

1 State of Arkansas *As Engrossed: S3/21/13 H4/3/13*  
2 89th General Assembly **A Bill**  
3 Regular Session, 2013

SENATE BILL 542

4  
5 By: Senator Irvin  
6

7 **For An Act To Be Entitled**

8 AN ACT TO CLARIFY THE PENALTIES FOR MAKING FALSE  
9 STATEMENTS IN APPLICATIONS FOR UNEMPLOYMENT BENEFITS;  
10 TO REQUIRE THE DEPARTMENT OF WORKFORCE SERVICES TO  
11 TRACK FALSE STATEMENTS IN APPLICATIONS FOR  
12 UNEMPLOYMENT BENEFIT; TO REQUIRE REPORTS TO THE  
13 LEGISLATIVE COUNCIL ; AND FOR OTHER PURPOSES.  
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16 **Subtitle**

17 TO CLARIFY THE PENALTIES FOR MAKING FALSE  
18 STATEMENTS IN APPLICATIONS FOR  
19 UNEMPLOYMENT BENEFITS; AND TO REQUIRE THE  
20 DEPARTMENT OF WORKFORCE SERVICES TO TRACK  
21 FALSE STATEMENTS AND TO REPORT TO THE  
22 LEGISLATIVE COUNCIL.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 11-10-519 is amended to read as follows:

28 11-10-519. Disqualification – Penalty for false statement or  
29 misrepresentation.

30 (a) If so found by the Director of the Department of Workforce  
31 Services, an individual shall be disqualified for benefits:

32 (1) If he or she willfully makes a false statement or  
33 misrepresentation of a material fact or willfully fails to disclose a  
34 material fact in filing an initial claim or a claim renewal, he or she shall  
35 be disqualified from the date of filing the claim until he or she has ten  
36 (10) weeks of employment in each of which he or she has earned wages equal to



1 at least his or her weekly benefit amount;

2 (2)(A) For any continued week claimed with respect to which the  
3 employee has willfully made a false statement or misrepresentation of a  
4 material fact or willfully fails to disclose a material fact in obtaining or  
5 attempting to obtain any benefits, and for an additional thirteen (13) weeks  
6 of unemployment, as defined in § 11-10-512, and which shall commence with  
7 Sunday of the first week with respect to which a claim is filed commencing  
8 with the week of delivery or mailing of the determination of disqualification  
9 under this section.

10 (B)(i) In addition to the thirteen (13) weeks of  
11 disqualification, a disqualification of three (3) weeks shall be imposed for  
12 each week of failure or falsification.

13 (ii)(a) Any weekly benefits payable subsequent to the  
14 date of delivery or mailing of the determination shall be ~~reduced fifty~~  
15 ~~percent (50%) rounded to the next lower dollar, and the remainder of maximum~~  
16 ~~benefits shall be reduced accordingly~~ terminated.

17 (b) The ~~reduction~~ termination shall apply only to  
18 benefits payable within the benefit year of the claim with respect to which  
19 the claimant willfully made a false statement or misrepresentation; and

20 (3) The disqualification shall not be applied after ~~five (5)~~ two  
21 and one-half (2 1/2) years have elapsed from the date of delivery or mailing  
22 the determination of disqualification under this section, but all  
23 overpayments established by the determination of disqualification shall be  
24 collected as otherwise provided by this chapter.

25 (b) Upon request of the Legislative Council, the Department of  
26 Workforce Services shall provide reports regarding unemployment insurance  
27 claim fraud and its efforts to prevent the fraud.

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29 /s/ Irvin

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32 **APPROVED: 04/16/2013**