

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**

A Bill

ACT 6 OF 1993
SENATE BILL 15

4 **By: Senators Moore, Cassady, Miles and Keet**

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6

7

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

Subtitle

13 "AN ACT TO AMEND VARIOUS PROVISIONS OF ARKANSAS CODE TITLE
14 11, CHAPTER 10, CITED AS THE ARKANSAS EMPLOYMENT SECURITY
15 LAW."

16

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

18

19 SECTION 1. Arkansas Code Annotated §11-10-106(f) is amended to read as
20 follows:

21 "(f) RETALIATION BY EMPLOYER OR AGENT OF EMPLOYER. Any employing unit
22 or any officer or agent of any employing unit or any other person who
23 retaliates in regard to the hiring or tenure of work or any term or condition
24 of work of any individual on account of his participating in the preparation
25 for or testifying in a proceeding under this chapter shall be punished by a
26 fine of not less than twenty dollars (\$20.00) nor more than two hundred
27 dollars (\$200) or by imprisonment for not longer than sixty (60) days, or both
28 fine and imprisonment. Each act of retaliation shall constitute a separate
29 offense."

30

31 SECTION 2. Arkansas Code Annotated §11-10-215(a) is amended to read as
32 follows:

33 "(a) As used in this chapter, unless the context clearly requires
34 otherwise, wages means all remuneration paid for personal services
35 including, but not limited to, commissions and bonuses and cash value of all
36 remuneration paid, in any medium other than cash, the value of which shall be

1 estimated and determined in accordance with regulations prescribed by the
2 director, tips received while performing services which constitute employment
3 and which are included in a written statement furnished to the employer
4 pursuant to 26 U.S.C. § 6053(a), and all remuneration paid as back pay in
5 settlement of a claim or grievance involving a discharge, provided that the
6 term wages shall not include:

7 (1) (A) For the purposes of §§ 11-10-701 - 11-10-715:

8 (i) That part of remuneration paid to an individual by an employer with
9 respect to employment during any calendar year prior to or ending December 31,
10 1992, which exceeds eight thousand dollars (\$8,000);

11 (ii) For the calendar year beginning on and after January 1, 1993, that
12 part of remuneration that exceeds eight thousand five hundred dollars
13 (\$8,500); and

14 (iii) For any calendar year beginning on and after January 1, 1994,
15 that part of remuneration that exceeds nine thousand dollars (\$9,000).

16 (B) For the purposes of this subsection:

17 (i) Wages paid within a calendar year by a predecessor employer may be
18 counted as though paid by a successor as defined in §§ 11-10-701 - 11-10-715;
19 and

20 (ii) The term employment includes services constituting employment
21 under any unemployment insurance law of another state;

22 (2) The amount of any payment with respect to services made to, or on
23 behalf of, an individual in its employ under a plan or system established by
24 an employing unit which makes provision for its employees or for its employees
25 and their dependents, including any amount paid by an employing unit for
26 insurance or annuities, or into a fund, to provide for any payment, on account
27 of:

28 (A) Retirement;

29 (B) (i) Sickness or accident disability, except payments made directly
30 to the employee or his dependents;

31 (ii) However, payments made directly to an employee or his dependents
32 under a workers' compensation law shall not be considered to be wages;

33 (C) Medical and hospitalization expenses in connection with sickness or
34 accident disability; or

35 (D) Death, provided the individual in its employ does not have the:

1 (i) Option to receive, instead of provision for the death benefit, any
2 part of the payment, or if the death benefit is insured, any part of the
3 premiums or contributions to premiums paid by his employing unit; and

4 (ii) Right, under the provisions of the plan or system or policy of
5 insurance providing for the death benefit, to assign the benefit, or to
6 receive cash consideration in lieu of the benefit either upon his withdrawal
7 from the plan or system providing for the benefit or upon termination of the
8 plan or system or policy of insurance or of his services with the employing
9 unit;

10 (3) The payment by an employing unit, without deduction from the
11 remuneration of the individual in its employ, of the tax imposed by the
12 Federal Insurance Contributions Act upon an individual in its employ with
13 respect to services performed;

