

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: H3/28/01

A Bill

Act 1528 of 2001
SENATE BILL 438

5 By: Senator P. Malone
6
7

For An Act To Be Entitled

9 AN ACT TO AMEND SECTIONS OF THE EMPLOYMENT
10 SECURITY LAW PERTAINING TO FUTURE RATES; AND FOR
11 OTHER PURPOSES.
12

Subtitle

14 AN ACT TO AMEND SECTIONS OF THE
15 EMPLOYMENT SECURITY LAW PERTAINING TO
16 FUTURE RATES.
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
20

21 SECTION 1. Arkansas Code 11-10-704(b)(1)(A), pertaining to employers'
22 unemployment contribution rates, is hereby amended to read as follows:

23 (A)(i) No employer's rate shall be less than two and nine-
24 tenths percent (2.9%) unless and until there shall have been three (3) years
25 immediately preceding the computation date throughout which an individual in
26 his employ could have received benefits if eligible. Provided, however, an
27 employer who, at the time of establishing an account, is in business in
28 another state or states and not currently doing business in Arkansas may elect
29 to receive a beginning contribution rate of two and nine tenths percent (2.9%)
30 or a contribution rate based on the rate schedule at §11-10-705(b)(1),
31 whichever is lower, but in no event less than one percent (1%), provided:

32 (a) The employer has been in operation in the other
33 state or states for at least three (3) years immediately preceding the date of
34 becoming a liable employer in Arkansas, throughout which an individual in his
35 employ could have received benefits if eligible; and

36 (b) The employer must provide the authenticated

1 account history from information accumulated from operations in all the other
2 state or states to compute a current Arkansas rate; and

3 (c) The employer's business operations established in
4 Arkansas are of the same nature as conducted in the other state or states, as
5 defined by the North American Industry Classification system.

6 (ii) The election authorized in subdivision (b)(1)(A)(i)
7 must be made in writing within thirty (30) days after receiving notice of
8 Arkansas liability. A two and nine tenths percent (2.9%) rate will be
9 assigned unless a timely election has been made.

10 (iii) If the election is made timely, the employer's
11 account will receive the rate elected for the remainder of that rate year.
12 The rate assigned for the next and subsequent years will be determined by the
13 condition of the account on the computation date.

14
15 SECTION 2. Emergency clause. It is hereby found and determined by the
16 Eighty-third General Assembly that this act should go into effect as soon as
17 possible in order to bring the Arkansas Employment Security Law into
18 conformity with the Federal Unemployment Tax Act, as amended, so that Arkansas
19 employers may continue to receive the tax credits accorded by the Federal
20 Unemployment Tax Act and the Arkansas workers may receive unemployment
21 benefits when they are unemployed. Therefore, an emergency is declared to
22 exist and this act being immediately necessary for the preservation of the
23 public peace, health and safety shall become effective on the date of its
24 approval by the Governor. If the bill is neither approved nor vetoed by the
25 Governor, it shall become effective on the expiration of the period of time
26 during which the Governor may veto the bill. If the bill is vetoed by the
27 Governor and the veto is overridden, it shall become effective on the date the
28 last house overrides the veto.

29 /s/ P. Malone

30
31
32 APPROVED: 4/12/2001