

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

A Bill

Call Item 2 and 3
SENATE BILL 1

By: Senator J. Dismang
By: Representative Wardlaw

For An Act To Be Entitled

AN ACT CONCERNING UNEMPLOYMENT COMPENSATION; TO MODIFY 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. DO NOT CODIFY. Termination of participation – Legislative intent.

It is the intent of the General Assembly to:

(1) Concur with and approve the Governor's decision stated in his letter dated May 7, 2021, to the Director of the Division of Workforce Services terminating the State of Arkansas's participation in:

(A) The Federal Pandemic Unemployment Compensation



program, 15 U.S.C. § 9023;

(B) The Pandemic Unemployment Assistance program, 15 U.S.C. § 9021;

(C) The Pandemic Emergency Unemployment Compensation program, 15 U.S.C. § 9025;

(D) The Mixed Earner Unemployment Compensation program, 15 U.S.C. § 9023;

(E) The Emergency Unemployment Relief for Governmental Entities and Nonprofit Organizations program, 42 U.S.C. § 1103; and

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

(2) Concur with and approve the notice of intent to terminate the Agreement Implementing the Relief for Workers Affected by Coronavirus Act between the United States Department of Labor and the State of Arkansas transmitted by the Director of the Division of Workforce Services to the United States Department of Labor on May 19, 2021, with such termination to be effective as provided for therein.

SECTION 2. Arkansas Code § 11-10-311 is amended to read as follows:

11-10-311. Employment stabilization.

(a) The Director of the Division of Workforce Services shall take all appropriate steps to reduce and prevent unemployment, to encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance, to investigate, recommend, advise, and assist in the establishment and operation by municipalities, counties, planning districts, school districts, and the state of programs for public works to be used in times and places of economic downturn and high unemployment for the purpose of promoting the employment of unemployed and underemployed workers throughout the state, and to these ends, to carry on research and such investigations as he or she shall deem necessary and to publish the results thereof.

(b) Subsection (a) of this section shall be construed as taking precedence over other provisions of this chapter.

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

11-10-312. Federal-state cooperation.

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

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

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

(2) Secure To the extent benefits do not conflict with § 11-10-311 and to the extent the director in his or her discretion deems it necessary, secure to this state the full reimbursement of the federal share of extended benefits paid under this chapter that are reimbursable under the federal act referred to in this subsection.

(c) This section does not:

(1) Require the director to participate in, nor preclude the director from ceasing to participate in, any voluntary, optional, special, or emergency program offered by the United States Government, including without limitation programs offered under the Social Security Act, the Federal Unemployment Tax Act, the Wagner-Peyser Act, the Federal-State Extended Unemployment Compensation Act of 1970, the Coronavirus Aid, Relief, and Economic Security Act, or any other federal program enacted to address exceptional unemployment conditions; or

(2) Conflict with § 11-10-105 or § 11-10-311.

SECTION 4. DO NOT CODIFY. Retroactivity. This act is retroactive to May 19, 2021.

SECTION 5. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the coronavirus 2019 (COVID-19) pandemic negatively affected the economic health of the state in part because it led to higher unemployment rates; that the United States Government instituted extraordinary federal unemployment programs to assist states with their economic recovery, and Arkansas voluntarily participated in those federally funded programs; that Arkansas's economy is recovering, and the state's unemployment rate has decreased; that employers in this state have tens of thousands of job vacancies that need to be filled; that the continuation of these extraordinary federal unemployment programs could interfere with the ability of employers to fill job vacancies and complete the state's economic recovery; and that this act is immediately necessary because the state needs to return its unemployment compensation system to normal functioning to safeguard the progress the state has made and to complete the state's economic recovery, which is in the best interest of all Arkansans. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

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

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

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

APPROVED: 8/6/21