14 (4) Payments made by an employer under a cafeteria plan (within the
15 meaning of 26 U.S.C.A. Section 125) if such payment would not be treated as
16 wages without regard to such plan and it is reasonable to believe that (if
17 Section 125 applied for purposes of this section) Section 125 would not treat
18 any wages as constructively received; or

19 (5) Fees paid to corporate directors."
20

21 SECTION 3. Arkansas Code Annotated §11-10-301 is amended by adding
22 paragraphs (f) and (g) immediately following paragraph (e):

23 "(f) (1) The Director of the Employment Security Department shall have
24 the authority to institute and prosecute in his name as such all suits,
25 certificates of assessment and other proceedings necessary for the collection
26 of any taxes or overpayments collectible by him and which have become
27 delinquent.

28 (2) No deposits of advance cost shall be required of the director in
29 any suit or proceedings, nor shall he be required to give bond for cost,
30 indemnity, or stay as a condition to the institution of any suit or
31 proceedings, or to the issuance, service, or execution of any process therein,
32 or ancillary thereto, or the appeal from any adverse action.

33 (g) (1) The director shall not be required to advance or pay any court
34 costs to any court clerk for the institution or prosecution of any suit filed
35 in his official capacity.

1 (2) No bond shall be required of the director in obtaining restraining
2 orders, injunctions, or any other cases where a bond is required to be made by
3 a litigant, including supersedeas bond upon appeal."
4

5 SECTION 4. Arkansas Code Annotated §11-10-314(j) is amended to read as
6 follows:

7 "(j) For use in furthering the economic development of the State of
8 Arkansas, the director may provide, to the extent that it is available, the
9 following information obtained in the administration of this chapter to the
10 state agencies specified:

11 (1) The Arkansas Industrial Development Commission may be provided:

12 (A) The employer name, mailing address, business location in Arkansas,
13 name of the owner, chief executive officer, or plant manager, current number
14 of employees, and standard industrial classification code for each employer
15 classified by the agency in standard industrial classification codes 20
16 through 39;

17 (B) The claims status of workers hired by employers under the Arkansas
18 Industrial Development Commission's Arkansas Enterprise Zone program
19 authorized by §§ 15-4-801 - 15-4-814 provided the commission submits a list of
20 workers by name and social security number;

21 (2) The Revenue Division of the Department of Finance and
22 Administration may be provided such information as required and necessary by
23 §§15-4-801 - 15-4-814 and the net increase in employment at manufacturing and
24 mining establishments, as defined in § 26-51-505, which are participating in
25 the Manufacturing Jobs Tax Credit program created by § 26-51-505, if the
26 division provides a list of employers by name, location, and the period of
27 time for which the data is sought;

28 (3) The University of Arkansas at Little Rock, Center for Information
29 Services, may be provided covered wage and employment data by two-digit Office
30 of Management and Budget standard industrial classifications by county on a
31 quarterly basis."
32

33 SECTION 5. Arkansas Code Annotated §11-10-507 is amended to read as
34 follows:

35 "11-10-507 Eligibility - Conditions

1 An insured worker shall be eligible to receive benefits with respect to
2 any week only if the director finds that:

3 (1) Claim for Benefit.. He has made a claim for benefits with respect
4 to such week in accordance with such regulations as the director may
5 prescribe;

6 (2) Registration and Reporting.. He has registered for work at, and
7 thereafter continued to report at, an Arkansas Employment Security Department
8 office in accordance with such regulations as the director may prescribe. The
9 director may, by regulation, waive or alter either or both of the requirements
10 of this subdivision as to individuals attached to regular jobs and as to such
11 other types of cases or situations with respect to which he finds that
12 compliance with these requirements would be oppressive or would be
13 inconsistent with the purpose of this chapter. However, no such regulations
14 shall conflict with § 11-10-501;

15 (3) (A) Able to Work and Available for Work.. The worker is unemployed,
16 is physically and mentally able to perform suitable work, and is available for
17 such work. Mere registration and reporting at a local employment office shall
18 not be conclusive evidence of ability to work, availability for work, or
19 willingness to accept work unless the individual is doing those things which a
20 reasonably prudent individual would be expected to do to secure work.

