

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: H3/18/11

A Bill

HOUSE BILL 2103

5 By: Representative King
6

For An Act To Be Entitled

8 AN ACT TO CREATE AN UNEMPLOYMENT INSURANCE TAX CREDIT
9 FOR BUSINESSES THAT CREATE A JOB AND HIRE A PERSON
10 RECEIVING UNEMPLOYMENT BENEFITS TO FILL THAT JOB; TO
11 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
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Subtitle

15 TO CREATE AN UNEMPLOYMENT INSURANCE TAX
16 CREDIT FOR BUSINESSES THAT CREATE A JOB
17 AND HIRE A PERSON RECEIVING UNEMPLOYMENT
18 BENEFITS TO FILL THAT JOB AND TO DECLARE
19 AN EMERGENCY.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 *SECTION 1. Arkansas Code Title 11, Chapter 10, Subchapter 7 is amended*
25 *to add an additional section to read as follows:*

26 *11-10-724. Credit against contributions.*

27 *(a) There is allowed a credit for employers against the unemployment*
28 *contributions required under § 11-10-702 for each employment position:*

29 *(1) Created on or after July 1, 2011; and*

30 *(2) Filled by a person who, at the time of the person's hire:*

31 *(A) Is receiving unemployment benefits;*

32 *(B) Has been receiving unemployment benefits for at least*
33 *eight (8) consecutive weeks; and*

34 *(C) Has not been employed by the employer for any length*
35 *of time during the previous two (2) years.*

36 *(b) The credit provided in subsection (a) of this section shall be*



1 allowed in the following amounts:

2 (1) Two hundred fifty dollars (\$250) when the person has been
3 employed by the employer for one (1) full quarter;

4 (2) An additional two hundred fifty dollars (\$250) when the
5 person has been employed by the employer for two (2) full quarters;

6 (3) An additional two hundred fifty dollars (\$250) when the
7 person has been employed by the employer for a total of three (3) full
8 quarters; and

9 (4) An additional two hundred fifty dollars (\$250) when the
10 person has been employed by the employer for a total of one (1) year.

11 (c) The following employers are not eligible for the credit under this
12 section:

13 (1) Employers that owe a debt to the Department of Workforce
14 Services; and

15 (2) Employers that have a deficit rating.

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17 SECTION 2. DO NOT CODIFY. (a) By August 1, 2011, the Director of the
18 Department of Workforce Services shall seek a determination from the United
19 States Secretary of Labor as to whether § 11-10-724 complies with federal
20 law.

21 (b) If the secretary determines that § 11-10-724 complies with federal
22 law, then the director shall promulgate rules to implement this section.

23 (c) If the secretary determines that § 11-10-724 does not comply with
24 federal law, then the director shall seek a waiver from the secretary that
25 will permit the implementation of this section and establish the credit upon
26 the granting of the waiver.

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28 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
29 General Assembly of the State of Arkansas that Arkansas has a high percentage
30 of unemployed residents; that encouraging the creation of jobs would decrease
31 the unemployment rate in Arkansas; that the ideal time to make changes to the
32 unemployment laws is at the beginning of a calendar quarter; and that this
33 act is necessary to encourage the creation of jobs and the hiring of
34 unemployed persons. Therefore, an emergency is declared to exist and this
35 act being necessary for the preservation of the public peace, health, and
36 safety shall become effective on July 1, 2011.

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/s/King