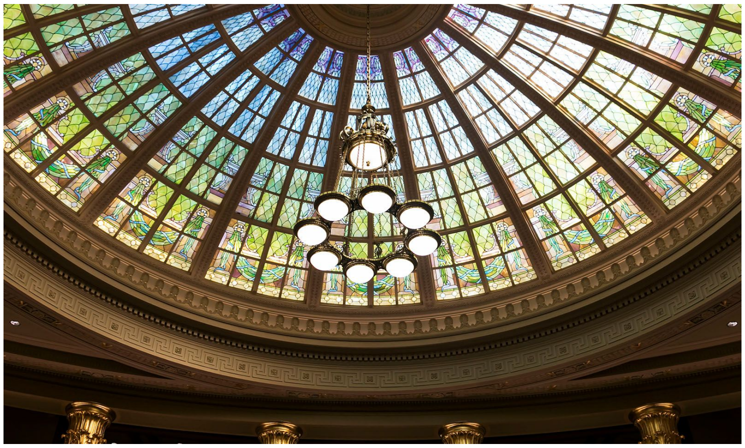
STATE OF ARKANSAS
House of Representatives

Arkansas House Newsletter

December 23, 2025

2025 Legislation with January 1, 2026 Effective Date



ACT 16 (HB1046) establishes a Blue Envelope Program to ease communication between an individual with autism spectrum disorder and law enforcement during a motor vehicle-related interaction and directs the Department of Finance and Administration to develop and make available a specially designed blue envelope to hold essential documents.

ACT 371 (HB1661) eliminates the obligation of cities and counties to pay for the salaries of state district court judges and allows cities and counties to retain fifty percent (50%) of uniform court costs and filing fees collected in the district court. The act reduces the amount of the installment fee collected by a district court for cases filed on or after January 1, 2026, and limits the total installment fees to be collected for a single fine. The act repeals statutes related to local district courts and requires the state to pay the salaries of state district court judges. The act also creates a new technology fee for criminal and traffic cases.

ACT 881 (HB1922) allows an entity to use the investment tax credit allowed under the Consolidated Incentive Act of 2003 to offset its income tax or sales tax liability, changes the amount of the investment tax credit that the Arkansas Economic Development Commission may offer, repeals the tax incentives offered for technology-based enterprises, and creates an income tax credit for businesses that relocate their corporate headquarters to Arkansas. The act also creates a claw-back provision for businesses that receive tax incentives but do not satisfy the annual payroll requirements for the tax incentives. The act is effective for tax years beginning on or after January 1, 2026.

ACT 907 (HB1766) requires an institution of higher education to adopt a policy addressing documentation considered in evaluating whether a student is a student with a disability and to disseminate information regarding the policy to certain individuals and at certain times. The act also requires an institution of higher education to engage in an interactive process to document the accommodation needs of a student with a disability and to establish a reasonable accommodation for the student. The act is effective on and after January 1, 2026

ACT 814 (HB1739) adopts the Uniform Electronic Legal Materials Act. The act requires an official publisher of legal materials in an electronic format, including the Arkansas Constitution, the Arkansas Code, the Code of Arkansas Rules, and a state agency rule, to designate the electronic record as official and to authenticate the record. The act also requires an official publisher to preserve and secure official legal materials and ensure that the materials are available for use by the public. The act is effective on and after January 1, 2026.

ACT 866 (HB1826) mandates coverage for delivery of a newborn in a licensed birthing center under a health benefit plan on and after January 1, 2026.

ACT 962 (HB1943) requires a basic quality rating system for each risk-based provider organization that is accessible online, requires a risk-based provider organization to provide access to provider network directories for its enrollees, and requires the Department of Human Services to have a dedicated beneficiary support system related to risk-based provider organizations. The act is effective on and after January 1, 2026.

ACT 875 (HB1063) increases the disability onset age to forty-six (46) years of age for purposes of the Achieving a Better Life Experience Program. The act is effective on and after January 1, 2026.

ACT 350 (HB1620) regulates the processing and payment of pharmacy claims, amends the Arkansas Pharmacy Audit Bill of Rights to exclude the Arkansas Medicaid Program and provide definitions, amends the Arkansas Pharmacy Benefits Manager Licensure Act to provide definitions, establishes procedures for the processing and payment of pharmacy claims, and sets penalties for pharmaceutical manufacturers for violations of clean claim payments by the pharmaceutical manufacturer’s vendor or intermediary. The act is effective on and after January 1, 2026.

