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**THIRD DAY'S PROCEEDINGS  
SENATE CHAMBER  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION**

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Little Rock, Arkansas

January 10, 2007

The Senate was called to order at 1:00 o'clock p.m. by the President.

The Secretary called the roll, and the following members answered to roll call:

ALTES, ARGUE, BAKER, BISBEE, BOOKOUT,  
BROADWAY, BROWN, BRYLES, CAPPs, CRITCHER,  
CRUMBLY, FARIS, GLOVER, HENDREN, HILL, HORN,  
G.JEFFRESS, J.JEFFRESS, JOHNSON, LAVERTY,  
LUKER, MADISON, MALONE, MILLER, PRITCHARD,  
SALMON, SMITH, STEELE, TAYLOR, THOMPSON,  
TRUSTY, WHITAKER, WILKINS, WILKINSON,  
WOMACK.

The Senate was led in prayer by Senator Wilkins.

The Senate was led in the Pledge of Allegiance by the President.

On motion of Senator Whitaker, the reading of the Journal was dispensed with.

SENATE BILL NO. 38  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION  
BY: SENATOR J. JEFFRESS

A Bill for an Act to be Entitled: AN ACT CONCERNING STUDENT ACCOUNTS RECEIVABLE POLICIES AT TWO-YEAR INSTITUTIONS OF HIGHER EDUCATION; AND FOR OTHER PURPOSES.

**Senate Bill No. 38** was read the first time, rules suspended, read the second time and referred to the Committee on EDUCATION.

SENATE BILL NO. 39  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION  
BY: SENATOR MILLER  
BY: REPRESENTATIVES COOPER, WYATT

A Bill for an Act to be Entitled: AN ACT TO EXTEND THE DURATION OF THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM DEFERRED RETIREMENT OPTION PLAN; AND FOR OTHER PURPOSES.

**Senate Bill No. 39** was read the first time, rules suspended, read the second time and referred to the Committee on JOINT RETIREMENT AND SOCIAL SECURITY.

SENATE BILL NO. 40  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION  
BY: SENATOR HENDREN

A Bill for an Act to be Entitled: AN ACT TO REQUIRE ALL PERSONS WHO OPERATE OR RIDE ON A MOTORCYCLE TO WEAR PROTECTIVE HEADGEAR; AND FOR OTHER PURPOSES.

**Senate Bill No. 40** was read the first time, rules suspended, read the second time and referred to the Committee on PUBLIC TRANSPORTATION.

On motion of Senator Critcher, **Senate Bill No. 1** was called up for third reading and final disposition.

SENATE BILL NO. 1  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION  
BY: EFFICIENCY COMMITTEE

A Bill for an Act to be Entitled: AN ACT TO MAKE AN APPROPRIATION FOR EXPENSES FOR THE ARKANSAS SENATE OF THE EIGHTY-SIXTH GENERAL ASSEMBLY FOR THE FISCAL YEAR ENDING JUNE 30, 2007; AND FOR OTHER PURPOSES.

**Senate Bill No. 1** was placed on third reading and final disposition, the question being: Shall the Bill pass?

The Secretary called the roll, and the following members voted:

AFFIRMATIVE: Altes, Argue, Baker, Bisbee, Bookout, Broadway, Brown, Bryles, Capps, Critcher, Crumbly, Faris, Glover, Hendren, Hill, Horn, G. Jeffress, J. Jeffress, B. Johnson, Laverty, Luker, Madison, Malone, Miller, B. Pritchard, Salmon, T. Smith, Steele, J. Taylor, R. Thompson, Trusty, Whitaker, Wilkins, Wilkinson, Womack.

Total .....	35
NEGATIVE:	
Total .....	0
ABSENT OR NOT VOTING:	
Total .....	0
VOTING PRESENT:	
Total .....	0
Total number of votes cast .....	35
Necessary to the passage of the bill .....	27

So the bill passed and the title as read was agreed to.

(SIGNED) ANN CORNWELL, SECRETARY

Senate Bill No. 1 was ordered immediately transmitted to the House as passed.

