

ALASKA

January 18, 2013

The Honorable Sean Parnell Governor of Alaska Third Floor State Capitol Building PO Box 110001 Juneau, Alaska 99811-0001

RE: House Bill 76

Dear Governor Parnell,

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 76. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

House Bill 76 addresses the unemployment trust fund account so that it will meet federal compliance requirements, ensure that the unemployment insurance (UI) fund remains solvent, and minimize the burden for employers and employees.

House Bill 76 revises the contribution requirements to keep the trust fund solvent and allows the commissioner the authority to eliminate or reduce increases in unemployment insurance tax rates when the fund is fully funded, based on standards to ensure the actuarial soundness of the unemployment trust fund. It also permits electronic filing of information in an effort to reduce cost and improve accuracy of data received from employers.

These changes recognize the need to implement federal requirements addressing payment errors, revise the requirements that have lead to overfunding the UI Trust Fund, and improve the operations of the system.

We applaud you for putting forth this legislation that will help home-grown small businesses in real ways.

Sincerely yours,

Jenni J. Wald Dennis L. DeWitt Alaska State Director

Cc: NFIB/AK Leadership Council

Representative Kurt Olson, Chair, House Labor & Commerce Committee

March 12, 2013

The Honorable Kurt Olson Alaska House of Representatives Chairman, Labor and Commerce Committee Capitol Room 24 Juneau, Alaska 99801

Re: House Bill 76

Dear Representative Olson:

The mission of the Alaska State Chamber of Commerce (Alaska Chamber) is to promote a positive business environment in Alaska. The Alaska Chamber represents hundreds of businesses and local chambers from across Alaska. These member businesses support legislation that updates and clarifies laws as they relate to doing business and that generally improves Alaska's business climate. The Alaska Chamber supports House Bill 76 (HB 76).

In years when the Unemployment Trust Fund's solvency is not at risk, the Alaska Chamber believes the goal of keeping more money in employer and employee pocket books is a worthy one. HB 76 provides a mechanism to reduce the increase in Unemployment tax for employers and employees without risking the solid solvency of Alaska's Unemployment Insurance (UI) system. While a rate increase may be decreased, over the long term, those funds can be recouped as set out in Section 4 of the bill. If there were catastrophic economic events, impossible for actuaries to anticipate, which devastated the funds available in the system, the Legislature maintains the ability to bring the fund back to solvency.

Additionally, HB 76 adds provisions to state statute to comply with federal law, improves the ability for the Department of Labor and Workforce Development to collect on fraudulent claims, and allows electronic filing. These provisions ensure that Alaska's UI system remains compliant, efficient, and fair – all benefiting Alaska employers and employees.

Sincerely,

Rachael A. Petro President/CEO

