



ALASKA STATE LEGISLATURE

House Labor & Commerce Committee

Rep. Ivy Spohnholz, Co-Chair
State Capitol, Room 406
Juneau, AK 99801
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Sponsor Statement

House Bill 151:

“An Act Relating to unemployment benefits during a period of state or national emergency resulting from a novel coronavirus disease (COVID-19) outbreak; and providing for an effective date.”

In March of 2020, the Alaska State Legislature unanimously passed HB 308, providing for temporary changes to Alaska’s unemployment insurance (UI) program in response to the COVID-19 pandemic. That act is repealed on April 1st of this year. HB 151 will re-instate the provisions previously passed by the legislature to provide consistency for the Department of Labor, leverage federal dollars, and assist Alaskan families as our economy recovers.

HB 151 temporarily extends the provisions of previous legislation as follows:

- 1) It waives the standard one week waiting requirement to begin receiving benefits.
- 2) It increases the weekly per-dependent benefit from \$24 to \$75 and removes the cap of three dependents for which applicants can receive a supplemental benefit.
- 3) It ensures that eligible Alaskans will receive UI benefits regardless if they are furloughed, laid off, lose work hours, or are forced to stay home to care for family members as a result of the COVID-19 outbreak.

As a provision of the American Rescue Plan Act of 2021 passed by Congress, the federal government will reimburse states for 100% of UI benefits paid during the first week, contingent upon the state’s waiver of the waiting period requirement. *If the waiting period is not waived, Alaskans will miss out on roughly an additional \$2.4 million benefits at no cost to the state.*

Temporarily increasing the per-dependent benefit to hold weekly relief steady will provide stability for families, many of which continue to struggle with loss of income and childcare options simultaneously, without impacting the unemployment trust fund. The increase will lapse on September 6th, 2021, coinciding with the American Rescue Plan.

The Division of Employment and Training Services has implemented considerable changes over the past year, including creating new programs to distribute unprecedented federal benefits. As we round the corner in this public health and economic crisis, cooperation with the federal government, as well as stability for state government and Alaskans alike as provided in HB 151 is a necessity. I urge your support.

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