ACT 348 (HB1583) mandates coverage for medically necessary treatment related to or resulting from an acquired brain injury beginning on and after January 1, 2026, and clarifies that the coverage is not subject to certain limitations or to a greater deductible, coinsurance, copayment, or out-of-pocket limit than any other benefit provided by a healthcare insurer under a health benefit plan. The act requires the Department of Human Services to apply for a waiver to provide coverage for medically necessary treatment related to or as a result of an acquired brain injury under the Arkansas Medicaid Program

ACT 424 (SB83) mandates coverage for all modalities, types, and techniques of a healthcare service provided for breast reconstruction surgeries that are determined to be the best course of treatment by a healthcare professional, consistent with prevailing medical standards, and in consultation with the patient under a health benefit plan on and after January 1, 2026. The act also requires prior authorization for breast reconstruction surgeries, establishes a minimum reimbursement rate for breast reconstruction surgeries, establishes penalties for late payment or nonpayment, and prohibits waiver of any provisions of the act.

ACT 627 (HB1333) mandates coverage for breastfeeding and lactation consultant services in an outpatient setting under a health benefit plan on and after January 1, 2026, and provides that the coverage is not subject to an annual deductible, copayment, or coinsurance limit and does not diminish or limit benefits otherwise allowable under a health benefit plan

ACT 860 (HB1079) mandates coverage for genetic testing for an inherited gene mutation under a health benefit plan on and after January 1, 2026, for an individual with a personal or family history of cancer in certain circumstances. The act mandates coverage for evidence-based cancer imaging under a health benefit plan on and after January 1, 2026, in certain circumstances.

ACT 390 (HB1316) mandates coverage for lung cancer screenings and follow-up healthcare services under a health benefit plan on and after January 1, 2026.

ACT 628 (HB1424) mandates coverage for the treatment of diseases and conditions caused by severe obesity under a health benefit plan on and after January 1, 2026, and establishes requirements for a covered person to qualify for coverage. The act limits coverage to an individual who is at least eighteen (18) years of age and has completed a preoperative period of no more than three (3) months of counseling and education. The act excludes coverage for injectable drugs used to lower glucose levels or any other drugs prescribed for weight loss.

ACT 142 (HB1353) regulates vision benefit managers and the manner in which an insurer, vision benefit manager, vision care plan, or vision care discount plan identifies participating vision care providers and regulates the advertising of an insurer, vision benefit manager, vision care plan, or vision care discount plan.

The act prohibits an insurer, vision benefit manager, vision care plan, or vision care discount plan from steering enrollees to or limiting an enrollees' choice of vision care provider; incentivizing or persuading an enrollee to obtain services or materials at a particular participating vision care provider, at a retail establishment affiliated with the insurer, vision benefit manager, vision care plan, or vision care discount plan, or at any internet or virtual provider or retailer affiliated with the vision plan; and reimbursing a vision care provider a different amount for covered services or covered materials in certain circumstances. The act is effective on and after January 1, 2026.

ACT 427 (SB366) creates the Strengthen Arkansas Homes Program Fund and establishes the Strengthen Arkansas Homes Program within the State Insurance Department to provide financial grants to real property owners and nonprofit organizations to assist with and promote the mitigation of losses to insurable dwellings due to catastrophic wind events. The act is effective on and after January 1, 2026.

ACT 958 (SB519) amends the standard nonforfeiture law for life insurance to regulate the payment of interest on deferred payment of any cash surrender value on and after January 1, 2026, according to the terms of the policy if payment is not made within a certain time period and requires the policy death benefit to remain in full force and effect until payment is made.

ACT 1008 (HB1685) creates the Grocery Tax Relief Act, exempts food and food ingredients from state sales and use taxes, and provides that the sale of food and food ingredients continues to be subject to local sales and use taxes. The act is effective on and after January 1, 2026.

ACT 624 (HB1150) prohibits a pharmacy benefits manager from obtaining a pharmacy permit for the retail sale of drugs or medicines in this state, requires the Arkansas State Board of Pharmacy to revoke or not renew a permit of an entity that violates the prohibition under the section, and allows for the board to issue a limited use permit for certain rare, orphan, or limited distribution drugs that are otherwise unavailable in the market to a patient or a pharmacy that would otherwise be prohibited under the section. The act is effective on and after January 1, 2026.

