

Bills Related to Poverty Taskforce Recommendations

Community and Economic Development

1. Alter tax incentive programs to better meet the needs of low-income communities. The state's tax incentive programs disproportionately benefit the highest-income counties. The lowest income counties, which need the jobs most, benefit the least.
 - a. [SB771](#): To create a tax incentive to attract new business and expand existing businesses in areas that have high poverty or high unemployment
 - i. Filed and referred to Senate Committee on Revenue and Taxation
 - b. [SB812](#): Create a study to explore how to use the Economic Development Commission, rural services, public agencies, and public and private organizations in addressing quality of life issues and economic development in underserved areas
 - i. Filed, withdrawn for amendment, amended, reintroduced and referred to the Senate Committee on Agriculture, Forestry and Economic Development, Committee recommended that it Do Pass, passed out of Senate and sent to the House, referred to House Committee on Agriculture, Forestry and Economic Development; recommended for study in the Interim House Committee on Agriculture, Forestry, and Economic Development.
2. Enact L3C legislation in Arkansas. L3C legislation would provide an incentive for foundations to invest in social enterprises, which may be good options for business development in low-income parts of the state.
 - a. [SB5](#): To allow for the creation of a low-profit Limited Liability Company.
 - i. Filed, referred to Senate Committee on Insurance and Commerce, Committee recommended that it Do Pass, passed the Senate and transmitted to the House, referred to House Committee on Insurance and Commerce, amended in the House, amendment was adopted and bill was reported correctly engrossed
3. Invest more in programs for developing small businesses. Arkansas should expand efforts to provide assistance to rural and minority-owned businesses that would provide both working capital loans of up to \$50,000 and technical assistance to rural and minority small business entrepreneurs.
4. Facilitate markets for locally produced goods and services. The rise in consumer interest in local foods has been accompanied by increased participation of state departments of agriculture in promoting locally grown foods.

Education and Workforce Development

1. Expand access to quality early childhood education for children age birth to 5 years, especially for at-risk children.
2. Expand the Career Coaches (Arkansas Works!) program to every county in the state, and increase funding for the Aspiring Scholars Matching Grant Program.
 - a. [HB1620](#) – An act to establish Arkansas College and Career Readiness Standards; to develop criteria to evaluate, support, promote, and fund Arkansas career and technical education programs
 - i. HB1620 is now [Act 743](#).
3. Expand access to before- and after-school programs, summer programs, and programs for targeted populations by better using National School Lunch Act (NSLA) funding and other sources.
 - a. [HB1910](#): To amend requirements related to public school categorical funds.

- i. HB1910 is now [Act 1220](#).
 - b. [SB822](#): An act to require greater accountability on the expenditure of National School Lunch Act student categorical funds
 - i. Filed, referred to the Senate Committee on Education
 - c. [SB138](#): An act to provide a framework for afterschool programs that promote positive youth development and to establish the Positive Youth Development Grant program.
 - i. SB138 is Act 166.
 - d. [SB756](#): To place limits on the amount and duration of carryover categorical funds
 - i. Filed, referred to the Senate Committee on Education.
 - e. [HB1758](#): An act to limit the amount of carryover for National School Lunch Act funds.
 - i. Filed, referred to the House Committee on Education.
 - f. [HB1877](#): To ensure that school districts below a specific student achievement level use public school funding to improve student academic achievement
 - i. Filed, referred to House Committee on Education, Committee recommends Do Pass, failed to pass the House, vote that failed to pass was expunged, bill was withdrawn by the author, recommended for study by Interim House Committee on Education.
 - g. [HB1901](#): To amend public school funding amounts and provide resources for educational adequacy and to declare an emergency.
 - i. HB1901 is now [Act 1039](#).
- 4. Restructure the Arkansas developmental /remedial education system and to improve student success.
 - a. [HB1617](#): An act to increase public school student access to postsecondary preparatory programs in Arkansas and to provide public access to information concerning postsecondary preparatory programs in Arkansas.
 - i. HB1617 is now Act 879.
 - b. [SB352](#): An act to include information in the Department of Education School Performance Report about the number of school districts providing remediation and college preparation for high school students who take the ACT before their senior year
 - i. SB352 is now [Act 988](#).
 - c. [SB766](#): To clarify funding formula calculations for state-supported institutions of higher education and to declare an emergency.
 - i. SB766 is now [Act 1203](#).
- 5. Increase retention and graduation rates at two-year and four-year higher education institutions.
- 6. Other educational issues
 - a. More official state emphasis on school board training, mentoring, and cross-fertilizing.
 - b. More emphasis on health issues, especially obesity (e.g. BMI indexing and recording)
 - c. Develop policies that foster interest and interaction among interest groups such as civic groups, PTAs, economic development committees, etc. (The “social capital” represented by school boards, administrators, PTAs, athletic/band/art groups, and other civic groups could become a powerful constituency for change.)
 - d. For a study group to create and evaluate “best practices” for non-public educational institutions.

Health

1. Implement the ARKids First expansion to 250 percent of the federal poverty level, as passed during the 2009 legislative session (currently on hold.)