21 (B) Persons who are on layoff and who are attending a state vocational
22 school for the purpose of upgrading or improving their job skills shall be
23 considered available for employment so long as they make reasonable efforts to
24 secure employment unless, or until, they refuse suitable employment or
25 referral or recall to suitable work. However, no otherwise eligible individual
26 shall be denied benefits with respect to any week in which he is in training
27 with the approval of the director by reason of the application of the
28 provisions of subdivision (3) (A) of this section relating to availability for
29 work.

30 (C) For the purpose of this subdivision, the approval by the director
31 of training for an individual shall be based on the following considerations:

32 (i) The claimant's skills must be obsolete, or the demands for his
33 skills in his labor market must be minimal and not likely to improve;

34 (ii) The claimant must possess aptitudes or skills which can be
35 usefully supplemented within a short time by retraining;

1 (iii) The training must be for an occupation for which there is a
2 substantial and recurring demand; and

3 (iv) The claimant must produce evidence of continued attendance and
4 satisfactory progress.

5 (D) In the event of the death of an individual's immediate family
6 member, the eligibility requirements of availability for that individual shall
7 be waived for the day of the death and for six (6) consecutive calendar days
8 thereafter. For the purposes of this subdivision, "immediate family member"
9 means a spouse, child, parent, brother, sister, grandchild, or grandparent of
10 the individual.

11 (E) An individual on short-term layoff who expects to be recalled by
12 his employer to a full-time job and whose employer intends to recall the
13 individual to a full-time job within eight (8) weeks after the initial date of
14 his layoff shall not be required during the layoff to register for work at an
15 Arkansas Employment Security Department office or to seek other work.

16 (F) Any individual who is not actively engaged in seeking work because
17 he is before any court of the United States or of any state pursuant to a
18 lawfully issued summons to appear for jury duty shall not be disqualified
19 under this subdivision.

20 (G) No individual shall be considered unavailable for work under this
21 subdivision during the entire week if he is required to withdraw from the
22 labor market for less than four (4) days of the week because of a compelling
23 personal emergency.

24 (4) Waiting Period. He has been unemployed for a waiting period of one
25 (1) week. No week shall be counted as a week of unemployment for the purposes
26 of this subsection:

27 (A) Unless it occurs within the benefit year which includes the week
28 with respect to which he claims payment of benefits;

29 (B) If benefits have been paid with respect thereto;

30 (C) Unless the individual was eligible for benefits with respect
31 thereto as provided in this section and §§ 11-10-512 - 11-10-519, except for
32 the requirements of this subsection.

33 (5) (A) Qualifying Wages. For any benefit year, he has during his base
34 period been paid wages in at least two (2) quarters of his base period for
35 insured work, and the total wages paid during his base period equal not less

1 than twenty-seven (27) times his weekly benefit amount.

2 (B) Requalifying Wages. For all benefit years, no individual may
3 requalify on a succeeding benefit year claim unless he has been paid wages for
4 insured work equal to not less than twenty-seven (27) times his weekly benefit
5 amount, and has wages paid for insured work in at least two (2) calendar
6 quarters of his base period, and, subsequent to filing the claim which
7 established his previous benefit year, he has had insured work and was paid
8 wages for work equal to three (3) times his weekly benefit amount.

9 (C) With respect to weeks of unemployment, wages for insured work shall
10 include wages paid for previously uncovered services. For the purposes of this
11 section, the term previously uncovered services means services:

12 (i) Which were not employment as defined in § 11-10-210(a) and were not
13 services covered pursuant to § 11-10-210(d), at any time during the one-year
14 period; and

15 (ii) Which are:

16 (a) Agricultural labor, as defined in § 11-10-210(a)(5); or

17 (b) Services performed by an employee of a political subdivision of this
18 state, as provided in § 11-10-210(a)(2)(B), or by an employee of a nonprofit
19 educational institution which is not an institution of higher education, as
20 provided in § 11-10-210(a)(4)(C), except to the extent that assistance under
21 Title II of the Emergency Jobs and Unemployment Assistance Act of 1974 was
22 paid on the basis of such services.