ACT 708 (HB1582) amends the Division of Workforce Services law to require the state maintained job board to match an individual with a job and encourages an individual to apply for a job as part of his or her work search contacts. The act is effective on and after January 1, 2026

ACT 881 (HB1922) allows an entity to use the investment tax credit allowed under the Consolidated Incentive Act of 2003 to offset its income tax or sales tax liability, changes the amount of the investment tax credit that the Arkansas Economic Development Commission may offer, repeals the tax incentives offered for technology-based enterprises, and creates an income tax credit for businesses that relocate their corporate headquarters to Arkansas. The act also creates a claw-back provision for businesses that receive tax incentives but do not satisfy the annual payroll requirements for the tax incentives. The act is effective for tax years beginning on or after January 1, 2026.

ACT 621 (HB1594) creates a farmer sales tax identification card that an eligible farmer may present to a seller in lieu of an exemption certificate to claim a sales or use tax exemption. The act allows the Department of Finance and Administration to assess sales or use tax, interest, and a penalty against a purchaser who claims an exemption to which he or she was not eligible. The act is effective on and after January 1, 2026.

ACT 866 (HB1826) mandates coverage for delivery of a newborn in a licensed birthing center under a health benefit plan on and after January 1, 2026.

ACT 261 (SB236) provides group capital calculation, liquidity stress testing, and receivership provisions for insurance holding companies as an accreditation requirement effective January 1, 2026.

ACT 740 (SB560) decreases the base contribution rate, increases the administrative assessment rate, increases funding for the skilled workforce in this state on and after January 1, 2026, and amends the Division of Workforce Services Training Trust Fund to allow the fund to be used for personal services, operating expenses, construction, grants, and worker training.

ACT 748 (SB521) provides a process for a law enforcement agency that incurred costs or expenses for training a law enforcement officer to seek reimbursement from each law enforcement agency that subsequently employs the law enforcement officer within twentyfour (24) months after the completion of the training. The act is effective on and after January 1, 2026.

ACT 880 (HB1809) allows for property owned by a trust or a limited liability company to qualify as a homestead for purposes of the property tax exemption for disabled veterans and surviving spouses and minor dependent children of disabled veterans in certain circumstances. The act is effective for assessment years beginning on or after January 1, 2026.

ACT 147 (HB1315) authorizes the placement of a blood type designation on a driver’s license or identification card. The act is effective on and after January 1, 2026.

ACT 948 (HB1974) requires a state employer to verify all new employees through the EVerify system, prohibits the employment of unauthorized aliens, and authorizes the Department of Labor and Licensing to enforce the act. The act is effective on and after January 1, 2026.

ACT 716 (HB1896) abolishes the Information Network of Arkansas and transfers certain duties of the Information Network of Arkansas to the Division of Information Systems. The act is effective on and after

January 1, 2026

ACT 719 (SB567) changes the method for the sourcing of receipts for services and intangibles from the cost of performance to market-based sourcing for purposes of determining the apportionment of income derived from multistate operations. The act is effective for tax years beginning on or after January 1, 2026.

ACT 701 and Act 709 (SB530) amends the Arkansas Wood Energy Products and Forest Maintenance Income Tax Credit to include wood byproducts, increase the required investment and job creation amounts for a project to qualify for the income tax credit, and decrease the amount of the income tax credit allowed. The act is identical to Act 709 of 2025. The act is effective for tax years beginning on or after January 1, 2026.

ACT 616 (SB503) requires an employer that has at least seventy-five (75) employees to file its annual income tax withholding statement electronically and requires an employer that is required to file its annual statement of withholding electronically to file its withholding return electronically. The section of the act concerning the requirement to file an annual income tax withholding statement electronically based on the employer’s number of employees is effective for tax years beginning on or after January 1, 2025, and the section of the act concerning the requirement to file an annual statement of withholding electronically if the employer’s withholding return is required to be filed electronically is effective for tax years beginning on or after January 1, 2026.

ACT 497 (HB1691) provides a property tax exemption for motor vehicles that are used exclusively for purposes of public charity and are subject to a lease of at least twelve (12) months by a public charity. The act is effective for assessment years beginning on or after January 1, 2026

ACT 631 (HB1543) requires a state-funded entity to accept and accommodate recipients of Supplemental Nutrition Assistance Program benefits as work requirement volunteers. The act is effective on and after January 1, 2026.

ACT 680 (HB1749) adopts the Uniform Trust Decanting Act concerning the power of an authorized fiduciary to distribute property of a first trust to one (1) or more second trusts or to modify the terms of the first trust. The act is effective on and after January 1, 2026.