

State of Arkansas  
93rd General Assembly  
First Extraordinary Session, 2021

# A Bill

Call Item 2  
HOUSE BILL 1002

By: Representative Rye

## For An Act To Be Entitled

AN ACT CONCERNING UNEMPLOYMENT COMPENSATION; TO  
MODIFY THE DIVISION OF WORKFORCE SERVICES LAW; TO  
CLARIFY THE PUBLIC POLICY OF THE STATE IN RELATION TO  
THE DIVISION OF WORKFORCE SERVICES LAW; TO CLARIFY  
THE LAW CONCERNING THE STATE'S PARTICIPATION IN  
FEDERALLY FUNDED UNEMPLOYMENT PROGRAMS OFFERED ON A  
VOLUNTARY OR OPTIONAL BASIS; TO TERMINATE THE STATE'S  
PARTICIPATION IN CERTAIN FEDERAL UNEMPLOYMENT  
PROGRAMS; TO DECLARE AN EMERGENCY; AND FOR OTHER  
PURPOSES.

## Subtitle

TO CLARIFY THE LAW CONCERNING THE STATE'S  
PARTICIPATION IN CERTAIN FEDERALLY FUNDED  
UNEMPLOYMENT PROGRAMS; TO TERMINATE THE  
STATE'S PARTICIPATION IN CERTAIN FEDERAL  
UNEMPLOYMENT PROGRAMS; AND TO DECLARE AN  
EMERGENCY.

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

SECTION 1. Arkansas Code § 11-10-102(3), concerning the policy related  
to the Division of Workforce Services Law, is amended to read as follows:

(3) The General Assembly, therefore, declares that in its  
considered judgment the public good and the general welfare of the citizens  
of this state require the enactment of this measure, under the police power  
of the state, for the compulsory setting aside of unemployment reserves that



1 are federally mandated to be used for the benefit of persons unemployed  
2 through no fault of their own.

3  
4 SECTION 2. Arkansas Code § 11-10-312 is amended to read as follows:

5 11-10-312. Federal-state cooperation.

6 (a) ~~In~~ Except as provided in subsection (c) of this section, in the  
7 administration of this chapter, the Director of the Division of Workforce  
8 Services shall cooperate with the United States Department of Labor to the  
9 fullest extent consistent with ~~the provisions of~~ this chapter and shall take  
10 ~~such~~ action, through the adoption of ~~such~~ appropriate rules, administrative  
11 methods, and standards as may be necessary to secure to this state and its  
12 citizens all advantages available under ~~the provisions of~~ the Social Security  
13 Act that relate to unemployment compensation, the Federal Unemployment Tax  
14 Act, the Wagner-Peyser Act, and the Federal-State Extended Unemployment  
15 Compensation Act of 1970.

16 (b) In the administration of ~~the provisions in~~ §§ 11-10-534 – 11-10-  
17 543, which are enacted to conform with the requirements of the Federal-State  
18 Extended Unemployment Compensation Act of 1970, the director shall take ~~such~~  
19 action as may be necessary to:

20 (1) Ensure that the provisions are so interpreted and applied as  
21 to meet the requirements of the federal act referred to in this subsection as  
22 interpreted by the United States Department of Labor; and

23 (2) ~~Secure~~ Except as provided in subsection (c) of this section,  
24 secure to this state the full reimbursement of the federal share of extended  
25 benefits paid under this chapter that are reimbursable under the federal act  
26 referred to in this subsection.

27 (c) If a federally funded program is offered to the state on a  
28 voluntary or optional basis, the director may participate in the program only  
29 if participation is authorized by law by the General Assembly.

30  
31 SECTION 3. DO NOT CODIFY. Termination of participation –  
32 Retroactivity.

33 (a) The Director of the Division of Workforce Services shall  
34 immediately terminate the State of Arkansas's participation in the:

35 (1) Pandemic Unemployment Assistance program, 15 U.S.C. § 9021;

36 (2) Emergency Unemployment Relief for Governmental Entities and

1 Nonprofit Organizations, 15 U.S.C. § 9022 and 42 U.S.C. § 1103;

2 (3) Federal Pandemic Unemployment Compensation program and the  
3 Mixed Earner Unemployment Compensation program, 15 U.S.C. § 9023;

4 (4) Temporary Full Federal Funding of the First Week of  
5 Compensable Regular Unemployment for States with No Waiting Week, 15 U.S.C. §  
6 9024; and

7 (5) Pandemic Emergency Unemployment Compensation program, 15  
8 U.S.C. § 9025.

9 (b) Termination of participation under subsection (a) of this section  
10 is retroactive to June 26, 2021.

11  
12 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the  
13 General Assembly of the State of Arkansas that the coronavirus 2019 (COVID-  
14 19) pandemic negatively affected the economic health of the state in part  
15 because it led to higher unemployment rates; that the United States  
16 Government instituted extraordinary federal unemployment programs to assist  
17 states with their economic recovery and Arkansas voluntarily participated in  
18 those federally funded programs; that Arkansas's economy is recovering, and  
19 the state's unemployment rate has decreased; that employers in this state  
20 have tens of thousands of job vacancies that need to be filled; that the  
21 continuation of these extraordinary federal unemployment programs could  
22 interfere with the ability of employers to fill job vacancies and complete  
23 the state's economic recovery; and that this act is immediately necessary  
24 because the state needs to return its unemployment compensation system to  
25 normal functioning to safeguard the progress the state has made and to  
26 complete the state's economic recovery, which is in the best interest of all  
27 Arkansans. Therefore, an emergency is declared to exist, and this act being  
28 immediately necessary for the preservation of the public peace, health, and  
29 safety shall become effective on:

30 (1) The date of its approval by the Governor;

31 (2) If the bill is neither approved nor vetoed by the Governor,  
32 the expiration of the period of time during which the Governor may veto the  
33 bill; or

34 (3) If the bill is vetoed by the Governor and the veto is  
35 overridden, the date the last house overrides the veto.

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