

HOUSE BILL NO. 7

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES CRAWFORD AND GUTTENBERG, Gara, Kerttula

Introduced: 1/10/05

Referred: Labor and Commerce, Finance

A BILL**FOR AN ACT ENTITLED**

1 "An Act relating to the calculation and payment of unemployment compensation
2 benefits; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 23.20.350(d) is amended to read:

5 (d) An individual who is eligible under (a) of this section is entitled to receive
6 the weekly benefit amount set out in column (B) of the table in this subsection that is
7 opposite the amount set out in column (A) of the individual's base period wages
8 determined under (c) of this section:

| | (A) | | (B) |
|--|-------------------|---------------|--------------------------|
| | Base Period Wages | | Weekly Benefit Amount |
| | At least | But less than | |
| | 0 | 1,000 | \$ 0 |
| | 1,000 | 1,250 | 44 |

| | | | |
|----|-------|-------|-----|
| 1 | 1,250 | 1,500 | 46 |
| 2 | 1,500 | 1,750 | 48 |
| 3 | 1,750 | 2,000 | 50 |
| 4 | 2,000 | 2,250 | 52 |
| 5 | 2,250 | 2,500 | 54 |
| 6 | 2,500 | 2,750 | 56 |
| 7 | 2,750 | 3,000 | 58 |
| 8 | 3,000 | 3,250 | 60 |
| 9 | 3,250 | 3,500 | 62 |
| 10 | 3,500 | 3,750 | 64 |
| 11 | 3,750 | 4,000 | 66 |
| 12 | 4,000 | 4,250 | 68 |
| 13 | 4,250 | 4,500 | 70 |
| 14 | 4,500 | 4,750 | 72 |
| 15 | 4,750 | 5,000 | 74 |
| 16 | 5,000 | 5,250 | 76 |
| 17 | 5,250 | 5,500 | 78 |
| 18 | 5,500 | 5,750 | 80 |
| 19 | 5,750 | 6,000 | 82 |
| 20 | 6,000 | 6,250 | 84 |
| 21 | 6,250 | 6,500 | 86 |
| 22 | 6,500 | 6,750 | 88 |
| 23 | 6,750 | 7,000 | 90 |
| 24 | 7,000 | 7,250 | 92 |
| 25 | 7,250 | 7,500 | 94 |
| 26 | 7,500 | 7,750 | 96 |
| 27 | 7,750 | 8,000 | 98 |
| 28 | 8,000 | 8,250 | 100 |
| 29 | 8,250 | 8,500 | 102 |
| 30 | 8,500 | 8,750 | 104 |
| 31 | 8,750 | 9,000 | 106 |

| | | | |
|----|--------|--------|-----|
| 1 | 9,000 | 9,250 | 108 |
| 2 | 9,250 | 9,500 | 110 |
| 3 | 9,500 | 9,750 | 112 |
| 4 | 9,750 | 10,000 | 114 |
| 5 | 10,000 | 10,250 | 116 |
| 6 | 10,250 | 10,500 | 118 |
| 7 | 10,500 | 10,750 | 120 |
| 8 | 10,750 | 11,000 | 122 |
| 9 | 11,000 | 11,250 | 124 |
| 10 | 11,250 | 11,500 | 126 |
| 11 | 11,500 | 11,750 | 128 |
| 12 | 11,750 | 12,000 | 130 |
| 13 | 12,000 | 12,250 | 132 |
| 14 | 12,250 | 12,500 | 134 |
| 15 | 12,500 | 12,750 | 136 |
| 16 | 12,750 | 13,000 | 138 |
| 17 | 13,000 | 13,250 | 140 |
| 18 | 13,250 | 13,500 | 142 |
| 19 | 13,500 | 13,750 | 144 |
| 20 | 13,750 | 14,000 | 146 |
| 21 | 14,000 | 14,250 | 148 |
| 22 | 14,250 | 14,500 | 150 |
| 23 | 14,500 | 14,750 | 152 |
| 24 | 14,750 | 15,000 | 154 |
| 25 | 15,000 | 15,250 | 156 |
| 26 | 15,250 | 15,500 | 158 |
| 27 | 15,500 | 15,750 | 160 |
| 28 | 15,750 | 16,000 | 162 |
| 29 | 16,000 | 16,250 | 164 |
| 30 | 16,250 | 16,500 | 166 |
| 31 | 16,500 | 16,750 | 168 |

