

Representative Chris Tuck

House Majority Leader

Serving House District 23 • Dimond Estates, Foxridge, Taku, Campbell, Northwood, and Windemere

Sectional Analysis for CS HB 142

Increase to Alaska's Unemployment Insurance Maximum Weekly Benefit Amount

Increases the state's maximum weekly benefit amount (WBA) from \$370 to \$510 and increases the qualifying wage scale from \$42,000 to \$59,500. After the initial increase to \$510, future benefit increases are tied to an economic indicator based on the state's average weekly wage (AWW). Increases to the WBA shall not exceed 50% of the states average weekly wage from the prior calendar year.

Section 1: AS 23.20.350(d) – Amends the benefit schedule by increasing the maximum qualifying wage requirement from \$42,000 to \$59,500. The qualifying wage schedule is extended in \$250 increments to reach the new maximum qualifying amount. The benefit schedule is extended in \$2 increments for each additional \$250 of qualifying wages to reach a new maximum weekly benefit amount of \$510.

Section 2: Amends AS 23.20.350 by adding new subsections:

(h) Annually, after December 31, 2019, authorizes the Department to increase the highest WBA for individuals earning at least \$59,750. The new WBA calculation shall amend the highest base period wages in \$250 increments and the highest WBA in \$2 increments if the state's average weekly wage increases. The new maximum WBA shall not exceed 50% of the average weekly wage.

(i) Provides for public notice of any new benefit amounts calculated under (h) by December 1 of each year by posting a notice on the Alaska Online Public Notice System and allows for public comment on the accuracy of the Department's calculations.

New maximum WBAs apply to benefit years established on January 1 of each year and does not change existing claims.

Changes to the WBA shall be calculated only once per year.

(j) Establishes the calculation procedure for determining Alaska's average weekly wage by December 1 of each year. The average weekly wage is determined by dividing the average annual wage in the state for the preceding 12-month period ending June 30 by 52. The state must include wages of all employees in the state covered by this chapter, both public and private. If the calculation does not result in whole dollars, the amount shall be rounded down.

Section 3: Provides for an effective date of January 1, 2018.

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