

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

As Engrossed: H3/28/23

# A Bill

HOUSE BILL 1682

5 By: Representatives Andrews, *Beaty Jr.*, *M. Brown*, *McCollum*, *Pilkington*  
6 By: *Senator M. McKee*  
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## For An Act To Be Entitled

9 AN ACT TO DISQUALIFY FRAUDULENT ACTORS FROM  
10 UNEMPLOYMENT INSURANCE PROGRAM BENEFITS; TO ESTABLISH  
11 THE PROHIBITING FRAUDULENT ACTORS FROM COLLECTING  
12 UNEMPLOYMENT BENEFITS ACT OF 2023; AND FOR OTHER  
13 PURPOSES.  
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## Subtitle

16 TO DISQUALIFY FRAUDULENT ACTORS FROM  
17 UNEMPLOYMENT INSURANCE PROGRAM BENEFITS;  
18 AND TO ESTABLISH THE PROHIBITING  
19 FRAUDULENT ACTORS FROM COLLECTING  
20 UNEMPLOYMENT BENEFITS ACT OF 2023.  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. DO NOT CODIFY. Title – Purpose.

27 (a) This act shall be known and may be cited as the "Prohibiting  
28 Fraudulent Actors from Collecting Unemployment Benefits Act of 2023".

29 (b) The purpose of this act is to:

30 (1) Prohibit an individual who commits fraud to collect or  
31 increase the amount of unemployment insurance program benefits paid to him or  
32 her from being eligible for unemployment insurance program benefits for a  
33 period of ten (10) years; and

34 (2) Require full repayment of fraudulently obtained unemployment  
35 insurance program benefits plus a twenty percent (20%) penalty.  
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1 SECTION 2. Arkansas Code Title 11, Chapter 10, Subchapter 5, is  
2 amended to add an additional section to read as follows:

3 11-10-545. Fraudulent actions – Disqualification – Definition.

4 (a) As used in this section, "unemployment fraud" means the actions of  
5 a claimant who knowingly submits false information to the Division of  
6 Workforce Services for the purpose of:

7 (1) Establishing eligibility for unemployment insurance program  
8 benefits;

9 (2) Collecting unemployment insurance program benefits to which  
10 the claimant would not otherwise be entitled; or

11 (3) Improperly increasing the amount of his or her weekly  
12 benefit.

13 (b) If the Director of the Division of Workforce Services finds that  
14 claimant committed unemployment fraud, the director shall refer the violation  
15 to the prosecuting attorney of the judicial circuit where the claim was filed  
16 for unemployment fraud.

17 (c) If the director determines that an individual has committed  
18 unemployment fraud, then the individual shall:

19 (1) Repay all unemployment insurance program benefits obtained  
20 as a result of the unemployment fraud;

21 (2) Be assessed a penalty of twenty percent (20%) of the amount  
22 of the unemployment insurance program benefits; and

23 (2) Be ineligible to receive unemployment insurance program  
24 benefits for a period of ten (10) years from the date the fraud is discovered  
25 or until the unemployment insurance program benefits obtained as a result of  
26 the unemployment fraud and the twenty percent (20%) penalty are repaid,  
27 whichever is later.

28 (d) The director may recover unemployment insurance program benefits  
29 obtained by fraud through:

30 (1) The federal Treasury Offset Program of the Bureau of the  
31 Fiscal Service of the United States Department of the Treasury; or

32 (2) A state tax offset program established in coordination with  
33 the Revenue Division of the Department of Finance and Administration.

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35 /s/Andrews  
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