There being an emergency clause attached to Senate Bill No. 1, the President ordered the Secretary to call the roll upon the adoption of the emergency clause.

The Secretary called the roll, and the following members voted:

AFFIRMATIVE: Altes, Argue, Baker, Bisbee, Bookout, Broadway, Brown, Bryles, Capps, Critcher, Crumbly, Faris, Glover, Hendren, Hill, Horn, G. Jeffress, J. Jeffress, B. Johnson, Laverty, Luker, Madison, Malone, Miller, B. Pritchard, Salmon, T. Smith, Steele, J. Taylor, R. Thompson, Trusty, Whitaker, Wilkins, Wilkinson, Womack.

Total .....	35
NEGATIVE:	
Total .....	0
ABSENT OR NOT VOTING:	
Total .....	0
VOTING PRESENT:	
Total .....	0

Total number of votes cast.....	35
Necessary to the adoption of the Emergency Clause .....	24

So the Emergency Clause was adopted.

(SIGNED) ANN CORNWELL, SECRETARY

**Senate Bill No. 1** was ordered immediately transmitted to the House.

The President declared the morning hour to have expired.

On motion of Senator Whitaker the Senate recessed until five minutes after the conclusion of the Joint Session.

The Senate reconvened after recess. The Secretary called the roll, and a quorum was present.

Joint Session at 1:45 p.m.

The Speaker of the House, The Honorable Benny C. Petrus called the session to order.

Roll call of the Senate by the Secretary of the Senate:

ALTES, ARGUE, BAKER, BISBEE, BOOKOUT,  
 BROADWAY, BROWN, BRYLES, CAPPS, CRITCHER,  
 CRUMBLY, FARIS, GLOVER, HENDREN, HILL, HORN,  
 G.JEFFRESS, J.JEFFRESS, JOHNSON, LAVERTY,  
 LUKER, MADISON, MALONE, MILLER, PRITCHARD  
 SALMON, SMITH, STEELE, TAYLOR, THOMPSON,  
 TRUSTY, WHITAKER, WILKINS, WILKINSON,  
 WOMACK,

## Electronic Roll Call of the House by the Chief Clerk

ABERNATHY, ADCOCK, ALLEN, ANDERSON, BAKER,  
BERRY, BLOUNT, BOND, BRADFORD, BREEDLOVE,  
J. BROWN, E. BROWN, BURKES, BURRIS, CASH,  
CHEATHAM, CHESTERFIELD, COOK, COOPER,  
CORNWELL, COWLING, CREEKMORE, DAVENPORT,  
DAVIS, DICKINSON, DOBBINS, DUNN, EDWARDS, D.  
EVANS, L. EVANS, EVERETT, FLOWERS, GARNER,  
GASKILL, GEORGE, GLIDEWELL, GREEN,  
GREENBERG, HALL, HARDWICK, HARDY,  
HARRELSON, HARRIS, HAWKINS, HOUSE,  
HOYT, HUTCHISON, HYDE, JEFFREY, D. JOHNSON,  
J. JOHNSON, KENNEY, KEY, KIDD, KING,  
LAMOUREUX, LEWELLEN, LOVELL, LOWERY,  
MALOCH, MARTIN, MAXWELL, MEDLEY, MOORE,  
NORTON, OVERBEY, PACE, PATE, PATTERSON,  
PENNARTZ, PICKETT, PIERCE, POWERS, PRATER,  
PYLE, RAGLAND RAINEY, REEP, REYNOLDS,  
ROEBUCK, ROGERS, ROSENBAUM, SAMPLE,  
SAUNDERS, SCHULTE, SHELBY, SMITH, STEWART,  
SULLIVAN, SUMPTER, THYER, WAGNER, WALTERS,  
WEBB, WELLS, WILLS, J. D. WOOD, J. WOODS,  
WYATT, MR. SPEAKER

Speaker Petrus introduced Governor Beebe for his State of the State address.

