STATE OF ARKANSAS
EXECUTIVE DEPARTMENT

PROCLAMATION

EO 20 - 54

TO ALL TO WHOM THESE PRESENTS COME – GREETINGS

EXECUTIVE ORDER PURSUANT TO THE PUBLIC HEALTH EMERGENCY CONCERNING COVID-19 AS DECLARED IN EXECUTIVE ORDER 20-37 AND EXTENDED BY EXECUTIVE ORDERS 20-45, 20-48, 20-51, AND 20-53, FOR THE PURPOSE OF CLARIFYING ARKANSAS UNEMPLOYMENT INSURANCE LAW

WHEREAS: On March 11, 2020, by Executive Order 20-03, an emergency was declared for the entire State of Arkansas due to the outbreak of COVID-19; and

WHEREAS: On June 18, 2020, by Executive Order 20-37, the emergency declared pursuant to Executive Order 20-03, and its amendments was terminated, and the public health and disaster emergency and declaration of the State of Arkansas as a disaster area resulting from the state-wide impact of COVID-19 was declared anew, pursuant to the Emergency Services Act at Ark. Code Ann. §§ 12-75-101, *et seq.*; and

WHEREAS: On December 29, 2020, by Executive Order 20-53, the emergency was extended, and that emergency is ongoing; and

WHEREAS: COVID-19 continues to spread within the State of Arkansas and adjoining states, threatening the public safety of the citizens of Arkansas, and such spread is expected to continue; and

WHEREAS: The economic effects of COVID-19 have severely impacted Arkansas businesses resulting in the layoffs of thousands of Arkansans; and

WHEREAS: The unusually high number of unemployment claims between March 11, 2020, and June 30, 2020, are directly attributable to the effects of COVID-19; and

WHEREAS: The high number of unemployment claims between March 11, 2020, and June 30, 2020, may result in significant increases in the base unemployment contribution rates charged to Arkansas employers; and

WHEREAS: Significant increases in unemployment contribution rates will severely impact Arkansas businesses already affected by COVID-19 and hinder the re-employment of unemployed Arkansans; and

WHEREAS: It is essential to the economic and financial stability of the State of Arkansas during this emergency for businesses in the state to remain open to provide goods and services to the people of Arkansas and for unemployed Arkansans to return to work; and

WHEREAS: I, as Governor, have determined that more actions must be taken to protect the people of the State of Arkansas from the impact of COVID-19;

NOW, THEREFORE, I, ASA HUTCHINSON, Governor of the State of Arkansas, acting under the authority vested in me by Ark. Code Ann. §§ 12-75-101 *et seq.*, do hereby issue this Executive Order pursuant to the on-going public health and disaster emergency as declared in Executive Order 20-37, and renewed

by Executive Orders 20-45, 20-48, 20-51, and 20-53 and order the following:

(1) The intent of this order is to suspend the method by which unemployment contribution rates and reimbursement amounts are calculated under Ark. Code Ann. §§ 11-10-701 *et seq.* during the COVID-19 public health emergency.

(2) In computing an employer's reserve ratio as of June 30, 2020, the requirements of Ark. Code Ann. § 11-10-701 et seq. are suspended. The Division of Workforce Services only shall include chargeable regular benefits from July 1, 2019, through March 31, 2020, and shall exclude chargeable regular benefits from April 1, 2020, through June 30, 2020. Upon expiration of this executive order, the June 30, 2020, reserve ratios shall be recalculated according to the law in effect at the time this order expires.

(3) In computing the reimbursement amount for nonprofit organizations and government employing units as of December 31, 2020, the requirements of Ark. Code Ann. §11-10-701 *et seq.* are suspended. The Division of Workforce Services shall only include chargeable regular benefits from January 1, 2020, through March 31, 2020, and from July 1, 2020, through December 31, 2020, and shall exclude chargeable regular benefits from April 1, 2020, through June 30, 2020. Upon expiration of this executive order the December 31, 2020, reimbursement amounts shall be recalculated according to the law in effect at the time this order expires.

(4) This executive order shall expire February 27, 2021, unless renewed in whole or in part by a subsequent executive order.

IN TESTIMONTY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed this 29th day of December, in the year of our Lord 2020.

Asa Hutchinson, Governor