

An Overview of Week 3 of Regular Session



House members are now preparing for the fourth week of the 2019 Regular Session. We are expecting to review and possibly vote on big issues such as tax cuts and teacher salaries.

The Governor's tax cut proposal has now been filed. This bill will start in the Senate. SB211 would cut the state's top individual income tax rate from 6.9% to 5.9%. The reduction would be phased-in over a two year period.

Other tax cut proposals are expected to be filed. The House Revenue and Taxation Committee will hear details of any tax proposal and vote on the matter before legislation goes to the House floor for a vote.

Meanwhile, the House Public Transportation Committee recently heard testimony on the needs for our state highway system. The director of the Arkansas Department of Transportation told the committee that the agency maintains more than 16,000 miles of highway and more than 7,300 bridges. Currently, only 18% of our highways are listed in good condition. Arkansas has the 12th largest highway system in the country. However, our state comes in 42nd in highway revenue per mile.

Various proposals addressing funding have been filed and more are expected.

We have posted the presentation to the Transportation committee on our website. The presentation breaks down how much additional revenue could be gained through various proposals such as increases in gasoline tax, registration fees, and extensions of existing sales tax.

Another big issue to be addressed in the 4th week of the session will be teacher salaries.

On Tuesday, the House Education Committee will take up HB1145. This bill is titled the Teacher Salary Enhancement Act. This legislation would raise the minimum starting teacher salaries from \$31,400 to \$36,000 over a four year period. The

minimum salary is adjusted based on the number of years of experience.

The House State Agencies Committee continues to review government transformation legislation. The proposals will ultimately consolidate 42 state agencies under the leadership of 15 separate departments.

We are posting daily updates at <u>www.arkansashouse.org</u>. On the website you can also watch committee meetings and House floor proceedings.