

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Senator Scott**

# A Bill

**SENATE BILL**

## For An Act To Be Entitled

8 "AN ACT TO AMEND THE ARKANSAS WORKERS\_ COMPENSATION LAW TO  
9 PRESCRIBE THE METHOD OF DETERMINING DISABILITY BENEFITS  
10 FOR EMPLOYEES OF EMPLOYERS IN THE LOGGING INDUSTRY WHO  
11 HAVE ELECTED TO HAVE THEIR WORKERS\_ COMPENSATION INSURANCE  
12 PREMIUMS BASED ON PAYROLL ESTIMATED BY APPLYING UPSET  
13 FACTORS TO PRODUCTION; AND FOR OTHER PURPOSES."

## Subtitle

16 "TO ESTABLISH A PROCEDURE FOR DETERMINING WORKERS\_  
17 COMPENSATION DISABILITY BENEFITS FOR CERTAIN LOGGING  
18 INDUSTRY EMPLOYEES."

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

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22 SECTION 1. Arkansas Code 11-9-102(8) is hereby amended to read as  
23 follows:

24 "(8) Wages:

25 (A) When referring to employees of employers other than those in Class  
26 Codes 2702 and 2719 (logging and lumbering) who have elected to have their  
27 workers\_ compensation insurance premiums based on payroll estimated by  
28 applying upset factors to production, means the money rate at which the  
29 service rendered is recompensed under the contract of hire in force at the  
30 time of the accident including the reasonable cash value of board, rent,  
31 housing, lodging, or similar advantage received from the employer and  
32 including gratuities received in the course of employment from others than the  
33 employer when gratuities are received with the knowledge of the employer;

34 (B) When referring to employees of employers in Class Codes 2702 and  
35 2719 (logging and lumbering) who have elected to have their workers\_

1 compensation insurance premiums based on payroll estimated by applying upset  
2 factors to production, means the money rate at which the service rendered is  
3 recompensed computed as follows:

4 First, determine the average weekly production for the preceding fifty-  
5 two (52) weeks of the logging or lumbering crew with which the employee was  
6 working on the day of the injury, then divide that production by the fifty-two  
7 week average number of members of the particular crew, then multiply the per  
8 employee per week production tonnage of the crew for the preceding fifty-two  
9 (52) weeks by the following factors:

10 (i) shortwood (all wood eight feet and shorter) .....\$3.50 per  
11 ton

12 (ii) longwood (all wood longer than eight feet) .....\$2.25 per  
13 ton

14 (iii) In the event it is necessary to convert volume produced from  
15 cords or board feet to tons, the following conversion factors shall be used:

16 (1) 2.675 tons equal one cord

17 (2) 8.00 tons equal one thousand board feet.

18 The factors prescribed in subdivisions (i), (ii) and (iii) above may be  
19 revised by order of the Arkansas Insurance Commissioner at any time after the  
20 expiration of three (3) years from the effective date of this act."

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22 SECTION 2. Arkansas Code 11-9-518(a) is hereby amended to read as  
23 follows:

24 "(a) (1) Compensation shall be computed on the average weekly wage  
25 earned by the employee under the contract of hire in force at the time of  
26 accident and in no case shall be computed on less than a full-time workweek in  
27 the employment.

28 (2) Where the injured employee was working on a piece basis, the  
29 average weekly wage shall be determined by dividing the earnings of the  
30 employee by the number of hours required to earn the wages during the period  
31 not to exceed fifty-two (52) weeks preceding the week in which the accident  
32 occurred and by multiplying this hourly wage by the number of hours in a full-  
33 time workweek in the employment.

34 (3) Where the injured employee is employed by an employer in Class Code  
35 2702 or 2719 (logging or lumbering) the weekly wage of the employee to be used

1 for determining compensation shall be computed in the manner prescribed in 11-  
2 9-102(8) (B) ."

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4 SECTION 3. The provisions of this act shall be applicable in computing  
5 compensation for injuries incurred after the effective date of this act.

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7 SECTION 4. All provisions of this act of a general and permanent nature  
8 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
9 Revision Commission shall incorporate the same in the Code.

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11 SECTION 5. If any provision of this act or the application thereof to  
12 any person or circumstance is held invalid, such invalidity shall not affect  
13 other provisions or applications of the act which can be given effect without  
14 the invalid provision or application, and to this end the provisions of this  
15 act are declared to be severable.

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17 SECTION 6. All laws and parts of laws in conflict with this act are  
18 hereby repealed.

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20 SECTION 7. EMERGENCY. It is hereby found and determined by the General  
21 Assembly that present law does not prescribe the method of determining  
22 workers\_ compensation disability benefits for employees of employers in Class  
23 Codes 2702 and 2719 which have elected to have their workers\_ compensation  
24 insurance premiums computed on payroll estimated by applying upset factors to  
25 production; that it is urgent that a method be prescribed for determining such  
26 benefits as soon as possible; and that this act is designed to establish such  
27 method and should be given effect immediately. Therefore an emergency is  
28 hereby declared to exist and this act being necessary for the preservation of  
29 the public peace, health and safety shall be in full force and effect from and  
30 after its passage and approval.

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