**State of the State Address  
Governor Mike Beebe  
January 10, 2007**

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Mr. President, Mr. Speaker, Mr. President Pro-Tempore, Constitutional Officers, Mr. Chief Justice, Members of the Court; and distinguished guests, friends, and fellow Arkansans: I am honored to uphold our constitutional tradition and bring to you today *an account of* the State of our State.

Ginger and I congratulate the new members of this hall, the new constitutional officers, and all those returning to the service of our State.

It was in 1983 that I first sat in this room to hear the Governor's Address. I've heard three governors perform this task. I've listened as Senator, as Attorney General, as a business person, a husband, a father, and as a citizen of our State.

Yesterday, many of us... along with people from every corner of Arkansas... witnessed the time-honored tradition of Democracy in action and the peaceful transfer of elected office.

Those of us who participated in that awesome electoral process humbly accept the mandate of our ultimate bosses, the People of Arkansas.

Today, we begin the work we have been tasked to do... we must all undertake the great challenge of moving Arkansas forward, working together for the good of the Natural State... working beyond partisan and regional boundaries ...working as one people... as one spirit... to make Arkansas everything we know she can be.

That means breaking the negative stereotypes of our State.

As we reflect on the occasion of the 50<sup>th</sup> anniversary of the Central High crisis, let us take stock of how far we've come and yet realize how far we have to go. Who would have thought that 50 years ago there would be statues just outside this building commemorating those courageous nine young people and the countless black and white, men and women – everyday people -- throughout this State, who helped to usher in a time of greater equality and a more just society?

As we gather today, taking stock of our resources, our people, our achievements, and our challenges, I am proud to say that ours is a State of optimism and determination.

Optimism, because we are a State and a people proud of who we are, our traditions, and our heritage. And yet, we recognize all that we still can be.

Determination, because we will not be dissuaded from fulfilling the potential that we know is inside every individual and every community.

For more than a year, I've worked with many of the people here today... and with countless others across our State... to craft a vision for that optimism and a framework to go forth with that determination.

As Governor, I will go about the business of making a reality of that vision and making use of that framework by making the office of governor an office of ideas, direction and leadership.

The first part of making that vision real will be ensuring that our young people receive only the best from our schools, not just because it is a legally mandated first priority, but because it is the RIGHT thing to do and the most important task at hand.

No one appreciates more than I do the General Assembly's role as the policy-maker of Arkansas. I envision that we will have a genuine partnership, but one forged by leadership on my part.

As Governor, I will offer that leadership on the issues facing our State. As we look to the future and begin the great undertaking of moving Arkansas forward, I intend to be especially involved in the most critical issues of educational advancement, economic development, the well-being of our future, and meaningful tax relief.

Education is the hinge on which our future swings.

Excellence in education will be one of our greatest challenges, and it will be one of our most important victories.

Everyone wants to talk about excellence in education. But it will take all of us: parents, educators, and legislators – every Arkansan – to combine our efforts and achieve that excellence.

Just as the number-one priority of the federal government is protecting the Nation from threats, both foreign and domestic, so too is our State's primary responsibility the education of our people. Under the Constitution, it is our first legal obligation. Under the mandate of preparing for our future, it is our first moral obligation.

The first demand on a substantial portion of the surplus will be to fulfill our obligation to school facilities, the one major area of education left to be addressed.

Education is the seed from which our future grows.

Let us no longer be satisfied with the legal requirement of adequacy, but strive for the moral imperative of excellence.

Today, I propose approximately \$19 million in additional revenue for public education above that recommended by the education committees. This support will be devoted to school districts and students with special needs.

Education is not a process that should end at the schoolhouse door. It is about continuous, lifelong learning. Education encompasses everything from pre-school to the end of life.

Just as we provide ARKids First for children in need of health care so that they can lead healthy lives, we will provide pre-kindergarten education to at-risk children to help them begin school ready to learn.

We'll make this a reality by investing an additional \$40-million into the Arkansas Better Chance program to provide voluntary, top-quality pre-school classes to all children whose families earn up to 200% of the poverty level. Total funding will now be \$111 million.

