

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

SENATE BILL 653

5 By: Senator G. Leding
6 By: Representatives A. Collins, McCullough, Scott, D. Whitaker
7

For An Act To Be Entitled

8
9 AN ACT TO CREATE THE STRONG FAMILIES ACT; TO CREATE
10 AN INCOME TAX CREDIT FOR EMPLOYERS THAT PROVIDE PAID
11 FAMILY AND MEDICAL LEAVE FOR CERTAIN EMPLOYEES; AND
12 FOR OTHER PURPOSES.
13

Subtitle

14
15
16 TO CREATE THE STRONG FAMILIES ACT; AND TO
17 CREATE AN INCOME TAX CREDIT FOR EMPLOYERS
18 THAT PROVIDE PAID FAMILY AND MEDICAL
19 LEAVE FOR CERTAIN EMPLOYEES.
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code Title 26, Chapter 51, is amended to add an
25 additional subchapter to read as follows:

Subchapter 26 – Strong Families Act

26
27
28 26-51-2601. Title.

29 This subchapter shall be known and may be cited as the “Strong Families
30 Act”.
31

32 26-51-2602. Definitions.

33 As used in this subchapter:

34 (1)(A) “Family and medical leave” means leave from work for:

35 (i) A serious health condition of the employee that
36 prevents the employee from performing his or her essential job duties;



1 (ii) The birth or adoption of a child; and
 2 (iii) The care of a child, spouse, or parent who has
 3 a serious health condition.

4 (B) "Family and medical leave" does not include:

5 (i) Earned sick leave;

6 (ii) Earned annual leave; or

7 (iii) Earned compensatory leave;

8 (2) "Qualified employee" means an employee who has been employed
 9 by the employer for at least twelve (12) consecutive months;

10 (3) "Serious health condition" means an illness, injury,
 11 impairment, or physical or mental condition that involves:

12 (A) Inpatient care in a hospital, hospice, or residential
 13 medical care facility; or

14 (B) Continuing treatment by a healthcare provider; and

15 (4) "Wages" means remuneration paid for personal services.

16
 17 26-51-2603. Strong families tax credit.

18 (a)(1)(A) An employer is allowed an income tax credit against the
 19 income tax imposed by this chapter in an amount equal to twenty-five percent
 20 (25%) of the amount of wages paid to a qualified employee during the period
 21 in which the qualified employee is on family and medical leave.

22 (B) If a qualified employee is not paid on an hourly
 23 basis, the wages of the qualified employee shall be prorated to an hourly
 24 basis.

25 (2) The income tax credit allowed under this section shall not
 26 exceed four thousand dollars (\$4,000) per qualified employee in a tax year.

27 (b) An employer is eligible for the income tax credit allowed under
 28 this section if the employer:

29 (1) Provides full-time qualified employees with at least four
 30 (4) weeks of paid family and medical leave over a twelve-month period;

31 (2) Provides part-time qualified employees with an amount of
 32 paid family and medical leave that bears the same ratio to four (4) weeks of
 33 family and medical leave as the number of hours the part-time qualified
 34 employee is expected to work in a week bears to the number of hours an
 35 equivalent full-time qualified employee is expected to work during a week;

36 (3) Provides family and medical leave on the smallest increment

1 of time permitted under the employer’s payroll system; and

2 (4) Adopts a policy regarding family and medical leave that
3 states that the employer will not:

4 (A) Interfere with, restrain, or deny the exercise of or
5 the attempt to exercise a right provided under the employer’s family and
6 medical leave policy; or

7 (B) Discharge or in any other manner discriminate against
8 an employee for opposing a practice prohibited by the policy.

9 (c) The maximum amount of time for which an employer may claim an
10 income tax credit under this section for providing family and medical leave
11 for a qualified employee is twelve (12) weeks in a twelve-month period.

12 (d) Family and medical leave may run concurrently with leave that is
13 required under state or federal law, including without limitation the Family
14 and Medical Leave Act of 1993, 29 U.S.C. § 2601 et seq.

15 (e) The amount of the income tax credit allowed under this section
16 that may be claimed by the taxpayer in a tax year shall not exceed the amount
17 of income tax due by the taxpayer.

18
19 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
20 years beginning on or after January 1, 2019.

21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36