

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4

# A Bill

SENATE BILL 790

5 By: Senator J. Hutchinson  
6

## For An Act To Be Entitled

8 AN ACT TO CLARIFY THE LAW REGARDING EMPLOYEE BENEFITS  
9 AND EMPLOYER CONTRIBUTIONS UNDER THE DEPARTMENT OF  
10 WORKFORCE SERVICES LAW; AND FOR OTHER PURPOSES.  
11

## Subtitle

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13 TO CLARIFY THE LAW REGARDING EMPLOYEE  
14 BENEFITS AND EMPLOYER CONTRIBUTIONS UNDER  
15 THE DEPARTMENT OF WORKFORCE SERVICES LAW.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 11-10-514(b)(2), concerning employees'  
22 disqualification for unemployment benefits after discharge for misconduct, is  
23 amended to read as follows:

24 (2)(A) If an individual is discharged for testing positive for  
25 an illegal drug pursuant to a United States Department of Transportation-  
26 qualified drug screen conducted in accordance with the employer's bona fide  
27 written drug policy, the individual is disqualified+

28 ~~(i) Until~~ until, subsequent to the date of the  
29 disqualification, the claimant has been paid wages in two (2) quarters for  
30 insured work totaling not less than thirty-five (35) times his or her weekly  
31 benefit amount; ~~and~~

32 ~~(ii) Until he or she passes a United States~~  
33 ~~Department of Transportation-qualified drug screen by testing negative for~~  
34 ~~illegal drugs.~~

35 (B)(i) Any weekly benefits payable subsequent to the date  
36 of the disqualification under subdivision (b)(2)(A) of this section shall be



1 terminated.

2 (ii) The termination shall apply only to benefits  
3 payable within the benefit year of the claim with respect to which the  
4 claimant is disqualified for testing positive for an illegal drug under  
5 subdivision (b)(2)(A) of this section.

6 ~~(B)(C)~~ If an individual is disqualified under subdivision  
7 (b)(2)(A) of this section, a benefit paid to the individual with respect to  
8 any week of unemployment after the discharge shall not be charged to the  
9 account of the employer that discharged the individual if the benefit is  
10 based upon wages paid to the individual for employment before the discharge  
11 by the employer that discharged the individual.

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13 SECTION 2. Arkansas Code § 11-10-515(a)(2)(B), concerning employees’  
14 disqualification for unemployment benefits after failure or refusal to apply  
15 for or accept suitable work, is amended to read as follows:

16 (B) The disqualification under subdivision (a)(2)(A) of  
17 this section shall continue until+

18 ~~(i) Subsequent~~ subsequent to the date of the  
19 disqualification, the claimant has been paid wages in two (2) quarters for  
20 insured work totaling not less than thirty-five (35) times his or her weekly  
21 benefit amount; ~~and~~

22 ~~(ii) The disqualified individual passes a United~~  
23 ~~States Department of Transportation qualified drug screen by testing negative~~  
24 ~~for illegal drugs.~~

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26 SECTION 3. Arkansas Code § 11-10-701, concerning the accrual and  
27 payment of unemployment insurance tax by employers, is amended to add an  
28 additional subsection to read as follows:

29 (c)(1) Determinations of liability are conclusive and binding unless  
30 within thirty (30) calendar days after the mailing date of the determination  
31 the employer requests an administrative determination of coverage under § 11-  
32 10-308.

33 (2) However, if the director determines that the request for an  
34 administrative determination of coverage is not perfected within the thirty-  
35 calendar-day period as a result of circumstances beyond the employer’s  
36 control, the director may consider the request as having been filed timely.

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SECTION 4. Arkansas Code § 11-10-706(f)(1)(A), concerning future rates of the stabilization tax that employers pay for unemployment insurance, is amended to read as follows:

(f)(1)(A) ~~Provided, however,~~ However, the proceeds of the stabilization tax in the amount of two and one-half hundredths of one percent (.025%) of taxable wages collected during the period July 1, 2007, through June 30, ~~2015~~ 2019, shall be deposited and credited to the Department of Workforce Services Training Trust Fund, there to be used for worker training.

SECTION 5. Arkansas Code § 11-10-706(f)(2)(A), concerning future rates of the stabilization tax that employers pay for unemployment insurance, is amended to read as follows:

(2)(A) However, the proceeds of the stabilization tax in the amount of two and one-half hundredths of one percent (.025%) of taxable wages collected during the period July 1, 2007, through June 30, ~~2015~~ 2019, shall be deposited and credited to the Department of Workforce Services Unemployment Insurance Administration Fund, there to be used for operating expenses of the unemployment insurance program necessary for the proper administration of § 11-10-101 et seq., as determined by the Director of the Department of Workforce Services.

SECTION 6. Arkansas Code § 11-10-713(d), concerning unemployment benefits for employees of nonprofit organizations and governmental entities, is amended to add an additional subdivision to read as follows:

- (6) Relief from billing shall not be granted if:
  - (A) An overpayment of benefits is the result of a failure by an employer or the employer’s agent to respond timely or adequately to a request for information from the Department of Workforce Services; and
  - (B) The employer or the employer’s agent has established a pattern of failing to respond to such requests.

SECTION 7. Arkansas Code § 11-10-717(a), concerning collection of employer contributions to unemployment insurance after failure to pay or report, is amended to add an additional subdivision to read as follows:

(4) If, after due notice, a person defaults in payment of

1 contributions, the federal income tax refund of the person is subject to  
2 interception under the Claims Resolution Act of 2010, Pub. L. No. 111-291, or  
3 a regulation adopted to implement that law.

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5 SECTION 8. EMERGENCY CLAUSE. It is found and determined by the  
6 General Assembly of the State of Arkansas that the Department of Workforce  
7 Services must ensure the prompt determination of claims for unemployment  
8 insurance benefits; that the state's unemployment insurance program must  
9 remain in conformity with federal law requirements; and that this act is  
10 immediately necessary because a delay would interfere with continued  
11 provision of benefits and services to eligible persons. Therefore, an  
12 emergency is declared to exist, and this act being necessary for the  
13 preservation of the public peace, health, and safety shall become effective  
14 on July 1, 2015.