And we'll create partnerships with industry to expand opportunities for parents or guardians to be able to attend parent-teacher conferences and volunteer at their children's schools with paid leave. That means leading by example.

We will propose, by legislation or rule, as appropriate, to permit state employees in the executive branch one day of paid leave each year to volunteer in their children's schools or attend parent-teacher conferences.

And no education plan would address the needs of our children without working to ensure teacher quality.

That means building a Traveling Teachers program so that schools can pool their resources to share teachers in specialized subject areas, primarily to assist our small or rural schools.

Ensuring teacher quality means attracting and retaining quality teachers by continually upgrading the teacher-mentor model and launching a pilot program for comprehensive alternative pay.

And education shouldn't have to end when high school ends.

Young people with the talent and the ability to pursue higher education in Arkansas should not be hindered by a lack of resources.

Those whose families earn less than \$25,000 a year will be eligible for a \$1,000 state scholarship each year for a maximum of four years.

Realizing that not everyone will be able to attend school full-time, part-time students will also benefit with pro-rated aid over a longer period of time.

And not everyone has the opportunity to immediately pursue higher education after high school. I'll work with the legislature to further increase opportunity for higher education by expanding the Career Pathways Initiative from the current 11 community colleges to all 22.

And we'll expand educational access to more young people and adults through our public libraries. The old image of people reading books in a quiet library isn't the only reality anymore. Public libraries bring children's reading programs, the Internet, and today's technology to countless Arkansans.

So, to make sure that the resources are available for the task our public libraries are charged with, we'll increase funding for them by \$1.7 million.

But the best schools and educational opportunities in the world are useless without good-paying jobs here at home. Otherwise, we are preparing our best and brightest for jobs in Chicago, Dallas, Atlanta, or other big cities.

That's why we have to focus on job creation and job retention as never before, helping to expand the businesses already here and attracting new ones. It's that simple.

But it will require a change in philosophy, and that must begin at the very core of our efforts.

The mission of the Arkansas Department of Economic Development, first and foremost, should be to aggressively seek to provide better-paying jobs that offer a greater quality of life to our people.

Part of that mission will focus on building stronger relationships between community colleges and economic-development efforts.

The Arkansas Delta Training and Education Consortium in East Arkansas is the model for how we can match the curricula of our community colleges to the needs of potential businesses and area employers in the State.

And this mission will put a greater emphasis on regional partnerships. We are all in this together and what is good for Southeast Arkansas is good for Northwest Arkansas.

We should not be jealous of the success of one region of the State or begrudge helping another. As I have said on many occasions, "When one of us succeeds, we all rejoice. But when one of us hurts, all of us should hurt."

And to give us the ability for aggressive economic development, I'm asking you to dedicate \$50 million of the General Improvement Fund to enable the State to attract new businesses and retain existing ones. If we are going to compete with our sister states and with foreign nations, we must have the ability to aggressively negotiate in real time and good faith.

To help attract new manufacturers and retain the ones we have, we'll phase out the sales tax on utilities for manufacturers, with the first step being a one-sixth reduction.

As we look forward to the future, we must put a special focus on the industries of the 21<sup>st</sup> century that will ensure our long-term economic success.

I will work with the Legislature and the legislative leadership to roll back the sales tax on off-road diesel fuel and replace it with a per-gallon tax coupled with an incentive to purchase bio-diesel.

And I'll work with the legislative leadership on crafting a tax credit for the construction of crushers and other bio-fuel infrastructure. For an investment today, we can seed the industry of the future right here in our own backyard.

Today, there is the potential to create gasoline – not ethanol, but gasoline – from cellulose products already growing right here in Arkansas.

Imagine stopping at a gas station and filling your tank with fuel made from Arkansas wood products and created at an Arkansas bio-refinery.

Our vision for the future must never be limited by the circumstances of today.

The well-being of our future requires more than just education and jobs. It also depends on the prosperity of our communities. Working together, we'll increase city and county turn-back by \$8 million – \$4 million for cities and \$4 million for counties – so that our communities have the resources for success.

