Act 236 – Amends the procedure for the filing of an initiative or referendum petition by requiring signatures be gathered from a minimum of fifty (50) counties. This act was effective on March 7, 2023, via an emergency clause.
- Act 300 – Requires special elections to be held on the same dates as a primary or general election.
- Act 308 – Outlines the process for a county board of election commissioners to correct errors on ballots.
- Act 328 – Creates a process for the transportation, security, and chain of custody for marked absentee ballots and provisional ballots.
- Act 544 – Creates the Election Integrity unit of the Attorney General’s office.
- Act 743 – Creates the procedure for counties when paper ballots are used to vote. This act was effective on April 12, 2023, via an emergency clause.



ACT 131 – TO ADD CERTAIN RESTRICTIONS TO AN ADULT-ORIENTED PERFORMANCE; AND TO DEFINE AN ADULT-ORIENTED PERFORMANCE

- The act prohibits an adult-oriented performance from taking place on public property, admitting minors, or being funded in whole or in part with public funds.
- The act defines “adult-oriented performance” as a performance that is designed to appeal to the prurient interest and that features:
 - A person who appears in a state of nudity or is seminude;
 - The purposeful exposure, whether complete or partial, of specific anatomical or prosthetic areas; or
 - A specific sexual activity.



ACTS 264 AND 709 –ACTS CONCERNING THE RECORDS MAINTAINED BY SCRAP METAL RECYCLERS AND THE CREATION OF THE OFFENSES FOR THEFT OF A CATALYTIC CONVERTER AND UNAUTHORIZED POSSESSION OF A CATALYTIC CONVERTER

Act 264 – The act creates the offenses of theft of a catalytic converter and unauthorized possession of a catalytic converter and requires scrap metal recyclers to maintain certain records related to used catalytic converters.

Act 709 – The act amends the statute created by Act 264 to clarify that the permanent marking on a used catalytic converter indicating that it was lawfully obtained may include a stock number associated with a specific vehicle identification number or a shortened vehicle identification number, and removes the list of businesses created under Act 264 that were presumed to be in lawful possession of a used catalytic converter.



ACT 278 – TO PREVENT COST-SHIFTING AND ENSURE FAIRNESS TO ALL RATEPAYERS

- The act amends the Arkansas Renewable Energy Development Act of 2001 to establish the Arkansas Cost-Shifting Prevention Act of 2023, which provides:
 - Rate structure options for electric utilities related to net-metering facilities;
 - A requirement for interconnection by, at minimum, a two-channel digital meter;
 - Authorization for an electric utility to impose certain charges to recover costs associated with net metering;
 - Authorization for a standard one-time fee by an electric utility related to administrative and interconnection review costs;
 - A net-metering customer retains a renewable energy credit;
 - Certain net-metering customers shall remain under the rate structure, terms, and conditions in effect before December 31, 2022, until June 1, 2040; and
 - Authorization for an electric utility to apply a monthly grid charge if following a specific rate structure option.
- The act establishes the Customer Protections for Net-metering Customers Act, which requires certain information be provided to a net-metering customer and authorizes enforcement under the Arkansas Deceptive Trade Practices Act by the Office of the Attorney General.
- The act declares an emergency and is effective on and after March 13, 2023.



**ACT 755 – TO ESTABLISH MAXIMUM FEES FOR A YOUTH
LIFETIME HUNTING AND FISHING LICENSE FOR RESIDENTS TEN
(10) YEARS OF AGE OR YOUNGER**

- The act establishes a lifetime hunting and fishing license for residents that are ten (10) years of age or younger for a one-time fee of five hundred dollars (\$500).
- The act authorizes the Arkansas State Game and Fish Commission to assess a transaction fee for transactions with a credit card, debit card, or other electronic payment method related to hunting and fishing licenses, permits, or stamps.



