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<u>ARKANSAS LEGISLATURE PASSES UNEMPLOYMENT</u> <u>CONTRIBUTION RATE RELIEF FOR EMPLOYERS</u>

This week, the Arkansas legislature passed <u>House Bill 1212</u>, which clears the way for the Division of Workforce Services (DWS) to exclude unemployment benefits paid during the second quarter of 2020 when calculating employer contribution rates. Governor Hutchinson previously issued Executive Order 20-54, set to expire on February 27th, which also directed DWS to exclude second-quarter benefits from rate calculations.

The Bill grants to the Director of DWS the discretion to exclude benefits from calculation, and requires the director to act in a uniform manner in exercising such discretion. The legislation passed unanimously in both chambers, and included an emergency clause, which make the law effective immediately upon signature by the governor.

The Director of DWS previously announced that she will take action to not charge employers based upon unemployment claims for the second quarter of 2020 immediately upon the bill being signed by the governor.

For more information on this, and other COVID-19 related topics, please review our COVID-19 Resources page here: <u>https://www.gill-law.com/covid-19-resources/#</u>