

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**

# A Bill

**SENATE BILL**

4 **By: Senators Bookout and Moore**

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## **For An Act To Be Entitled**

8 "AN ACT TO AMEND VARIOUS PROVISIONS OF ARKANSAS CODE TITLE  
9 11, CHAPTER 10, CITED AS THE ARKANSAS EMPLOYMENT SECURITY  
10 LAW; AND FOR OTHER PURPOSES."

11

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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14 SECTION 1. Arkansas Code Annotated §11-10-214 is hereby amended to read  
15 as follows:

16 "11-10-214. Unemployment.

17 (a) As used in this chapter, unless the context clearly requires  
18 otherwise, an individual shall be deemed 'unemployed' with respect to any  
19 week during which:

20 (1) He performs no services; and

21 (2) No wages are payable to him with respect to that week, or if wages  
22 are payable to him for any week of less than full-time work, the wages are  
23 less than one hundred forty percent (140%) of his weekly benefit amount.

24 (b) An individual's week of unemployment shall be deemed to commence the  
25 day on which he registers at a local employment office, except as the director  
26 may, by regulation, otherwise prescribe."

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28 SECTION 2. Arkansas Code Annotated §11-10-502(a) is hereby amended to  
29 read as follows:

30 "(a) An insured worker's weekly benefit amount shall be an amount equal  
31 to one-twenty-sixth (1/26) of his total wages for insured work paid during the  
32 one (1) quarter of his base period in which the wages were highest."

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34 SECTION 3. Arkansas Code Annotated §11-10-507(5) (A) is hereby amended  
35 to read as follows:

1           "(5) (A) Qualifying Wages. For any benefit year, he has during his base  
2 period been paid wages in at least two (2) quarters of his base period for  
3 insured work, and the total wages paid during his base period equal not less  
4 than twenty-seven (27) times his weekly benefit amount."

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6           SECTION 4. Arkansas Code Annotated §11-10-517 is hereby amended to read  
7 as follows:

8           "11-10-517. Disqualification - Receipt of other remunerations.

9 If so found by the director, an individual shall be disqualified for benefits  
10 for any week with respect to which he receives or has received remuneration in  
11 the form of:

12           (1) Separation payments. However, separation payments in excess of  
13 those covering a period of eight (8) weeks and an armed services severance  
14 payment paid to a former member of the United States armed services shall not  
15 be disqualifying under the terms of this section. For the purpose of this  
16 section, supplemental unemployment benefit payments shall not be considered  
17 dismissal payments;

18           (2) Unemployment benefits under an unemployment compensation law of  
19 another state or of the United States;

20           (3) Any governmental or other pension, retirement or retired pay,  
21 annuity, or any other similar periodic payment received with respect to the  
22 week and which is based on the previous work of any individual if payment is  
23 received under a plan maintained or contributed to by a base period employer.  
24 However, the amount of unemployment benefits payable to the individual for  
25 the week shall be reduced, but not below zero, by an amount equal to the  
26 amount of the pension, retirement or retired pay, annuity, or other payment  
27 which is reasonably attributable to the week. Any weekly benefit amount which  
28 is reduced because of the receipt of remuneration as defined under this  
29 section and which is not an even multiple of one dollar (\$1.00) shall be  
30 rounded to the next lower multiple of one dollar (\$1.00). If payments  
31 referred to in this paragraph are being received by any individual under the  
32 Federal Social Security Act, the Director shall take into account the  
33 individual's contribution and make no reduction in the weekly benefit amount;

34           (4) Training and retraining allowance provided for by appropriation of  
35 the Congress of the United States. However, this subdivision does not apply

1 if the claimant has met the benefit eligibility conditions set out in §  
2 11-10-507 - 11-10-511 and other sections of this law.

3 (5) Vacation payments. However, he shall be paid, with respect to the  
4 week in which the vacation period occurred, an amount equal to the weekly  
5 benefit amount less that part of the vacation pay, if any, payable to him or  
6 in which he has been paid or will be paid at a later date with respect to such  
7 week which is in excess of forty percent (40%) of his weekly benefit amount  
8 rounded to the nearest lower full dollar amount. For the purpose of this  
9 subsection the employer shall promptly report the week(s) involved in the  
10 vacation period as well as the corresponding amount of vacation pay with  
11 respect to such week(s)."