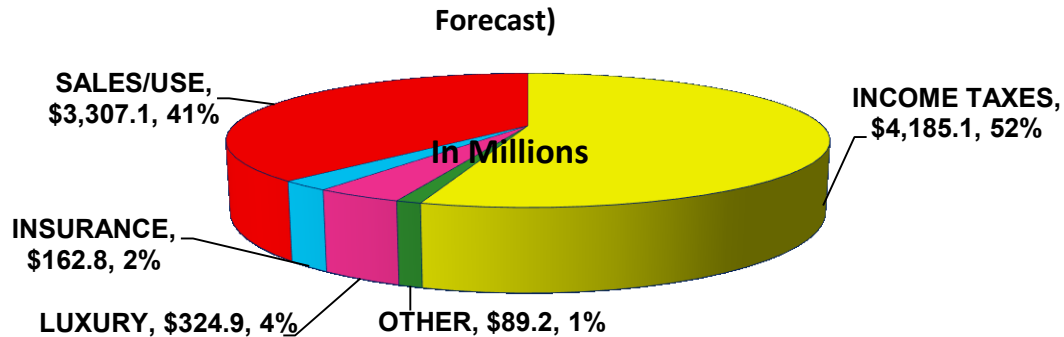
FISCAL AND BUDGETARY MATTERS

The following slides summarize certain fiscal and budgetary issues addressed during the 94th General Assembly.

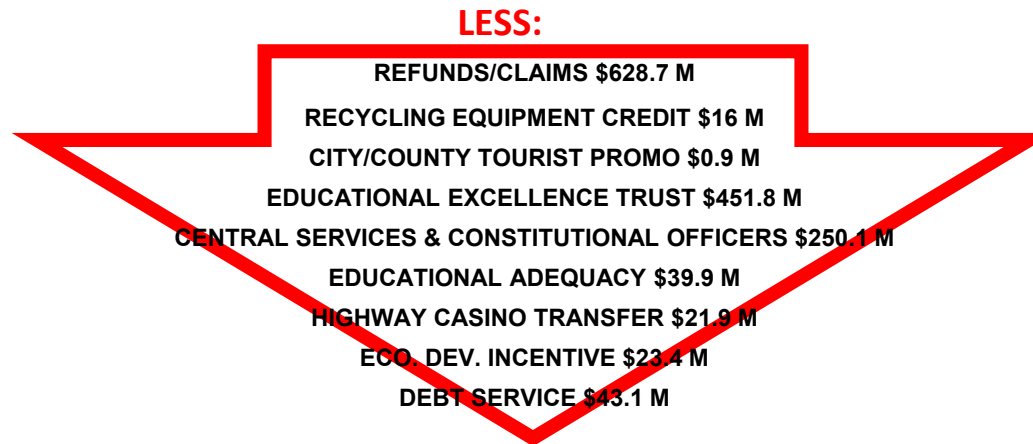


FY2024 ESTIMATED GROSS GENERAL REVENUES - \$8,069.1 Million or \$8.06 Billion (11/10/2022)

General Revenue Collections →

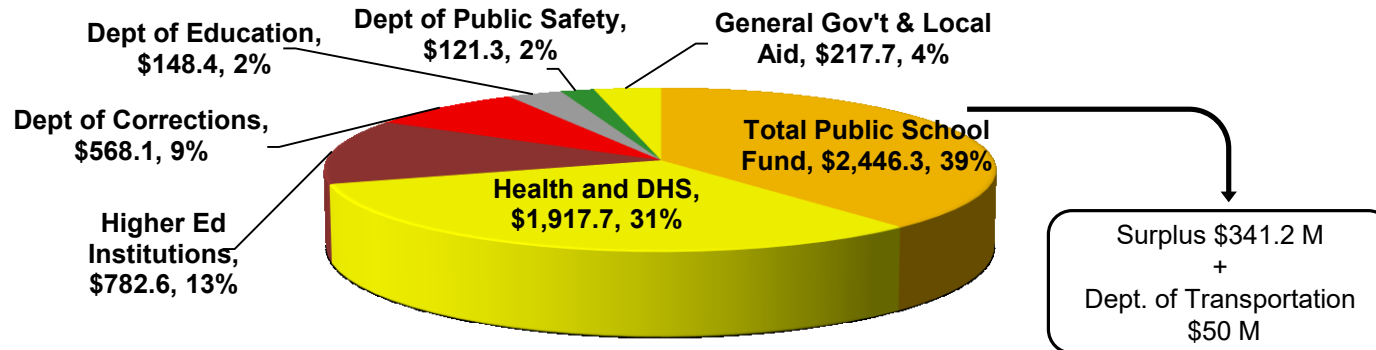


Less: Off the Top Deductions & Payments →



DISTRIBUTION OF FY2024 "NET AVAILABLE" GENERAL REVENUES \$6,593.3 Million or \$6.6 Billion

Distribution of General Revenue →



Distribution to State Agencies and Institutions: \$6,202.1 Million RSA A+B
Bureau of Legislative Research



Act 561 - Distribution of Surplus Funds in the Restricted Reserve Fund

Release or distribution of "Set-Aside" funds require a request from the Department of Finance and Administration which must be approved by Legislative Council, unless otherwise noted or listed as a transfer.