| | | | |
|----|--------|--------|-----|
| 1 | 16,750 | 17,000 | 170 |
| 2 | 17,000 | 17,250 | 172 |
| 3 | 17,250 | 17,500 | 174 |
| 4 | 17,500 | 17,750 | 176 |
| 5 | 17,750 | 18,000 | 178 |
| 6 | 18,000 | 18,250 | 180 |
| 7 | 18,250 | 18,500 | 182 |
| 8 | 18,500 | 18,750 | 184 |
| 9 | 18,750 | 19,000 | 186 |
| 10 | 19,000 | 19,250 | 188 |
| 11 | 19,250 | 19,500 | 190 |
| 12 | 19,500 | 19,750 | 192 |
| 13 | 19,750 | 20,000 | 194 |
| 14 | 20,000 | 20,250 | 196 |
| 15 | 20,250 | 20,500 | 198 |
| 16 | 20,500 | 20,750 | 200 |
| 17 | 20,750 | 21,000 | 202 |
| 18 | 21,000 | 21,250 | 204 |
| 19 | 21,250 | 21,500 | 206 |
| 20 | 21,500 | 21,750 | 208 |
| 21 | 21,750 | 22,000 | 210 |
| 22 | 22,000 | 22,250 | 212 |
| 23 | 22,250 | 22,500 | 214 |
| 24 | 22,500 | 22,750 | 216 |
| 25 | 22,750 | 23,000 | 218 |
| 26 | 23,000 | 23,250 | 220 |
| 27 | 23,250 | 23,500 | 222 |
| 28 | 23,500 | 23,750 | 224 |
| 29 | 23,750 | 24,000 | 226 |
| 30 | 24,000 | 24,250 | 228 |
| 31 | 24,250 | 24,500 | 230 |

| | | | |
|----|---------------|---------------|------------|
| 1 | 24,500 | 24,750 | 232 |
| 2 | 24,750 | 25,000 | 234 |
| 3 | 25,000 | 25,250 | 236 |
| 4 | 25,250 | 25,500 | 238 |
| 5 | 25,500 | 25,750 | 240 |
| 6 | 25,750 | 26,000 | 242 |
| 7 | 26,000 | 26,250 | 244 |
| 8 | 26,250 | 26,500 | 246 |
| 9 | 26,500 | 26,750 | 248 |
| 10 | 26,750 | <u>27,000</u> | <u>250</u> |
| 11 | <u>27,000</u> | <u>27,250</u> | <u>252</u> |
| 12 | <u>27,250</u> | <u>27,500</u> | <u>254</u> |
| 13 | <u>27,500</u> | <u>27,750</u> | <u>256</u> |
| 14 | <u>27,750</u> | <u>28,000</u> | <u>258</u> |
| 15 | <u>28,000</u> | <u>28,250</u> | <u>260</u> |
| 16 | <u>28,250</u> | <u>28,500</u> | <u>262</u> |
| 17 | <u>28,500</u> | <u>28,750</u> | <u>264</u> |
| 18 | <u>28,750</u> | <u>29,000</u> | <u>266</u> |
| 19 | <u>29,000</u> | <u>29,250</u> | <u>268</u> |
| 20 | <u>29,250</u> | <u>29,500</u> | <u>270</u> |
| 21 | <u>29,500</u> | <u>29,750</u> | <u>272</u> |
| 22 | <u>29,750</u> | <u>30,000</u> | <u>274</u> |
| 23 | <u>30,000</u> | <u>30,250</u> | <u>276</u> |
| 24 | <u>30,250</u> | <u>30,500</u> | <u>278</u> |
| 25 | <u>30,500</u> | <u>30,750</u> | <u>280</u> |
| 26 | <u>30,750</u> | <u>31,000</u> | <u>282</u> |
| 27 | <u>31,000</u> | <u>31,250</u> | <u>284</u> |
| 28 | <u>31,250</u> | <u>31,500</u> | <u>286</u> |
| 29 | <u>31,500</u> | <u>31,750</u> | <u>288</u> |
| 30 | <u>31,750</u> | <u>32,000</u> | <u>290</u> |
| 31 | <u>32,000</u> | <u>32,250</u> | <u>292</u> |

| | | | |
|----|---------------|---------------|-------------------|
| 1 | <u>32,250</u> | <u>32,500</u> | <u>294</u> |
| 2 | <u>32,500</u> | <u>32,750</u> | <u>296</u> |
| 3 | <u>32,750</u> | <u>33,000</u> | <u>298</u> |
| 4 | <u>33,000</u> | <u>33,250</u> | <u>300</u> |
| 5 | <u>33,250</u> | <u>33,500</u> | <u>302</u> |
| 6 | <u>33,500</u> | <u>33,750</u> | <u>304</u> |
| 7 | <u>33,750</u> | <u>34,000</u> | <u>306</u> |
| 8 | <u>34,000</u> | <u>34,250</u> | <u>308</u> |
| 9 | <u>34,250</u> | <u>34,500</u> | <u>310</u> |
| 10 | <u>34,500</u> | <u>34,750</u> | <u>312</u> |
| 11 | <u>34,750</u> | <u>35,000</u> | <u>314</u> |
| 12 | <u>35,000</u> | <u>35,250</u> | <u>316</u> |
| 13 | <u>35,250</u> | <u>35,500</u> | <u>318</u> |
| 14 | <u>35,500</u> | <u>35,750</u> | <u>320</u> |
| 15 | <u>35,750</u> | <u>36,000</u> | <u>322</u> |
| 16 | <u>36,000</u> | <u>36,250</u> | <u>324</u> |
| 17 | <u>36,250</u> | <u>36,500</u> | <u>326</u> |
| 18 | <u>36,500</u> | <u>36,750</u> | <u>328</u> |
| 19 | <u>36,750</u> | <u>37,000</u> | <u>330</u> |
| 20 | <u>37,000</u> | <u>37,250</u> | <u>332</u> |
| 21 | <u>37,250</u> | <u>37,500</u> | <u>334</u> |
| 22 | <u>37,500</u> | <u>37,750</u> | <u>336</u> |
| 23 | <u>37,750</u> | | <u>336</u> [248]. |