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13 SECTION 5. Arkansas Code Annotated §11-10-524(c) is hereby amended  
14 to read as follows:

15 "(c) The parties shall be promptly notified of the tribunal's decision  
16 and shall be furnished a copy of the decision and the findings and conclusions  
17 in support thereof. The decision shall become final unless, within twenty  
18 (20) days after the date of mailing of said notice to the parties' last known  
19 addresses, an appeal is initiated pursuant to § 11-10-525 or in the case of a  
20 party-appellant failing to appear at a hearing, a written request for  
21 reopening shall be made. Reopening shall be granted upon a showing of good  
22 cause for not appearing at the scheduled hearing."

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24 SECTION 6. Arkansas Code Annotated §11-10-534(2)(B) is hereby amended  
25 to read as follows:

26 "(B) Equalled or exceeded four percent (4%), provided that for periods  
27 beginning on and after September 25, 1982, such rate equalled or exceeded five  
28 percent (5%); except that effective July 1, 1991, the rate of insured  
29 unemployment equalled or exceeded six percent (6%) even though the provisions  
30 of subdivision (2)(A) were not met."

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32 SECTION 7. Arkansas Code Annotated §11-10-705 is hereby amended by  
33 adding at the end thereof paragraph (3) to read as follows:

34 "(3) Notwithstanding any other inconsistent provisions of the law, an  
35 employer, whose contributions paid have exceeded benefits charged for all of

1 the five (5) consecutive years ending June 30, 1991, may for the contribution  
2 rate for Calendar Year 1992 only, have the option of determining its reserve  
3 ratio based upon its record of contributions and benefit risk for such five  
4 (5) year period."

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6 SECTION 8. Arkansas Code Annotated §11-10-706(b)(5) is hereby amended  
7 to read as follows:

8 "(5) If the assets of the fund on the computation date are less than  
9 one-half of one percent (1/2%) of total payrolls for employment during the  
10 preceding calendar year, the stabilization tax shall be seven-tenths of one  
11 percent (0.7%). However, if the assets of the fund at the end of any quarter  
12 are less than one-fourth of one percent (1/4%) of total payrolls for  
13 employment during the preceding calendar year, beginning with the second  
14 quarter following such quarter, the stabilization tax shall be one and one-  
15 tenth percent (1.1%) and shall remain at that level until the next succeeding  
16 rate year."

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18 SECTION 9. Arkansas Code Annotated §11-10-710(a)(1) is hereby amended  
19 to read as follows:

20 "(a)(1) Any employing unit which acquires the organization, trade, and  
21 all of the places of business and substantially all of the assets of any  
22 employer, excepting, in any such case, any assets retained by the employer  
23 incident to the liquidation of his obligations, whether or not the acquiring  
24 employing unit was an employment unit within the meaning of § 11-10-208 prior  
25 to the acquisition and who continues the organization, trade, or business as  
26 indicated by retaining the predecessor's two digit standard industrial  
27 classification code, shall assume, for the purpose of determining the  
28 contribution rate of the employing unit after the acquisition, the position of  
29 the employer with respect to the employer's separate account, actual  
30 contributions and regular benefit experience, annual payrolls, liability for  
31 current or delinquent contributions, interest, and penalty, and otherwise as  
32 if no change with respect to the separate account, actual experience, and  
33 payrolls or the position of the employer otherwise had occurred and with the  
34 same effect for such purpose as if the operations of the employer had at all  
35 times been carried on by the employing unit."

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SECTION 10. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 11. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

SECTION 12. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 13. EMERGENCY. It is hereby found and determined by the General Assembly that in order to correct certain inequities in the payment and in the denial of benefits to unemployed workers, to make needed technical corrections and to bring the Arkansas Employment Security Law into conformity with the Federal Unemployment Tax Act, as amended, so that Arkansas employers may continue to receive the tax credits accorded by the Federal Unemployment Tax Act and that Arkansas workers may receive unemployment benefits when they are unemployed, an emergency is hereby declared and this Act being necessary for the immediate preservation of the public peace, health and safety shall take effect and be in full force and effect on and after July 1, 1991.