	Set-Aside / Transfer Amount
Educational Facilities Set-Aside	\$ 500,000,000
Correctional Facilities Set-Aside	\$ 330,000,000
State Crime Lab Building Set-Aside	\$ 200,000,000
Infrastructure Investment and Jobs Act Grants Matching Set-Aside	\$ 200,000,000
UAMS National Cancer Institute (NCI) Set-Aside	\$ 100,000,000
School Safety Set-Aside	\$ 50,000,000
Adequacy Set-Aside	\$ 45,000,000
Transfer to the Arkansas Major Historic Rehabilitation Income Tax Credit Act	\$ 40,000,000
Teacher Academy Scholarship Set-Aside	\$ 24,000,000
Motor Vehicle Set-Aside	\$ 20,000,000
Education Freedom Account Set-Aside	\$ 15,000,000
Transfer to UAMS for hospital expansion in South	\$ 12,000,000
Performance Fund Set-Aside	\$ 10,000,000
Charter School Facilities Set-Aside	\$ 12,000,000
State Police Troop School and Recruitment Set-Aside	\$ 6,445,000
UAPB Land Grant Set-Aside	\$ 4,000,000
Teacher Education Program Set-Aside	\$ 2,200,000
Pregnancy Help Organization Grants Set-Aside	\$ 1,000,000
Various General Discretionary Majority Vote Set-Aside	\$ 100,000,000
EBD or Contingency Set-Aside	\$ 47,115,845
Game and Fish Grants Set-Aside	\$ 10,000,000
Rapid ID DNA Set-Aside	\$ 370,000
Transfer to Quick Action Closing Fund	\$ 35,000,000
Economic Stimulus Programs Set-Aside	\$ 10,000,000
Food Insecurities and Health Needs Set-Aside <i>(Funded as authorized in Act 657, amount to be determined)</i>	\$ -
Drug Task Force Set-Aside	\$ 2,500,000
Economic Development Districts Set-Aside	\$ 240,000
Human Development Center Master Plan Upgrades Set-Aside	\$ 8,000,000
*Law Enforcement Stipend Set-Aside. <i>(Funded w/ previous unspent Law Enforcement Stipend funds, estimated amount \$13M, to be released as determined by Arkansas Legislative Council)</i>	\$ -
TOTAL	\$ 1,784,870,845



ACT 888 - REVENUE STABILIZATION ACT

Fiscal Year 2024 allocations in the Revenue Stabilization Act to distribute General Revenue to State Agencies, Departments, Institutions of Higher Education, General Government and Local Support total \$6.2 billion dollars, which is an increase of 2.95% over the previous fiscal year.

Some of the Significant Change Levels to the FY2024 State General Revenue Budget are:

- The Public School Fund and Department of Education allocations total \$2.5 billion dollars, with increases of \$150 million dollars to provide general support for School Districts and funding for the LEARNS Act. Additional funding for K-12 Education is also provided through Set-Asides in Act 561 which provide \$136.2 million dollars for various educational purposes and \$512 million dollars for Educational Facilities.
- The Career and Technical Education allocation of \$8.4 million dollars was increased by \$350,000 dollars for additional grants to Literacy Councils.
- The Department of Human Services (DHS) allocations total \$1.8 billion dollars, with increases of \$6.6 million for the foster care program and \$2.25 million for the County Jail Mental Health Pilot Program.
- The Department of Corrections allocations total \$542 million dollars, with increases of \$40 million dollars for staffing and Health Insurance and \$750,000 for Drug Task Force increased funding. This does not include \$25.7 million dollars allocated for County Jail Reimbursement.
- The Department of the Military allocation totals \$9.99 million dollars, with increases of over \$2 million dollars for personnel changes, increased utility costs, and various renovations and upgrades.
- The Arkansas State Police allocation total is \$88.7 million dollars, with a \$6.3 million dollar increase for positions, overtime, increased operating expenses, and troop school costs.
- The Institutions of Higher Education total allocation for all Institutions and Colleges total \$782.6 million or 12.62% of the general revenue funding available. This includes an increase of \$5 million dollars to UAMS for general operating expenses.



