



STATE OF ARKANSAS

House of Representatives



NEWSLETTER FROM REP. Fred Allen DISTRICT 77

April 23, 2021

WEEK 15 OF REGULAR SESSION

This week, the Joint Budget Committee advanced two bills outlining the proposed budget for the next fiscal year.

The Revenue Stabilization Act prioritizes and categorizes state spending. It is typically one of the last bills passed every session. This year, the RSA is outlined in two identical bills SB702 and HB1949.

The proposal disburses \$5.84 billion in general revenue. While fully funding our obligations, it decreases overall state spending by \$50 million.

Proposed increases can be found in Medicaid, Corrections, and State Police. The budget also includes the largest percentage increase in educational adequacy in 15 years.

The state's long-term reserve fund is expected to reach over \$700 million by the end of this fiscal year. This savings helps the state to secure lower interest rates and bond ratings.

This week, the House also passed a bill to reduce the sales tax from 6.5% to 3.5% on used cars priced from \$4,000-\$10,000.

HB1912 passed both chambers and is now awaiting the Governor's signature.

Other tax measures passing the House this week include HB1719 and HB1456.

HB1719 creates the Reboot Pilot Program. It would provide income tax credits for employers who hire

former felony offenders who were released from his or her first term of incarceration in the last year. The maximum amount of this credit is \$3,000.

HB1456 creates an income tax in an amount equal to 50% of an eligible railroad track maintenance expenditures. The maximum amount of the credit is \$5,000 per mile of track.

On Thursday, the House voted in favor of SJR10. This is a proposed constitutional amendment which, if approved by voters, would allow the General Assembly to call a special session upon the submission of a written proclamation with signatures from at least 2/3 of both the House and Senate membership. Currently, only the Governor can call for a special session.

The House also voted in favor of HR1048. This resolution would allow the House to consider a third proposed constitutional amendment, SJR14, the Arkansas Religious Freedom Amendment.

The House previously passed HJR1005 would require statewide ballot initiatives and constitutional amendments to receive 60% of the vote before becoming law.

Proposed constitutional amendments approved by the General Assembly will be on the November 2022 ballot.

The House expects to enter an extended recess beginning Tuesday, April 27, and return in the fall to address congressional redistricting. The Governor has also indicated he intends to call a special session in the fall to address additional tax cuts.

You can find all House agendas and links to live streams [here on our website](#).