23 (D) For the purposes of this subdivision, wages shall be counted as
24 wages for insured work for benefit purposes with respect to any benefit year
25 only if the benefit year begins subsequent to the date on which the employing
26 unit by which the wages were paid has satisfied the conditions of § 11-10-209
27 with respect to becoming an employer."

28

29 SECTION 6. Arkansas Code Annotated §11-10-511(a) is amended to read as
30 follows:

31 "(a) Benefits shall not be payable on the basis of services performed
32 by an alien unless the alien is an individual who was lawfully admitted for
33 permanent residence at the time the services were performed, was lawfully
34 present for purposes of performing those services, or was permanently residing
35 in the United States under color of law at the time the services were

1 performed, including an alien who was lawfully present in the United States as
2 a result of the application of the provisions of § 212(d)(5) of the
3 Immigration and Nationality Act."

4

5 SECTION 7. Arkansas Code Annotated §11-10-514 is amended to read as
6 follows:

7 "11-10-514 Disqualification - Discharge for misconduct

8 (a) If so found by the director, an individual shall be disqualified for
9 benefits if he is discharged from his last work for misconduct in connection
10 with the work. In all cases of discharge for absenteeism, the individual's
11 attendance record for the twelve-month period immediately preceding the
12 discharge and the reasons for the absenteeism shall be taken into
13 consideration for purposes of determining whether the absenteeism constitutes
14 misconduct. Except as otherwise provided in this section, disqualification for
15 misconduct shall be for eight (8) weeks of unemployment as defined in §
16 11-10-512.

17 (b) If he is discharged from his last work for misconduct in connection
18 with the work on account of dishonesty, drinking on the job, reporting for
19 work while under the influence of intoxicants including a controlled
20 substance, or willful violation of the rules or customs of the employer
21 pertaining to the safety of fellow employees or company property, he shall be
22 disqualified from the date of filing his claim until he shall have ten (10)
23 weeks of employment in each of which he shall have earned wages equal to at
24 least his weekly benefit amount.

25 (c) If so found by the director, an individual shall be disqualified for
26 benefits if he is suspended from his last work for misconduct in connection
27 with the work. Except as otherwise provided, the disqualification shall be for
28 the duration of the suspension or eight (8) weeks, whichever is the lesser."

29

30 SECTION 8. Arkansas Code Annotated §11-10-517 is amended as follows:

31 "11-10-517 Disqualification - Receipt of other remunerations

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

35 (1) Separation payments. However, separation payments in excess of

1 those covering a period of eight (8) weeks and an armed services severance
2 payment paid to a former member of the United States armed services shall not
3 be disqualifying under the terms of this section. Separation payments
4 provided in the form of a lump sum are disqualifying only for the week in
5 which they are received. Remuneration paid as back pay in settlement of a
6 claim or grievance, and supplemental unemployment benefits shall not be
7 disqualifying;

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

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

24 (4) Training and retraining allowance provided for by appropriation of
25 the Congress of the United States. However, this subdivision does not apply
26 if the claimant has met the benefit eligibility conditions set out in §§
27 11-10-507 - 11-10-511 and other sections of this chapter;

28 (5) Vacation payments. However, he shall be paid, with respect to the
29 week in which the vacation period occurred, an amount equal to the weekly
30 benefit amount less that part of the vacation pay, if any, payable to him or
31 in which he has been paid or will be paid at a later date with respect to such
32 week which is in excess of forty percent (40%) of his weekly benefit amount
33 rounded to the nearest lower full dollar amount. For the purpose of this
34 subsection, the employer shall promptly report the week or weeks involved in
35 the vacation period as well as the corresponding amount of vacation pay with

1 respect to such week or weeks;

2 (6) Bonus payments. However, the receipt of such payments shall be
3 deductible as earnings in accordance with A.C.A. §11-10-503 only for the week
4 in which the payment is received."

