

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

As Engrossed: S3/25/13 S3/26/13

# A Bill

SENATE BILL 850

5 By: Senator J. Hendren  
6

## For An Act To Be Entitled

8 AN ACT TO REQUIRE THAT THE UNEMPLOYMENT STABILIZATION  
9 TAX SHALL BE CREDITED TO THE SEPARATE ACCOUNT OF EACH  
10 EMPLOYER; TO AMEND THE STABILIZATION TAX RATES FOR  
11 THE UNEMPLOYMENT COMPENSATION FUND; AND FOR OTHER  
12 PURPOSES.  
13  
14

## Subtitle

15 TO REQUIRE THAT THE UNEMPLOYMENT  
16 STABILIZATION TAX SHALL BE CREDITED TO  
17 THE SEPARATE ACCOUNT OF EACH EMPLOYER;  
18 AND TO AMEND THE STABILIZATION TAX RATES  
19 FOR THE UNEMPLOYMENT COMPENSATION FUND.  
20  
21  
22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
24

25 *SECTION 1. Arkansas Code § 11-10-705(a)(2), concerning the computation*  
26 *of future rate contributions, is amended to read as follows:*

27 *(2)(A) The record of an employer shall include, for the purpose*  
28 *of computing an employer's contribution rate, any payment, except a payment*  
29 *that represents a stabilization tax payment or a payment that represents an*  
30 *extended benefit tax payment, made by the employer on or before July 31 on*  
31 *wages paid by the employer on or before June 30 of the calendar year.*

32 *(B) However, for calendar years beginning January 1, 2014,*  
33 *and thereafter, the record of the employer shall include a payment that*  
34 *represents a stabilization tax payment made by the employer on or before July*  
35 *31 on wages paid by the employer on or before June 30 of the calendar year.*  
36



1           SECTION 2. Arkansas Code § 11-10-706(a)(2), concerning the  
2 stabilization tax for the Unemployment Compensation Fund, is amended to read  
3 as follows:

4                     (2)(A) This stabilization tax shall not be credited to the  
5 separate account of each employer.

6                             (B) However, for calendar years beginning January 1, 2014,  
7 and thereafter, this stabilization tax shall be credited to the separate  
8 account of each employer for the purpose of the computation of future rates  
9 under § 11-10-705.

10  
11           SECTION 3. Arkansas Code § 11-10-706(b)(5) and (6), concerning the  
12 stabilization tax rates for the Unemployment Compensation Fund, are amended  
13 to read as follows:

14                     (5)(A) If the assets of the Unemployment Compensation Fund on  
15 the computation date are less than one-half of one percent (0.5%) of total  
16 payrolls for employment during the preceding calendar year, the stabilization  
17 tax shall be seven-tenths of one percent (0.7%).

18                             (B) However for calendar years beginning January 1, 2014,  
19 and thereafter the stabilization tax shall be five-tenths of one percent  
20 (0.5%); and

21                     (6)(A) If the assets of the Unemployment Compensation Fund on  
22 the computation date are less than four-tenths of one percent (0.4%) of total  
23 payrolls for employment during the preceding calendar year, the stabilization  
24 tax shall be ~~one and one-tenth percent (1.1%) for the calendar year 1993,~~  
25 ~~nine-tenths of one percent (0.9%) for the calendar year 1994, and eight-~~  
26 ~~tenths of one percent (0.8%) for the calendar year 1995 and thereafter.~~

27                             (B) However for calendar years beginning January 1, 2014  
28 and thereafter the stabilization tax shall be six-tenths of one percent  
29 (0.6%).

30  
31                                             /s/J. Hendren  
32  
33  
34  
35  
36