FUNDING FOR ACT 237 - THE LEARNS ACT

The total estimated cost for the LEARNS Act is \$297.5 million dollars for Fiscal Year 2024 and \$343.3 million dollars for Fiscal Year 2025. Funding for Fiscal Year 2024 is provided for with a \$150 million dollar increase (for general adequacy and LEARNS Act) in the Revenue Stabilization Act, \$44.7 million dollars from the American Rescue Plan Act (ARPA), an Adequacy Set-Aside in Act 561 for \$45 million dollars, and \$53.2 million dollars from other Set-Asides established in Act 561 for various programs.



FUNDING FOR ACT 237 - THE LEARNS ACT

The following is a summary of the estimated costs of the LEARNS Act:

- Teacher Salary Increase - \$180 million for FY2024 and FY2025.
- Education Freedom Accounts – \$46.7 million in FY2024 and \$97.5 million in FY2025, with supplemental funding from the Education Freedom Accounts Set-Aside established in Act 561 for \$15 million dollars.
- Maternity Leave - \$3 million for FY2024 and FY2025.
- Innovative Transportation - \$5 million starting in FY2025.
- State Teacher Education Program - \$1.1 million both fiscal years, for the Division of Higher Education, funded with a Teacher Education Program Set-Aside established in Act 561.
- Teacher Academy Scholarship Fund - \$12 million both fiscal years, for the Division of Higher Education, funded with a Teacher Academy Scholarship Set-Aside established in Act 561.
- Literacy Coaches - \$6.2 million both fiscal years, to be funded with ARPA funds.
- Supplemental Education Services - \$8.5 both fiscal years, to be funded with ARPA funds.
- Merit Teacher Incentive Fund - \$10 million both fiscal years, to be funded with ARPA funds.
- High Impact Tutoring - \$20 million both fiscal years, to be funded with ARPA funds.
- Charter School Facilities - \$10 to \$12 million funded with a Charter School Facilities Set-Aside established in Act 561.



FUNDING FOR ACT 659 – THE PROTECT ARKANSAS ACT

The following is a summary of the funding associated with the Protect Arkansas Act:

- Act 561 established the “Correctional Facilities Set-Aside”, in the amount of \$330 million for the Correctional Facilities related cost that may be released from time to time as requested by the Department of Corrections and approved by the Arkansas Legislative Council.
- The Prosecutor Coordinator's Office will establish a statewide certified facility dog program to assist child and vulnerable victims and child and vulnerable witnesses throughout the criminal justice system, known as the Paws for Justice program, to be funded from the State Central Services Fund at an estimated cost of \$600,000.
- The Administrative Office of the Courts will implement the expansion or establishment of specialty court programs in circuit courts with an estimated cost of \$4.5 million to be funded from the State Central Services Fund.
- DHS – Division of Aging, Adult and Behavioral Health Services may establish and maintain a mental health program to provide restoration services in a secure setting for defendants who have been found to lack fitness to proceed and are not in an acute phase of illness requiring the services of a psychiatric hospital, at an estimated cost of \$2.25 million, funded from the Revenue Stabilization Act.
- The Department of Corrections - Sentencing Commission will provide training associated with the Protect Arkansas Act, at an estimated cost of \$100,000, funded from the Revenue Stabilization Act.



What Your Arkansas Tax Dollar Pays For



2c
Dept. of
Public
Safety

41.8c
Public School
Fund & Dept. of
Education

9.2c
Dept. of
Corrections

12.6c
Institutions of
Higher
Education

30.9c
DHS & Dept. of
Health

3.5c
General Gov't
& Local Aid

Excludes "Off The Top" deductions and payments such as income tax refunds, claims, debt services, etc.



**PROPOSED CONSTITUTIONAL AMENDMENT TO BE
CONSIDERED AT THE 2024 GENERAL ELECTION**



**HJR 1006 – A CONSTITUTIONAL AMENDMENT TO PROVIDE THAT
LOTTERY PROCEEDS MAY BE USED TO FUND OR PROVIDE
SCHOLARSHIPS AND GRANTS TO ARKANSAS CITIZENS
ENROLLED IN VOCATIONAL-TECHNICAL SCHOOLS AND
TECHNICAL INSTITUTES.**

If approved by voters at the 2024 general election, the amendment would provide that lottery proceeds shall be used to fund or provide for scholarships and grants to citizens of Arkansas enrolled in a public or private vocational-technical school or a public or private technical institute located within the state and certified according to criteria established by the General Assembly.