5

6 SECTION 9. Arkansas Code Annotated §11-10-524(b) is amended to read as
7 follows:

8 "(b) Unless the appeal is withdrawn with its permission or is removed to
9 the Board of Review, the appeal tribunal, after affording the parties a
10 reasonable opportunity for a fair hearing and on the basis of the record shall
11 affirm, modify, reverse, or remand the determination. However, whenever an
12 appeal involves a question as to whether services were performed by a claimant
13 in employment or for an employing unit, the appeal tribunal shall give special
14 notice of the issue and of the pendency of the appeal to the employing unit
15 and to the director, both of whom shall be parties to the proceedings and be
16 afforded a reasonable opportunity to present evidence bearing on the question
17 in issue. The appeal tribunal shall grant upon request from any interested
18 party in an intra-state claim an in-person hearing at a location convenient to
19 all parties."

20

21 SECTION 10. Arkansas Code Annotated §11-10-532 is amended to read as
22 follows:

23 "11-10-532 Claims - Recovery

24 (a) If the director finds that any person has made a false statement or
25 misrepresentation of a material fact knowing it to be false or has knowingly
26 failed to disclose a material fact and as a result of either action has
27 received any amount as benefits under this chapter to which he was not
28 entitled, then the person shall be liable to repay the amount to the fund or
29 in lieu of requiring the repayment the director may recover the amount by
30 deductions from any future benefits payable to the person under this chapter.
31 However, the person shall not be liable to repay such amount to the fund nor
32 shall recovery be made from any future benefits after five (5) years from the
33 date the determination of the amount of the overpayment becomes final within
34 the meaning of §11-10-527.

35 (b) (1) If the director finds that any person has received any amount as

1 benefits under this chapter to which he was not entitled by reasons other than
2 fraud, willful misrepresentation, or willful nondisclosure of facts, the
3 person shall be liable to repay the amount to the fund. In lieu of requiring
4 the repayment, the director may recover the amount by deduction from fifty
5 percent (50%) of any future benefits payable to the person under this chapter
6 unless the director finds that the overpayment was received without fault on
7 the part of the recipient and that its recovery would be against equity and
8 good conscience.

9 (2) Any person held liable to repay an amount to the fund or to have
10 the amount deducted from any future benefits payable to him shall not be
11 liable to repay the amount nor shall recovery be made from any future benefits
12 after two (2) years from the date the determination of the amount of the
13 overpayment becomes final within the meaning of the provisions of §
14 11-10-527."

15

16 SECTION 11. Arkansas Code Annotated §11-10-536 of the Arkansas
17 Employment Security Law is amended to read as follows:

18 "11-10-536 Extended benefits - Eligibility

19 An individual shall be eligible to receive extended benefits with
20 respect to any week of unemployment in his eligibility period only if the
21 director finds that with respect to that week:

22 (1) He is an exhaustee as defined in § 11-10-534(8);

23 (2) He has satisfied the requirements of this law for the receipt of
24 regular benefits that are applicable to individuals claiming extended
25 benefits, including not being subject to a disqualification for the receipt of
26 benefits; and

27 (3) (a) He was paid wages which exceeded forty (40) times his weekly
28 benefit amount during the base period which established his last benefit year
29 for the receipt of regular benefits; or

30 (b) He has one and one-half (1 1/2) times his insured wages in the
31 calendar quarter of the base period in which his insured wages were the
32 highest; or

33 (c) He has provided evidence of twenty (20) weeks of full-time insured
34 employment in the base period that served as the basis for his Extended
35 Benefits claim."

1

2 SECTION 12. Arkansas Code Annotated §11-10-539 is amended to read as
3 follows:

4 "11-10-539 Extended benefits - Period and computations

5 (a) Whenever an extended benefit period is to become effective in this
6 state as a result of a state _on_ indicator, or an extended benefit period is
7 to be terminated in this state as a result of a state _off_ indicator, the
8 director shall have published an appropriate notice in newspapers of general
9 circulation in the state.