The well-being of our future depends upon the character of our society. And the character of a society is demonstrated by how it treats its elders.

I'll work with the Department of Health and Human Services to educate our populace about choices between nursing home and community-based or at-home care options under the Elder Choices Medicaid Waiver so that families, doctors, and patients -- not Medicaid regulations -- make choices for seniors based on less restrictive care.

The well-being of our future must be safeguarded in each and every one of our communities.

Dangerous streets are flanked by businesses that will eventually have to shut their doors and families who will retreat to other communities.

To help safeguard our communities, we will increase funding for probation monitoring by \$3.4 million. Our current probation system sees the average caseload for a probation officer at more than 100 cases. We're going to add 60 new officers, taking the average caseload to 85.

We'll increase resources for drug-court counselors to rehabilitate drug offenders and keep prison space open for violent offenders by investing roughly \$5 million in the Drug Court program.

We know that crime today isn't limited to streets and parking lots. The Internet has created a new avenue for the darkest of minds.

That's why the State will work to help local law-enforcement agencies understand computer-based crimes as an integral part of law enforcement.

We'll make it a part of basic law-enforcement training at the Arkansas Law Enforcement Training Academy and the University of Arkansas Criminal Justice Institute.

We will make this a reality by creating a new computer training lab for law enforcement.

We have to do these things because we have to protect our most valuable asset, our children. That's why I plan to work with the Task Force on Abused and Neglected Children on the comprehensive plan they've been developing for addressing child abuse in our State.

Working with them, my administration will explore expansion of the Child Advocacy Centers throughout the State, improved training at our institutions of higher education for students considering careers in a child-protection field, and greater professional development for our child-protection officials.

Because the well-being of our future must be protected against large-scale natural and man-made disasters, we will work to connect all our communities in times of emergency.

We need to facilitate funding to support full-time local emergency-management functions for local governments that have not otherwise had the resources to do so. I'll use the Governor's Office to request federal resources for the positions and will explore options for pooling resources on a regional basis and will examine the potential for state matching funds.

We can do all of these things, and with a reasonable approach, we can offer tax relief for working Arkansans within the requirements to balance the budget.

I know there are some people who think we should use our increased revenue for a one-time tax break.

But I believe we can do more. I think we can use it as seed money for permanent, meaningful tax relief.

There are those who think we should spend our increased revenue on one project or another, but I believe it isn't ours to spend. This money belongs to the people of Arkansas and they ought to get it back the same way they spent it. If they paid that money in taxes, then it ought to go back to them in the form of tax relief.

There are those who want to look at our increased revenue as a reason to restructure the tax code. But I believe we have to do first things first. And we have a moral charge to rid our State of its most regressive tax, the state sales tax on food.

We have the opportunity now to begin eliminating it in a responsible way that will end the tax over time and not impede state services in the interim. We all share a common desire to move our State forward and to offer help to those among us who need it most. That desire is a noble one and should drive us to work together to a common end: never making the perfect the enemy of the good.

Those who seek to inscribe history on their terms rarely succeed. Instead, we must strive to make our efforts plentiful and beneficial to all, so that when history writes itself, it will have no choice but to reflect favorably upon our accomplishments and upon our State.

Compromise is rarely graceful and often complex. But it can be civil, it can be inspiring, and its results can build a strong and sure-footed foundation for unprecedented achievement. I will ask you to end the grocery tax with a phase-out that begins now, with a fifty-percent cut -- a three-cent cut.

And we're going to offer real tax relief to Arkansans in the form of reducing property taxes by increasing the homestead credit from \$300 to \$350.

We'll be facing more issues as a State, and there will be more challenges in the Session ... more plans to be formulated and detailed ... more steps we can take in moving Arkansas forward.

Going forward, the word "Arkansas" should be synonymous with the great strides we will make and forever erase these tired negative stereotypes that have hampered us in the past.

We must capitalize on the assets we have to map our course for the future.

