

RESOLUTION NUMBER 17-03

RESOLUTION Supporting an Increase in Alaska's Maximum Weekly Benefit Amount under the Unemployment Insurance Program

WHEREAS, the Alaska Workforce Investment Board (AWIB) is an industry-driven public organization comprised of representatives from business and industry, education, organized labor, and government; and

WHEREAS, the AWIB is a public organization that is accountable through its members and staff to the residents, the Legislature and the Governor of Alaska; and

WHEREAS, the AWIB shall act as the lead state planning and coordinating entity for state programs involving employment training, vocational education, and workforce development; and

WHEREAS, Alaska's economy is in recession, having lost approximately 6,800 jobs in 2016; and

WHEREAS, Alaska currently has the highest unemployment rate in the nation; and

WHEREAS, the purpose of Unemployment Insurance is to provide individuals and businesses with economic stability; to keep Alaskan dollars in the Alaskan economy, and to help buffer normal economic "boom and bust" cycles; and

WHEREAS, Unemployment Insurance can help reduce the social and familial consequences associated with unemployment such as financial stress, the need to travel for work, the inability to maintain housing, and poor academic performance and behavioral issues in children; and

WHEREAS, keeping skilled workers, many of whom represent training investments from local organizations, in Alaska is beneficial to our state's industries, and can improve rates of Alaska resident hire; and

WHEREAS, replacing 50% of the Average Weekly Wage with Unemployment Insurance payments is the nationally recognized norm, and Alaska's current Maximum Weekly Benefit Amount of \$370 represents 36% of our state's Average Weekly Wage; and

WHEREAS, Alaska's Unemployment Insurance Program payments rank 39th in the nation (including the District of Columbia and Puerto Rico) in the Unemployment Insurance Maximum Weekly Benefit Amount, 44th in the Average Weekly Benefit Amount, and 52nd, last, in unemployment insurance wage replacement ratio; and

WHEREAS, Alaska's Maximum Weekly Benefit Amount has not been increased since 2009; and

WHEREAS, Alaska is one of only three states to share unemployment insurance costs between employers and employees;

NOW THEREFORE BE IT RESOLVED that the AWIB urges the Alaska Legislature and Governor of Alaska to pass legislation to raise the Maximum Weekly Benefit Amount to no less than 50% of the state's Average Weekly Wage or \$510 per week;

BE IT FURTHER RESOLVED that the AWIB recommends the State maintain the current ratio of 73% employer contribution, 27% employee contribution to the Unemployment Insurance Program cost

CERTIFICATION

The Alaska Workforce Investment Board held a meeting duly and regularly called, noticed, and convened this 16th day of February, 2017 and the foregoing Resolution was adopted unanimously at said meeting.

Signed this 16th day of February, 2017.



Larry Bell, Chair
Alaska Workforce Investment Board