- a. [SB65](#): An act to improve enrollment of Arkansas children in ARKids First A and B medical assistance programs.
 - i. SB65 is now [Act 771](#).
2. Expand school wellness centers/coordinated school health initiatives. This will provide preventative well-child services through the schools and reduce direct costs for medical treatment by improving services access.
3. Implement substance abuse treatment under Medicaid for pregnant women and teens, agreed upon during 2009 legislative session.
4. Conduct health impact assessments on all new policies/initiatives at state and community levels. This will help ensure the health and wellness of citizens and community members is appropriately considered before state or local policy decisions are made.
5. Ensure that the “navigator” required by health care reform is adequate to help consumers with the healthcare.
 - a. [HB2138](#): To allow the Insurance Commissioner to protect Arkansans by continued local regulation of individual health insurance coverage.
 - i. Filed, referred to House Committee on Insurance and Commerce, Amendment 1 adopted, Amendment 2 adopted, Amendment 3 adopted, withdrawn by the author, recommended for study in the Interim House Committee on Insurance and Commerce.
6. Establish the Center for Health Literacy to coordinate and fund activities that improve health literacy of Arkansans. This could include, but is not limited to developing educational materials, coordinating public education and outreach efforts, and reaching out to underserved populations.

Individual Employment Supports

1. Improve case management services for young mothers seeking assistance through Temporary Assistance for Needy Families to better place them in career paths and to help them link with resources.
2. Improve access to subsidized child care by using all available TANF funding for child care.
3. Expand outreach and access to federal food assistance benefits under the Supplemental Nutrition Assistance Program.
4. Fund the Housing Trust Fund that was established in the 2009 legislative session.
5. Improve access to critical economic and work supports to help low-income working families meet basic needs and stay employed.
 - a. [HB1882](#): An act to encourage financial self-sufficiency among low-income Arkansans
 - i. Filed, referred to the House Public Health, Welfare and Labor Committee, amended twice, Committee recommends that it Do Pass, did not pass the House, Clincher Motion adopted
6. Review and consider the recommendations of the Prison Reform Workgroup.
 - a. [SB750](#): To improve public safety and slow corrections growth.
 - i. SB750 is [Act 570](#).
7. Create a Consumer Advisory Council that includes clients receiving benefits from the Department of Human Services, the Department of Health, and the Department of Workforce Services. This council will be called upon to identify areas for improvement as well as to vet changes to policies and programs.

Tax Relief

1. Fix the low-income tax threshold problem and provide comparable relief for single parents with two or more children. A 2007 law designed to substantially exempt families with children at incomes below the poverty line from state income taxes (and to cut taxes for those with incomes slightly above the poverty line) contained a technical flaw and did not provide comparable benefits to taxpayers filing as heads of households with two or more children (most heads of households are single parents.)
 - a. [HB1056](#): An act to provide additional income tax relief to Head of Household taxpayers with two (2) or more dependents
 - i. HB1056 is now [Act 736](#).
2. Create refundable State Earned Income Tax Credit (EITC) to economically support low- and lower-middle income working families. State EITCs, which have been adopted in 24 of 42 states with state income taxes, are set at some percentage of the federal EITC received by a family, typically at a rate of 5% to 40%.
3. Continue efforts to cut the state sales tax on groceries. Arkansas should gradually continue its efforts to mostly eliminate the remaining 1 and 7/8 cent state sales tax on groceries (the 1/8th cent sales conservation tax required until Amendment 75 cannot be eliminated.)
 - a. [SB276](#): An act to amend the state sales and use tax rate on food and food ingredients and to continue the imposition of local sales and use tax on food and food ingredients.
 - i. SB276 is now [Act 755](#).
4. Close corporate income tax loopholes by adopting combined report law for state corporate income taxes. Under loopholes in current Arkansas law, some corporations are allowed to reduce the income they report as earnings in Arkansas (and thus avoid Arkansas taxes) by shifting this income to another state where they pay little or no taxes.
 - a. [HB1495](#): An act to create the Arkansas Small Business Tax Fairness Act and to require combined reporting for income tax purposes.
 - i. Filed, referred to the House Committee on Revenue and Taxation, did not receive Do Pass recommendation from the Committee; recommended for study in the Interim Committee on Revenue and Taxation.
5. Reduce or eliminate the 30 percent exemption currently allowed for capital gains under Arkansas income taxes. This exemption heavily and disproportionately favors upper income taxpayers.
 - a. Bill that would have eliminated all capital gains incomes taxes did not pass both chambers: [HB1002](#).
6. Adopt the "Amazon Law" for collecting state sales taxes owed on internet purchases. Recently adopted in New York and Rhode Island, the law requires many internet retailers operating "affiliate programs" in the state to charge sales tax on the retailers' sales to state residents.
 - a. [SB738](#): An act to transfer responsibility for collection of sales and use taxes to sellers engaging in the business of selling tangible personal property and services in certain circumstances
 - i. SB738 is now [Act 1001](#).
 - b. [HB1547](#): An act to amend the sales and use tax laws to be consistent with the streamlined sales and use tax agreement
 - i. HB1547 is now [Act 291](#).

System Needs

1. Develop a common client database. A common client database is a system improvement to the efficient and effective provision of both governmental and non-governmental organizational

services. It eliminates repeated efforts by clients to establish eligibility and reduces duplications of services by the agencies.

2. Form a permanent advisory council for poverty reduction and economic opportunity. The recommendations made by the Taskforce need to be a part of an on-going effort to monitor accomplishments, make adjustments to plans when needed, assess new situations that need response, and evaluate research suggesting new solutions to existing problems.