

Stricken language would be deleted from and underlined language would be added to present law.
Act 947 of the Regular Session

State of Arkansas
93rd General Assembly
Regular Session, 2021

As Engrossed: S3/17/21 H4/19/21

A Bill

SENATE BILL 547

By: Senator T. Garner

By: Representative Ray

For An Act To Be Entitled

AN ACT TO AMEND CERTAIN PROVISIONS OF INITIATED ACT 4
OF 1948; TO REGULATE A DIRECT SELLER AS AN
INDEPENDENT CONTRACTOR; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND CERTAIN PROVISIONS OF INITIATED
ACT 4 OF 1948; AND TO REGULATE A DIRECT
SELLER AS AN INDEPENDENT CONTRACTOR.

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

SECTION 1. Arkansas Code § 11-4-203(3), concerning definitions used in the Minimum Wage Act of the State of Arkansas, is amended to add an additional subdivision to read as follows:

(S) A direct seller as defined in the Internal Revenue Code of 1986, 26 U.S.C. § 3508(b)(2), as it existed on January 1, 2021;

SECTION 2. Arkansas Code § 11-9-102(9), concerning the definition of "employee" under the Workers' Compensation Law and resulting from Initiated Act 4 of 1948, is amended to add an additional subdivision to read as follows:

(E) "Employee" shall not include a direct seller as defined in the Internal Revenue Code of 1986, 26 U.S.C. § 3508(b)(2), as it existed on January 1, 2021;

SECTION 3. Arkansas Code § 11-10-210(f), concerning the definition of



"employment" under the Division of Workforce Services Law, is amended to add an additional subdivision to read as follows:

(24)(A) Services performed by a direct seller as defined in the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. No. 97-248, the Small Business Job Protection Act of 1996, Pub. L. No. 104-188, and as defined in other applicable federal law.

(B) This subdivision (f)(24) does not apply to:

(i) Services performed in the employ of a state or local government entity or federally recognized Indian tribe or territory if the services are excluded from employment under the Federal Unemployment Tax Act, 26 U.S.C. § 3306(c)(7); or

(ii) Services performed in the employ of a religious, charitable, educational, or other organization if the services are excluded from employment under the Federal Unemployment Tax Act, 26 U.S.C. § 3306(c)(8).

/s/T. Garner

APPROVED: 4/27/21