10 (b) Whenever, during a period when emergency unemployment compensation
11 benefits are being paid under the provisions of the Emergency Unemployment
12 Compensation Act of 1991, as amended, or under any subsequent extension or
13 reenactment thereof, the state _on_ indicator, as defined in A.C.A. §11-10-
14 534, triggers on a period of extended benefits, the governor of this state may
15 elect not to implement the applicable state statutory provisions relative to
16 unemployment compensation, including but not limited to A.C.A. §11-10-534
17 through A.C.A. §11-10-544, and to continue the payment of benefits under the
18 Emergency Unemployment Compensation Act of 1991, as amended, extended or
19 reenacted, to those individuals who have exhausted their entitlement to
20 regular unemployment compensation under state law.

21 (c) Computations required by the provisions of § 11-10-534(4) shall be
22 made by the director, in accordance with regulations prescribed by the U.S.
23 Secretary of Labor."

24

25 SECTION 13. Arkansas Code Annotated §11-10-706(b) is amended to read as
26 follows:

27 "(b) The stabilization tax shall be determined as follows:

28 (1) If the assets of the fund on the computation date are equal to or
29 greater than two percent (2%) but less than two and one-half percent (2.5%) of
30 total payrolls for employment during the preceding calendar year, the
31 stabilization tax shall be one-tenth of one percent (0.1%).

32 (2) If the assets of the fund on the computation date are greater than
33 one and one-half percent (1 1/2%) but less than two percent (2%) of total
34 payrolls for employment during the preceding calendar year, the stabilization
35 tax shall be two-tenths of one percent (0.2%).

1 (3) If the assets of the fund on the computation date are greater than
2 one percent (1%) but less than one and one-half percent (1 1/2%) of total
3 payrolls for employment during the preceding calendar year, the stabilization
4 tax shall be three-tenths of one percent (0.3%).

5 (4) If the assets of the fund on the computation date are greater than
6 one-half of one percent (1/2%) but less than one percent (1.0%) of total
7 payrolls for employment during the preceding calendar year, the stabilization
8 tax shall be four-tenths of one percent (0.4%).

9 (5) If the assets of the fund on the computation date are less than
10 one-half of one percent (1/2%) of total payrolls for employment during the
11 preceding calendar year, the stabilization tax shall be seven-tenths of one
12 percent (0.7%). However, if the assets of the fund on the computation date
13 are less than four-tenths of one percent (4/10%) of total payrolls for
14 employment during the preceding calendar year, the stabilization tax shall be
15 one and one-tenth percent (1.1%) for the calendar year 1993, nine-tenths of
16 one percent (0.9%) for the calendar year 1994, and eight-tenths of one percent
17 (0.8%) for the calendar year 1995 and thereafter.

18 (6) Each employer eligible for experience rating under § 11-10-705
19 shall have his contribution rate reduced by one-tenth of one percent (0.1%)
20 for any rate year when the assets of the Fund on the computation date are
21 greater than five percent (5.0%) of total payrolls for employment during the
22 preceding calendar year."

23

24 SECTION 14. Arkansas Code Annotated §11-10-706(e) is amended to read as
25 follows:

26 "(e) For the purposes of §§ 11-10-703 - 11-10-708, the assets of the
27 fund as of the computation date shall include only contributions which were
28 paid on or before June 30, the computation date. Provided however, for the
29 purposes of this section the computation date is defined as September 30 of
30 the calendar year preceding the tax year. It shall include any accounts
31 receivable from the United States for their share of extended benefit payments
32 which have been paid from the fund and any accounts receivable from employers
33 who have elected to reimburse the fund for benefits paid under § 11-10-404 or
34 § 11-10-713. However, it shall exclude the assets of the Extended Benefit
35 Account and shall be reduced by any outstanding advances owed to the federal

1 government."