* **Sec. 2.** AS 23.20.350(e) is amended to read:

(e) An individual who is eligible under (d) **or (h)** of this section is entitled to receive a weekly benefit under this chapter for the number of weeks set out in column (B) of the table in this subsection opposite the applicable earnings ratio of the individual set out in column (A):

| | (A) | (B) |
|--|----------------|-----------------|
| | Earnings Ratio | Number of Weeks |
| | less than 1.50 | 16 |

| | | |
|---|--------------|-----|
| 1 | 1.50-1.99 | 18 |
| 2 | 2.00-2.49 | 20 |
| 3 | 2.50-2.99 | 22 |
| 4 | 3.00-3.49 | 24 |
| 5 | 3.50 or more | 26. |

6 * **Sec. 3.** AS 23.20.350 is amended by adding new subsections to read:

7 (h) Notwithstanding (d) of this section, for a benefit year beginning on or after
8 January 1, 2007, an individual who is eligible under (a) of this section is entitled to
9 receive the weekly benefit amount calculated in accordance with this subsection and
10 set under (i) of this section if the individual's base period wages determined under (c)
11 of this section are at least \$38,000. The department shall adopt regulations to establish
12 a methodology to calculate new amounts that increase the highest weekly benefit
13 amount shown in (d) of this section by \$2 increments and the highest base period
14 wages amount shown in (d) of this section by \$250 increments if the average weekly
15 wage in this state, as calculated under (k) of this section, has increased by an
16 increment amount established by the department in the regulations. The methodology
17 established under this subsection may not result in new weekly benefit amounts that
18 exceed 50 percent replacement of the average weekly wages in this state as determined
19 under (k) of this section. By December 1 of each year, the department shall apply the
20 methodology established under this subsection to calculate any new weekly benefit
21 and base period wages amounts.

22 (i) By December 1 of each year, the department shall give notice of any
23 proposed new weekly benefit amounts calculated under (h) of this section by posting
24 notice on the Alaska Online Public Notice System (AS 44.62.175), furnishing notice
25 to interested persons who have requested notification, and providing a press release to
26 the media. In the notice, the department shall provide the public with an opportunity
27 to comment on the accuracy of the department's calculations. Fifteen days after
28 posting the notice on the Alaska Online Public Notice System, the department shall set
29 the new weekly benefit amounts. A new weekly benefit amount set under this
30 subsection applies January 1 of the following calendar year, but does not apply to an
31 individual whose current benefit year began before that date. The department may set

1 new weekly benefit amounts under this subsection only once each calendar year,
2 beginning in December 2006. The process under this subsection is exempt from
3 AS 44.62 (Administrative Procedure Act), but the weekly benefit amounts set under
4 this subsection shall be submitted to the lieutenant governor for publication in the
5 Alaska Administrative Code for informational purposes.

6 (j) The commissioner shall report to the governor and the legislature if the
7 average weekly wage in this state decreases to the extent that an adjustment in weekly
8 benefit amounts set in (d) of this section or under (h) and (i) of this section is
9 appropriate for the proper administration of trust funds under this chapter.

10 (k) By December 1 of each year, the department shall determine the average
11 weekly wage in this state by dividing the average annual wage in this state for the
12 preceding 12-month period ending June 30 by 52. The resulting figure is the average
13 weekly wage in this state for purposes of the department's calculations under (h) and
14 (j) of this section. For purposes of this subsection, the department's calculation of the
15 average annual wage in this state shall include the wages of all employees in the state,
16 both public and private, who are covered by this chapter.

17 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
18 read:

19 **TRANSITION: REGULATIONS.** Notwithstanding sec. 6 of this Act, the
20 Department of Labor and Workforce Development may immediately proceed to adopt
21 regulations necessary to implement the changes made by this Act. The regulations take effect
22 under AS 44.62 (Administrative Procedure Act), but not before the effective date of the
23 statutory change.

24 * **Sec. 5.** Section 4 of this Act takes effect immediately under AS 01.10.070(c).

25 * **Sec. 6.** Except as provided in sec. 5 of this Act, this Act takes effect January 1, 2006.