

CS FOR SENATE BILL NO. 120(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 3/17/08

Referred: Rules

Sponsor(s): SENATE LABOR AND COMMERCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure of certain information from the records of the
2 Department of Labor and Workforce Development and limiting the use of the disclosed
3 information, and to the calculation and payment of unemployment compensation
4 benefits; and providing for an effective date."

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

6 * **Section 1.** AS 23.20.110(a) is amended to read:

7 (a) Except **for disclosures required by 42 U.S.C. 503, as amended, and 20**
8 **C.F.R. 603, as amended, and disclosures authorized under** [AS PROVIDED IN (h)
9 AND (i) OF] this section, the department shall hold information obtained from an
10 employing unit or individual in the course of administering this chapter and
11 determinations as to the benefit rights of an individual confidential and may not
12 disclose them or open them to public inspection in a manner that reveals the identity of
13 the individual or employing unit. A claimant or an employing unit [, OR THE LEGAL
14 REPRESENTATIVE OF THE CLAIMANT OR THE EMPLOYING UNIT,] is

1 entitled to information from the records of the department **only** to the extent necessary
 2 to properly present or protest a claim or determination under this chapter. **The**
 3 **department may not provide information that is confidential under this section to**
 4 **a person for use in any civil or administrative matter not directly involving the**
 5 **presentation or protest of a claim or determination under this chapter; however,**
 6 **subject** [SUBJECT] to restrictions that the department prescribes by regulation, the
 7 information **must** [MAY] be made available to **the United States Department of**
 8 **Homeland Security, Bureau of Citizenship and Immigration Services, for the**
 9 **purpose of verifying a claimant's immigration status, to the United States**
 10 **Railroad Retirement Board, to** an agency of this state or another state or federal
 11 agency charged with the administration of an unemployment compensation law or the
 12 maintenance of a system of public employment offices, **to the United States**
 13 **Department of the Treasury, Internal Revenue Service** [OR], for the purposes of
 14 the Federal Unemployment Tax Act, **or to the Department of Revenue** [TO THE
 15 INTERNAL REVENUE SERVICE OF THE UNITED STATES, OR,] for tax
 16 purposes [, TO THE DEPARTMENT OF REVENUE]. Information obtained in the
 17 course of administering this chapter or in connection with the administration of the
 18 employment service may be made available to persons or agencies for purposes
 19 appropriate to the operation of a public employment service or the administration of
 20 employment and training programs planned or coordinated by the Alaska Workforce
 21 Investment Board under AS 23.15.550 - 23.15.585.

22 * **Sec. 2.** AS 23.20.110(e) is amended to read:

23 (e) The department shall provide **wage and unemployment compensation**
 24 information

25 (1) requested by a state or federal agency under an income and
 26 eligibility verification system that meets the requirements of 42 U.S.C. 1320b-7
 27 (Social Security Act); [OR]

28 (2) as required by federal law for child support purposes;

29 **(3) to the United States Secretary of Health and Human Services**
 30 **for the National Directory of New Hires as required by 42 U.S.C. 503 and 42**
 31 **U.S.C. 653; or**

1 **(4) to a state or a political subdivision of a state that administers a**
 2 **program funded under 42 U.S.C. 601 - 619 that provides temporary assistance**
 3 **for needy families.**

4 * **Sec. 3.** AS 23.20.110(g) is amended to read:

5 (g) **A recipient of records disclosed under** [THE REQUIREMENTS OF]
 6 this section **may not use the disclosed records for a purpose other than the**
 7 **purpose for which the disclosure was made. The requirements** concerning the
 8 confidentiality of information obtained in the course of administering this chapter
 9 apply to officers and employees of a state, federal, [OR] municipal, **or other** agency to
 10 whom the department provides information as authorized by this section.

11 * **Sec. 4.** AS 23.20.110(k) is amended to read:

12 (k) If an individual who is applying for or participating in a housing assistance
 13 program administered by the United States Department of Housing and Urban
 14 Development gives authorization, the department shall disclose, to the United States
 15 Department of Housing and Urban Development or to representatives of the housing
 16 assistance program operating the program, wage information and unemployment
 17 compensation information. The authorization shall be made by the individual on a
 18 consent form approved by the department. The form must state the information
 19 authorized to be released and require the signature of the individual. In this subsection,

20 (1) "unemployment compensation information" means whether the
 21 individual is receiving, has received, or has applied for unemployment compensation,
 22 and the amount of unemployment compensation that the individual is receiving, **has**
 23 **received, or is eligible to** [WILL] receive, **and the individual's current address and**
 24 **other contact information;**

25 (2) "wage information" means the social security number, or numbers
 26 if there are more than one, and quarterly wages of an employee, and the name,
 27 address, state, and, if known, federal employer identification number of an employer
 28 reporting wages under this chapter.