2

3 SECTION 15. Arkansas Code Annotated §11-10-707(b) is amended to read as
4 follows:

5 "(b) The director shall for each rate year:

6 (1) Periodically notify each employer of the regular benefits paid
7 which are chargeable to his account. Such notification shall become conclusive
8 and binding upon the employer unless within thirty (30) days after mailing of
9 such notice, the employer files an application for review and redetermination
10 as provided in subsection (c)(1) below; (2) Notify each employer of his
11 rate of contribution as determined pursuant to this law."

12

13 SECTION 16. Arkansas Code Annotated §11-10-708(a)(1) is amended to read
14 as follows:

15 "(a)(1) In addition to the contributions and any stabilization and
16 extended benefits taxes levied under other provisions of §§ 11-10-703 -
17 11-10-708, each employer, except employers that have made an election to
18 reimburse the unemployment trust fund under § 11-10-713(c), shall pay a
19 separate and additional tax, to be known as the advance interest tax, on wages
20 paid by that employer with respect to employment . For rate years beginning on
21 and after January 1, 1993, the advance interest tax shall be two tenths of one
22 percent (0.2%) when the state has an outstanding interest bearing advance
23 under Title XII of the Social Security Act. Such tax is effective the first
24 month of the quarter following the state obtaining an interest bearing advance
25 and shall remain until the quarter immediately following the repayment of the
26 advancement and the Employment Security Advance Interest Trust Fund attains a
27 balance of five million dollars (\$5,000,000);"

28 SECTION 17. Arkansas Code Annotated §11-10-803(d)(1) is amended to read
29 as follows:

30 "(1) Money credited to the account of this state in the Unemployment
31 Compensation Trust Fund by the Secretary of the Treasury of the United States
32 of America pursuant to § 903 of the Social Security Act, as amended, may not
33 be requisitioned from this state's account or used except for the payment of
34 benefits and for the payment of expenses incurred for the administration of
35 the Employment Security Law. However, the money may not be used for Job

1 Training Partnership Act (JTPA) programs and activities. The money may be
2 requisitioned pursuant to the provisions of the Employment Security Law for
3 the payment of benefits. The money may also be requisitioned and used for the
4 payment of expenses incurred in the administration of the Employment Security
5 Law. However, the money may not be used for Job Training Partnership Act
6 programs and activities. The money may only be used pursuant to a specific
7 appropriation by the General Assembly and only if the expenses are incurred
8 and the money is requisitioned after the enactment of an appropriation law
9 which:

10 (A) Specifies the purposes for which money is appropriated and the
11 amounts appropriated therefor;

12 (B) Limits the period within which the money may be obligated to a
13 period ending not more than two (2) years after the date of the enactment of
14 the appropriation law; and

15 (C) The amount which may be obligated is limited to an amount which
16 does not exceed the amount by which (I) the aggregate of the amounts
17 transferred to the account of this state pursuant to section 903 of the Social
18 Security Act exceeds, (II) the aggregate of the amounts used by this state
19 pursuant to this Act and charged against the amounts transferred to the
20 account of this state."

21

22 SECTION 18. All provisions of this act of a general and permanent
23 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
24 Code Revision Commission shall incorporate the same in the Code.

25

26 SECTION 19. If any provision of this act or the application thereof to
27 any person or circumstance is held invalid, such invalidity shall not affect
28 other provisions or applications of the act which can be given effect without
29 the invalid provision or application, and to this end the provisions of this
30 act are declared to be severable.

31

32 SECTION 20. All laws and parts of laws in conflict with this act are
33 hereby repealed.

34

35 SECTION 21. EMERGENCY. It is hereby found and determined by the

1 General Assembly that in order to correct certain inequities in the payment
2 and in the denial of benefits to unemployed workers, to make needed technical
3 corrections and to bring the Arkansas Employment Security Law into conformity
4 with the Federal Unemployment Tax Act, as amended, so that Arkansas employers
5 may continue to receive the tax credits accorded by the Federal Unemployment
6 Tax Act and that Arkansas workers may receive unemployment benefits when they
7 are unemployed, an emergency is hereby declared to exist and this act being
8 necessary for the immediate preservation of the public peace, health and
9 safety shall be in full force and effect from and after its passage and
10 approval.

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APPROVED: 2/1/93