



To: Members of the House Labor and Commerce Committee

From: Joelle Hall, President of the Alaska AFL-CIO

Date: March 31, 2021

Subject: House Bill 151 - UNEMPLOYMENT BENEFITS FOR COVID-19

The Alaska AFL-CIO supports HB 151 on the following grounds:

Protecting Alaska's workers and the economy: Alaska's State Statute 23.20.10 states it perfectly: *"Economic insecurity due to involuntary unemployment is a serious menace to the health, morals, and welfare of the people of the state. Involuntary unemployment is, therefore, a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burden and to maintain purchasing power as a factor in stabilizing the economy of the state."* This applies now more than ever as Alaska faces an ongoing pandemic. Alaskans who are temporarily out of the workforce should not be financially decimated by a global health crisis that they cannot control. Ensuring that unemployed individuals have a safety net as we navigate this crisis will support our economy's recovery while allowing Alaskans to continue to provide for their families.

Leveraging federal dollars: This legislation waives the one-week waiting period for UI eligibility and allows Alaska to receive American Rescue Plan funds to the tune of 2.4 million dollars, which will compensate the State of Alaska for payments made in the first week of unemployment. These federal funds are crucial in the face of Alaska's budget situation and deficit spending, and the more money we bring into our state, the better for all parties.

Respect for the dignity of work: Alaskans who have lost their job during the pandemic want to return to work. They want to earn an honest living and provide for their families. By waving the work search requirements for those uniquely impacted by the pandemic, this bill respects workers who must shoulder the burden of caring for a sick loved one or childcare due to remote learning as a result of the pandemic. The reality is that many businesses and industries are simply not hiring as a result of the pandemic. There is less and less money flowing into our local economy. It is also important to note that many workers who have been laid off have worked in their respective industries for years. Job retraining to pivot to another line of work is not viable during a global pandemic.

Looking out for our most vulnerable: This legislation will benefit the most vulnerable members of our society, namely children and people with disabilities. This bill will provide greater targeted relief to the two aforementioned groups. Nearly one-third of unemployment claims last month were for families with dependents. And while things are improving for our state, claims filed just last month were 208% higher compared to last year.