When people look to Arkansas, they should see the Nano-Technology Center in Fayetteville; the Bio-Sciences Center at ASU, UAMS and the U of A; the Cancer Research Center at UAMS; the Cyber College at UALR; the Forestry Program at UAM; and the Aquaculture Center at UAPB.

When people look from across the globe to South Arkansas, they should see the future of the bio-fuels industry – from cellulose products to animal waste and soy beans – the foundation for our energy needs and conservation stewardship going forward.

When people look to Northwest Arkansas, they should see a natural business incubator with entrepreneurship unmatched anywhere in the global economy.

When people look to Northeast Arkansas and the Delta, they should see a leader in community building and aggressive economic development.

When people look to Arkansas, they should see a leader in the nation – in the world -- and say, "We want to do what they did in Arkansas."  
This can be accomplished only by keeping in mind that attitudes follow actions.

If we are going to change the attitudes, we have to take real and meaningful action.

We all believe in Arkansas, but now we must demonstrate the works that prove our faith.

If we are going to make Arkansas the envy of the nation, we must roll up our sleeves and begin our work with the optimism and determination our success will be built on.

So, now we go about that action together.

Let us never lose focus of why we are here, why we are so determined, and why we have such reason for our optimism. We have been entrusted by our people with a call for action today and with the fragile future of generations to come... to serve them at the helm of State, going forward to do man's work and God's will.  
Thank you. God bless you and God bless Arkansas.

Joint Session adjourns.

Senate reconvenes.

Senate Concurrent Resolution No. 1 was returned from the House as concurred in and ordered enrolled.

SENATE BILL NO. 41  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION  
BY: JOINT BUDGET COMMITTEE

A Bill for an Act to be Entitled: AN ACT TO MAKE AN APPROPRIATION FOR OPERATING EXPENSES, RESEARCH, PROMOTION AND CONSUMER ACTIVITIES FOR THE ARKANSAS CATFISH PROMOTION BOARD FOR THE BIENNIAL PERIOD ENDING JUNE 30, 2009; AND FOR OTHER PURPOSES.

Senate Bill No. 41 was read the first time, rules suspended, read the second time and referred to the Committee on JOINT BUDGET.

SENATE BILL NO. 42  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION  
BY: JOINT BUDGET COMMITTEE

A Bill for an Act to be Entitled: AN ACT TO MAKE AN APPROPRIATION FOR OPERATING, RESEARCH AND DEVELOPMENT EXPENSES FOR THE ARKANSAS BEEF COUNCIL FOR THE BIENNIAL PERIOD ENDING JUNE 30, 2009; AND FOR OTHER PURPOSES.

Senate Bill No. 42 was read the first time, rules suspended, read the second time and referred to the Committee on JOINT BUDGET.

ARKANSAS SENATE  
EIGHTY-SIXTH GENERAL ASSEMBLY  
REGULAR SESSION

January 10, 2007

Mr. President:

We, your Committee on ENROLLED BILLS, to whom was referred:

SENATE CONCURRENT RESOLUTION NO. 1,  
BY SENATOR BISBEE,

beg leave to report that we have carefully compared the enrolled copies with the original and we find the same correctly enrolled and have at 2:54 p.m. delivered them to the Governor for his approval.

Respectfully submitted,

(SIGNED) HENRY "HANK" WILKINS, IV  
CHAIRMAN

GOVERNOR'S BILL RECEIPTS

SENATE CONCURRENT RESOLUTION NO. 1

RECEIVED the above papers from the Secretary of the Senate this 10th, day of January, 2005 at 2:54 p.m.

(SIGNED) MIKE BEEBE  
Governor

(SIGNED) Angela Tollette  
Secretary

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SENATE BILLS TRANSMITTED TO THE HOUSE  
AS PASSED

SENATE BILL NO. 1

SENATE CONCURRENT RESOLUTION RETURNED FROM THE HOUSE  
AS CONCURRED IN

SENATE CONCURRENT RESOLUTION NO. 1

On motion of Senator Whitaker, the Senate adjourned until 11:00 a.m., January 11, 2007.

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PRESIDENT OF THE SENATE

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SECRETARY OF THE SENATE