29 * **Sec. 5.** AS 23.20.110(m) is amended to read:

30 (m) The department may not release information under this section to a state
 31 agency or to a person under contract with the state until the department and the agency

1 or person have entered into a written agreement that governs the release of
2 information. The written agreement must specify

3 (1) the purpose for the information;

4 (2) a description of the information to be provided;

5 (3) a description of the procedure for transmitting, securing, using, and
6 disposing of the information; [AND]

7 (4) the method of reimbursement, if any, for the cost of providing the
8 information; **and**

9 **(5) that the department may perform on-site inspections to ensure**
10 **that the confidentiality requirements of this section are met.**

11 * **Sec. 6.** AS 23.20.110(n) is amended to read:

12 (n) **Notwithstanding (a) of this section, the** [THE] department may produce
13 statistical and other public reports based on information obtained in the course of
14 administering this chapter, so long as the **department complies with the**
15 **requirements of 20 C.F.R. 603, as amended, regarding the use or release of**
16 **confidential records** [REPORTS DO NOT REVEAL WAGE AND PAYROLL
17 DATA FOR AN EMPLOYING UNIT OR THE NAME OR NUMBER
18 IDENTIFYING AN INDIVIDUAL. THE REPORTS MAY INCLUDE THE FIRM
19 NAME, ADDRESS, NORTH AMERICAN INDUSTRY CLASSIFICATION
20 SYSTEM CODE, CENSUS AREA CODE, NUMBER OF WORKERS EMPLOYED,
21 AND OCCUPATIONAL STAFFING PATTERNS FOR AN EMPLOYING UNIT].

22 * **Sec. 7.** AS 23.20.110 is amended by adding a new subsection to read:

23 (r) The confidentiality requirements of this section do not apply to disclosure
24 of decisions and records on appeal in any matter before the department as long as the
25 federal social security number of the claimant and the employer's federal employer
26 identification number and federal social security number are redacted or removed
27 before disclosure is made.

28 * **Sec. 8.** AS 23.20.115 is amended to read:

29 **Sec. 23.20.115. Unauthorized disclosure of information.** A member of the
30 department, an employee of the department, an agent of the department, or an officer
31 or employee of a state, federal, [OR] municipal, **or other** agency that has been

1 provided with information by the department who, in violation of AS 23.20.110,
 2 makes a disclosure of information obtained from an employing unit or from an
 3 individual in the administration of this chapter, or a person who has obtained a list of
 4 applicants for work or of claimants or recipients of benefits under this chapter and
 5 who uses or permits the use of the list for a purpose not authorized by AS 23.20.110 is
 6 guilty of a class B misdemeanor.

7 * **Sec. 9.** AS 23.20.290(c) is amended to read:

8 (c) **The** [BEGINNING JANUARY 1, 1997, THE] rate of contributions for
 9 each employer is **a percentage** [80 PERCENT] of the average benefit cost rate
 10 multiplied by the employer's experience factor set out in column C of the table in this
 11 subsection opposite the employer's applicable rate class set out in column A plus the
 12 fund solvency adjustment required under (f) of this section. **That percentage is 76**
 13 **percent beginning January 1, 2009, and 73 percent beginning January 1, 2010.**
 14 However, the rate of contributions for an employer may not be less than one percent or
 15 more than six and one-half percent. The rate of contributions for an employer in rate
 16 class 21 may not be less than 5.4 percent. The rate of contributions for an employer
 17 must be rounded to the nearest 1/100th of one percent.

18 19 20 21 22	COLUMN A Rate Class	COLUMN B		COLUMN C Experience Factor
		Cumulative Ratable Payroll		
		at least (percent)	but less than (percent)	
23	1		5	.40
24	2	5	10	.45
25	3	10	15	.50
26	4	15	20	.55
27	5	20	25	.60
28	6	25	30	.65
29	7	30	35	.70
30	8	35	40	.80
31	9	40	45	.90

1	10	45	50	1.00
2	11	50	55	1.00
3	12	55	60	1.10
4	13	60	65	1.20
5	14	65	70	1.30
6	15	70	75	1.35
7	16	75	80	1.40
8	17	80	85	1.45
9	18	85	90	1.50
10	19	90	95	1.55
11	20	95	99.99	1.60
12	21	99.99		1.65.

