

SB 25
Sectional Analysis

Section 1 adds a new section, AS 23.05.055, authorizing the commissioner to allow the use of electronic filing methods in place of paper filing.

Section 2 adds a new section, AS 23.20.021, authorizing the legislature to appropriate money into the unemployment trust fund account.

Section 3 adds a new section, AS 23.20.279, that brings the state into conformity with federal law, Public Law 112-40, by prohibiting the relief of charges to employers when an erroneous payment of unemployment insurance benefits is made due to an established pattern of the employer, or an agent of the employer, for failing to respond timely or adequately to a documented request for information relating to a claim for unemployment compensation. This section defines “erroneous payment” as a payment made that would not have otherwise been paid, but was due to the failure of the employer to respond timely or adequately. This section also defines “pattern of failing” as two or more times or two percent or more of all requests, whichever is greater, during the prior year.

Section 4 repeals and reenacts AS 23.20.290(f), replacing a table method for determining unemployment insurance trust fund solvency adjustments with a more precise calculation method. It also eliminates a restriction on how far the fund solvency adjustment surcharge can fall in a single year.

Section 5 adds a new section, AS 23.20.291, authorizing the commissioner to eliminate or reduce increases in unemployment insurance tax rates when the “average high cost multiple,” a measure of solvency calculated by the U.S. Department of Labor, Employment and Training Administration, is 0.8 or greater.

Section 6 amends section AS 23.20.390(f) to bring the state into conformity with federal law, Public Law 112-40, by removing the department’s authority to waive the collection of a penalty established due to misrepresentation and requires that a minimum of 30 percent of the unemployment insurance penalties collected due to misrepresentation be deposited into the state’s unemployment trust fund account.

Section 7 adds a new section, AS 23.20.486, to authorize the department to offset unemployment compensation debt against a claimant’s federal income tax refund. This section would allow the state to participate in the federal treasury offset program.

Section 8 amends AS 23.20.520, by adding a new paragraph to define “covered unemployment compensation debt” in accordance with the federal statutory definition.

Section 9 amends state uncodified law by specifying that AS 23.20.279, section 3, applies to overpaid benefits established after October 21, 2013.

Section 10 specifies that the department will adopt necessary regulations to implement changes. Regulations will not be effective prior to July 1, 2013.

Section 11 establishes that section 10 takes effect immediately.

Section 12 establishes the effective date for the remaining sections of the Act as July 1, 2013.