

1 State of Arkansas  
2 90th General Assembly  
3 Third Extraordinary Session, 2016  
4

Call Item 8

# A Bill

HOUSE BILL 1010

5 By: Representative House  
6 By: Senators Standridge, Bledsoe, Collins-Smith, J. Dismang, Flippo, S. Flowers, Hickey, J. Hutchinson,  
7 Irvin, B. Sample, J. Woods  
8

## For An Act To Be Entitled

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10 AN ACT TO CLARIFY THE LAW REGARDING WORKERS'  
11 COMPENSATION PAYMENTS UNDER THE WORKERS' COMPENSATION  
12 LAW THAT RESULTED FROM INITIATED MEASURE 1948, NO.4;  
13 TO END PAYMENTS FOR EMPLOYEE DISABILITY OR DEATH FROM  
14 THE DEATH AND PERMANENT TOTAL DISABILITY TRUST FUND;  
15 TO LOWER THE RATE OF TAX FOR WORKERS' COMPENSATION  
16 INSURANCE; AND FOR OTHER PURPOSES.  
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## Subtitle

19  
20 TO CLARIFY WORKERS' COMPENSATION DEATH  
21 AND PERMANENT TOTAL DISABILITY TRUST  
22 PAYMENTS UNDER THE WORKERS' COMPENSATION  
23 LAW THAT RESULTED FROM INITIATED MEASURE  
24 1948, NO.4; AND TO LOWER EMPLOYERS' TAX  
25 RATE.  
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28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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30 SECTION 1. Arkansas Code § 11-9-303(a), concerning the maximum tax  
31 rate the Workers' Compensation Commission may charge to carriers, is amended  
32 to read as follows:

33 (a)(1) In addition to the premium taxes collected from carriers, the  
34 carriers shall pay annually to the Workers' Compensation Commission a tax, at  
35 the rate to be determined as provided in § 11-9-306 but not to exceed three  
36 percent (3%), on all written manual premiums resulting from the writing of



workers' compensation insurance on risks within the state.

(2) Upon the final payment of the liabilities of the Death and Permanent Total Disability Trust Fund under § 11-9-502, the tax rate under this section shall not exceed one and five-tenths percent (1.5%).

SECTION 2. Arkansas Code § 11-9-304(a), concerning the maximum tax rate the Workers' Compensation Commission may charge to self-insured employers, is amended to read as follows:

(a)(1) ~~It shall be the duty of the~~ The Workers' Compensation Commission ~~to shall~~ collect a tax from every self-insured employer at a rate to be determined as provided by § 11-9-306 but not to exceed three percent (3%) of the written manual premium which would have to be paid under § 11-9-303 by a carrier if the self-insured employer were insured by a carrier.

(2) Upon the final payment of the liabilities of the Death and Permanent Total Disability Trust Fund pursuant to § 11-9-502, the tax rate under this section shall not exceed one and five-tenths percent (1.5%).

SECTION 3. Arkansas Code § 11-9-305(a)(1), concerning the maximum tax rate the Workers' Compensation Commission may charge to public employers, is amended to read as follows:

(a)(1)(A) ~~It shall be the duty of the~~ The Workers' Compensation Commission ~~to shall~~ collect a tax from every public employer providing workers' compensation coverage to its employees at a rate to be determined as provided by § 11-9-306 but not to exceed three percent (3%) of the written manual premium which an insurance carrier would have to pay under § 11-9-303 if the public employer were insured by a carrier.

(B) Upon the final payment of the liabilities of the Death and Permanent Total Disability Trust Fund under § 11-9-502, the tax rate under this section shall not exceed one and five-tenths percent (1.5%).

SECTION 4. Arkansas Code § 11-9-306(d), concerning the determination of surplus and rate of taxation under the Workers' Compensation Law, is amended to read as follows:

(d)(1) The total rate of taxation for all three (3) funds when added together shall not exceed three percent (3%).

(2) Upon the final payment of the liabilities of the Death and

1 Permanent Total Disability Trust Fund under § 11-9-502, the tax rate under  
2 this section shall not exceed one and five-tenths percent (1.5%).

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4 SECTION 5. Arkansas Code § 11-9-502(b)(1) and (2), concerning  
5 limitations on compensation for an employee's disability or death, is amended  
6 to read as follows:

7 (b)(1)(A) For injuries occurring on or after March 1, 1981, but on or  
8 before December 31, 2007, and a claim for death or permanent total disability  
9 benefits filed on or before June 30, 2019, the first seventy-five thousand  
10 dollars (\$75,000) of weekly benefits for death or permanent total disability  
11 shall be paid by the employer or its insurance carrier in the manner provided  
12 in this chapter.

13 (B) For injuries occurring on or after January 1, 2008,  
14 and a claim for death or permanent total disability benefits filed on or  
15 before June 30, 2019, the employer or its insurance carrier shall pay weekly  
16 benefits for death or permanent total disability not to exceed three hundred  
17 twenty-five (325) times the maximum total disability rate established for the  
18 date of the injury under this chapter.

19 (2)(A) An employee or a dependent of an employee who has filed a  
20 claim for death or permanent total disability benefits on or before June 30,  
21 2019, and who receives a total of seventy-five thousand dollars (\$75,000) in  
22 weekly benefits for injuries sustained on or before December 31, 2007, shall  
23 be eligible to continue to draw benefits at the rates prescribed in this  
24 chapter, but all benefits in excess of seventy-five thousand dollars  
25 (\$75,000) shall be payable from the Death and Permanent Total Disability  
26 Trust Fund.

27 (B) An employee or a dependent of an employee who has  
28 filed a claim for death or permanent total disability benefits on or before  
29 June 30, 2019, and who receives the maximum amount specified in subdivision  
30 (b)(1)(B) of this section shall be eligible to continue to draw benefits at  
31 the rates prescribed by this chapter payable from the trust fund.

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33 SECTION 6. Arkansas Code § 11-9-502, concerning limitations on  
34 compensation for an employee's disability or death, is amended to add an  
35 additional subsection to read as follows:

36 (c)(1) A claim against the Death and Permanent Total Disability Trust

1 Fund shall not be filed later than June 30, 2019, regardless of the date of  
2 injury or death, or otherwise.

3 (2) The Death and Permanent Disability Trust Fund is not liable  
4 for a claim for permanent total disability or death filed after June 30,  
5 2019.

6 (3) For a claim for permanent total disability or death filed  
7 after June 30, 2019, the employer at the time of the employee's compensable  
8 injury is liable for permanent total disability or death benefits under this  
9 chapter, excluding this section and any claim pending under § 11-9-525 on  
10 June 30, 2019.

11 (4) Upon satisfaction of the liabilities of the Death and  
12 Permanent Total Disability Trust Fund, the Death and Permanent Total  
13 Disability Trust Fund shall be terminated.

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16 **APPROVED: 05/23/2016**  
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