13 * **Sec. 10.** AS 23.20.290(d) is amended to read:

14 (d) **The** [BEGINNING JANUARY 1, 1997, AND FOR EACH
15 SUCCEEDING YEAR THEREAFTER, THE] rate of contributions payable by each
16 employee of an employer who is subject to AS 23.20.165 is **a percentage** [20
17 PERCENT] of the average benefit cost rate as determined in (e) of this section
18 rounded to the nearest 1/100th of one percent. **That percentage is 24 percent**
19 **beginning January 1, 2009, and 27 percent beginning January 1, 2010.** However,
20 the rate of contributions for an employee may not be less than one-half percent or
21 more than one percent.

22 * **Sec. 11.** AS 23.20.350(a) is amended to read:

23 (a) An individual who is paid at least **\$2,500** [\$1,000] in wages during the
24 individual's base period for employment covered by this chapter is eligible to receive
25 benefits under this chapter if those wages were paid in at least two of the calendar
26 quarters of the individual's base period.

27 * **Sec. 12.** AS 23.20.350(d) is amended to read:

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

	(A)	(B)
	Base Period Wages	Weekly Benefit
		Amount
	At least	But less than
1		
2		
3		
4	At least	But less than
5	0	<u>2,500</u> [1,000]
6	[1,000	1,250
7	1,250	1,500
8	1,500	1,750
9	1,750	2,000
10	2,000	2,250
11	2,250	2,500
12	2,500	2,750
13	2,750	3,000
14	3,000	3,250
15	3,250	3,500
16	3,500	3,750
17	3,750	4,000
18	4,000	4,250
19	4,250	4,500
20	4,500	4,750
21	4,750	5,000
22	5,000	5,250
23	5,250	5,500
24	5,500	5,750
25	5,750	6,000
26	6,000	6,250
27	6,250	6,500
28	6,500	6,750
29	6,750	7,000
30	7,000	7,250
31	7,250	7,500

1	7,500	7,750	96
2	7,750	8,000	98
3	8,000	8,250	100
4	8,250	8,500	102
5	8,500	8,750	104
6	8,750	9,000	106
7	9,000	9,250	108
8	9,250	9,500	110
9	9,500	9,750	112
10	9,750	10,000	114
11	10,000	10,250	116
12	10,250	10,500	118
13	10,500	10,750	120
14	10,750	11,000	122
15	11,000	11,250	124
16	11,250	11,500	126
17	11,500	11,750	128
18	11,750	12,000	130
19	12,000	12,250	132
20	12,250	12,500	134
21	12,500	12,750	136
22	12,750	13,000	138
23	13,000	13,250	140
24	13,250	13,500	142
25	13,500	13,750	144
26	13,750	14,000	146
27	14,000	14,250	148
28	14,250	14,500	150
29	14,500	14,750	152
30	14,750	15,000	154
31	15,000	15,250	156

1	15,250	15,500	158
2	15,500	15,750	160
3	15,750	16,000	162
4	16,000	16,250	164
5	16,250	16,500	166
6	16,500	16,750	168
7	16,750	17,000	170
8	17,000	17,250	172
9	17,250	17,500	174
10	17,500	17,750	176
11	17,750	18,000	178
12	18,000	18,250	180
13	18,250	18,500	182
14	18,500	18,750	184
15	18,750	19,000	186
16	19,000	19,250	188
17	19,250	19,500	190
18	19,500	19,750	192
19	19,750	20,000	194
20	20,000	20,250	196
21	20,250	20,500	198
22	20,500	20,750	200
23	20,750	21,000	202
24	21,000	21,250	204
25	21,250	21,500	206
26	21,500	21,750	208
27	21,750	22,000	210
28	22,000	22,250	212
29	22,250	22,500	214
30	22,500	22,750	216
31	22,750	23,000	218

1	23,000	23,250	220
2	23,250	23,500	222
3	23,500	23,750	224
4	23,750	24,000	226
5	24,000	24,250	228
6	24,250	24,500	230
7	24,500	24,750	232
8	24,750	25,000	234
9	25,000	25,250	236
10	25,250	25,500	238
11	25,500	25,750	240
12	25,750	26,000	242
13	26,000	26,250	244
14	26,250	26,500	246
15	26,500	26,750	248
16	26,750	<u>27,000</u>	<u>250</u>
17	<u>27,000</u>	<u>27,250</u>	<u>252</u>
18	<u>27,250</u>	<u>27,500</u>	<u>254</u>
19	<u>27,500</u>	<u>27,750</u>	<u>256</u>
20	<u>27,750</u>	<u>28,000</u>	<u>258</u>
21	<u>28,000</u>	<u>28,250</u>	<u>260</u>
22	<u>28,250</u>	<u>28,500</u>	<u>262</u>
23	<u>28,500</u>	<u>28,750</u>	<u>264</u>
24	<u>28,750</u>	<u>29,000</u>	<u>266</u>
25	<u>29,000</u>	<u>29,250</u>	<u>268</u>
26	<u>29,250</u>	<u>29,500</u>	<u>270</u>
27	<u>29,500</u>	<u>29,750</u>	<u>272</u>
28	<u>29,750</u>	<u>30,000</u>	<u>274</u>
29	<u>30,000</u>	<u>30,250</u>	<u>276</u>
30	<u>30,250</u>	<u>30,500</u>	<u>278</u>
31	<u>30,500</u>	<u>30,750</u>	<u>280</u>

