

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

HOUSE BILL 1719

5 By: Representative Lundstrum
6 By: Senator B. Davis
7

For An Act To Be Entitled

9 AN ACT TO CREATE THE REBOOT PILOT PROGRAM; TO DEFINE
10 "QUALIFYING FORMER OFFENDER"; TO CREATE AN INCOME TAX
11 CREDIT FOR BUSINESSES THAT HIRE A QUALIFYING FORMER
12 OFFENDER; AND FOR OTHER PURPOSES.
13
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Subtitle

15 TO CREATE THE REBOOT PILOT PROGRAM; AND
16 TO CREATE AN INCOME TAX CREDIT FOR
17 BUSINESSES THAT HIRE CERTAIN FORMER
18 OFFENDERS
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. DO NOT CODIFY. Legislative findings.

25 The General Assembly finds that:

26 (1) According to the Department of Corrections:

27 (A) Recidivism is defined as a parole violation resulting
28 in an additional sentence, a technical violation of the terms of early
29 release, or a new sentence resulting in incarceration subsequent to a
30 discharge. Recidivism rates are calculated using the nationwide correctional
31 standard timeframes of six-, twelve-, and thirty-six month follow-up periods;
32 and

33 (B) Nearly fifty-two percent (52%) of Arkansas state
34 prisoners who were released in 2012 were rearrested within three (3) years
35 upon release;

36 (2) According to the Bureau of Justice Statistics, sixty-eight



1 percent (68%) of state prisoners across thirty (30) states who were released
 2 in 2005 were rearrested within three (3) years of being discharged and
 3 eighty-three percent (83%) were rearrested within nine (9) years of release;

4 (3) The recidivism rate in the United States and Arkansas is
 5 staggeringly high and raises questions about how our correctional system can
 6 be improved;

7 (4) Many people recently released from incarceration receive
 8 minimal preparation for release, receiving little assistance and few
 9 resources, all of which makes it difficult for those recently released from
 10 incarceration to acclimate to society; and

11 (5) Research suggests that former inmates are likely to leave
 12 prison with a mentality of living paycheck-to-paycheck, having no savings or
 13 bank account, and few job prospects.

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 15 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5, is
 16 amended to add an additional section to read as follows:

17 26-51-515. Reboot Pilot Program.

18 (a) This section shall be known and may be cited as "The Reboot Pilot
 19 Program".

20 (b)(1) As used in this section, "qualifying former offender" means an
 21 individual who was:

22 (A) Convicted of a state or federal felony offense;

23 (B) Incarcerated for a felony offense; and

24 (C) Released from his or her first term of incarcerated
 25 for a felony offense within twelve (12) months before the date on which he or
 26 she was hired as an employee.

27 (2) "Qualifying former offender" includes individuals who have
 28 been incarcerated for a violation of their conditions of supervision.

29 (c)(1) There is allowed an income tax credit against the income tax
 30 imposed by this chapter in the amount determined under subsection (d) of this
 31 section for each qualifying former offender employed by the taxpayer for at
 32 least forty (40) hours per week at pay that is at or above the state minimum
 33 wage.

34 (2) If the amount of the income tax credit allowed under this
 35 section exceeds the taxpayer's income tax liability, the excess shall be
 36 refunded to the taxpayer.

1 (d) The tax credit provided for under subsection (c) of this section
2 shall be calculated as follows:

3 (1) A credit of three thousand dollars (\$3,000) is allowed a
4 taxpayer in any tax period when a qualified former offender completes twelve
5 (12) consecutive months of employment with the taxpayer;

6 (2) A credit of two thousand dollars (\$2,000) is allowed a
7 taxpayer in any tax period when a qualified former offender completes twenty-
8 four (24) consecutive months of employment with the taxpayer

9 (3) A credit of one thousand dollars (\$1,000) is allowed a
10 taxpayer in any tax period when a qualified former offender completes thirty-
11 six (36) consecutive months of employment with the taxpayer.

12 (e) To be eligible for the tax credit stated in subsection (d) of this
13 section:

14 (1) The taxpayer shall:

15 (A) Register with the Division of Workforce Services as a
16 participant in the program;

17 (B) At the end of twenty-four (24) months of the
18 qualifying former offender's consecutive employment, enroll the qualifying
19 former offender in the health insurance plan offered by the taxpayer if the
20 taxpayer offers a health insurance plan to other employees; and

21 (C) Ensure that each qualifying former offender is
22 randomly drug tested; and

23 (2) The qualifying former offender shall:

24 (A) Register with the division as a participant in the
25 program;

26 (B) During the first twenty-four (24) months of
27 consecutive employment with the taxpayer, enroll in the health insurance
28 program offered through the Arkansas Works Program, or its successor program,
29 if the qualifying former offender is otherwise eligible; and

30 (C) Agree to be randomly drug tested.

31 (f) The division may promulgate rules to carry out the provisions of
32 this section.

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34 SECTION 3. DO NOT CODIFY. Rules.

35 (a) When adopting the initial rules required under this act, the
36 division shall file the final rules with the Secretary of State for adoption

1 under § 25-15-204(f):

2 (1) On or before January 1, 2022; or

3 (2) If approval under § 10-3-309 has not occurred by January 1,
4 2022, as soon as practicable after approval under § 10-3-309.

5 (b) The division shall file the proposed rules with the Legislative
6 Council under § 10-3-309(c) sufficiently in advance of January 1, 2022, so
7 that the Legislative Council may consider the rules for approval before
8 January 1, 2022.

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10 SECTION 4. EFFECTIVE DATE. Section 2 of this act is effective for tax
11 years beginning on or after January 1, 2021.