1	<u>30,750</u>	<u>31,000</u>	<u>282</u>
2	<u>31,000</u>	<u>31,250</u>	<u>284</u>
3	<u>31,250</u>	<u>31,500</u>	<u>286</u>
4	<u>31,500</u>	<u>31,750</u>	<u>288</u>
5	<u>31,750</u>	<u>32,000</u>	<u>290</u>
6	<u>32,000</u>	<u>32,250</u>	<u>292</u>
7	<u>32,250</u>	<u>32,500</u>	<u>294</u>
8	<u>32,500</u>	<u>32,750</u>	<u>296</u>
9	<u>32,750</u>	<u>33,000</u>	<u>298</u>
10	<u>33,000</u>	<u>33,250</u>	<u>300</u>
11	<u>33,250</u>	<u>33,500</u>	<u>302</u>
12	<u>33,500</u>	<u>33,750</u>	<u>304</u>
13	<u>33,750</u>	<u>34,000</u>	<u>306</u>
14	<u>34,000</u>	<u>34,250</u>	<u>308</u>
15	<u>34,250</u>	<u>34,500</u>	<u>310</u>
16	<u>34,500</u>	<u>34,750</u>	<u>312</u>
17	<u>34,750</u>	<u>35,000</u>	<u>314</u>
18	<u>35,000</u>	<u>35,250</u>	<u>316</u>
19	<u>35,250</u>	<u>35,500</u>	<u>318</u>
20	<u>35,500</u>	<u>35,750</u>	<u>320</u>
21	<u>35,750</u>	<u>36,000</u>	<u>322</u>
22	<u>36,000</u>	<u>36,250</u>	<u>324</u>
23	<u>36,250</u>	<u>36,500</u>	<u>326</u>
24	<u>36,500</u>	<u>36,750</u>	<u>328</u>
25	<u>36,750</u>	<u>37,000</u>	<u>330</u>
26	<u>37,000</u>	<u>37,250</u>	<u>332</u>
27	<u>37,250</u>	<u>37,500</u>	<u>334</u>
28	<u>37,500</u>	<u>37,750</u>	<u>336</u>
29	<u>37,750</u>	<u>38,000</u>	<u>338</u>
30	<u>38,000</u>	<u>38,250</u>	<u>340</u>
31	<u>38,250</u>	<u>38,500</u>	<u>342</u>

1	<u>38,500</u>	<u>38,750</u>	<u>344</u>
2	<u>38,750</u>	<u>39,000</u>	<u>346</u>
3	<u>39,000</u>	<u>39,250</u>	<u>348</u>
4	<u>39,250</u>	<u>39,500</u>	<u>350</u>
5	<u>39,500</u>	<u>39,750</u>	<u>352</u>
6	<u>39,750</u>	<u>40,000</u>	<u>354</u>
7	<u>40,000</u>	<u>40,250</u>	<u>356</u>
8	<u>40,250</u>	<u>40,500</u>	<u>358</u>
9	<u>40,500</u>	<u>40,750</u>	<u>360</u>
10	<u>40,750</u>	<u>41,000</u>	<u>362</u>
11	<u>41,000</u>	<u>41,250</u>	<u>364</u>
12	<u>41,250</u>	<u>41,500</u>	<u>366</u>
13	<u>41,500</u>	<u>41,750</u>	<u>368</u>
14	<u>41,750</u>	<u>42,000</u>	<u>370</u>
15	<u>42,000</u>		<u>370</u> [248].

16 * **Sec. 13.** AS 23.20.110(h), 23.20.110(i), and 23.20.110(j) are repealed.

17 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
18 read:

19 TRANSITION: REGULATIONS. Notwithstanding sec. 16 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. 15.** Sections 1 - 8, 13, and 14 of this Act take effect immediately under
25 AS 01.10.070(c).

26 * **Sec. 16.** Except as provided in sec. 15 of this Act, this Act takes effect January 1, 2009.