

1 IN THE SENATE BY SENATORS BUTROVICH, FOSTER, JENSEN AND WERNER
2 SENATE BILL NO. 1

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA
4 TWENTY-SECOND LEGISLATURE, FIRST EXTRAORDINARY SESSION

5 A BILL

6 For an Act entitled: "An Act relating to employment security;
7 repealing Sections 51-5-1 through 51-5-20,
8 ACLA 1960, as amended, and repealing all
9 other acts or parts of acts in conflict
10 herewith, and declaring an emergency."

11 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

12 ARTICLE I. PREAMBLE

13 Section 101. SHORT TITLE AND RULE OF STATUTORY CONSTRUCTION.

14 This Act shall be known and may be cited as the "Alaska Employment
15 Security Act." This Act shall be liberally construed to accomplish
16 its purposes to promote employment security by increasing opportu-
17 nities for placement through the maintenance of a system of public
18 employment offices and to provide through the accumulation of re-
19 serves for the payment of compensation to individuals with respect
20 to their unemployment.

21 The Legislature hereby declares its intention to provide for
22 carrying out the purposes of this Act in cooperation with the
23 appropriate agencies of other states and of the Federal Government,
24 as part of a nationwide employment security program; and particu-
25 larly to provide for meeting the requirements of Title III of the
26 Federal Social Security Act, the requirements of section 2303 and
27 section 2304 of the Federal Unemployment Tax Act (Chapter 23 sub-
28 section 6 of Internal Revenue Code), and the Act of Congress approved
29 June 6, 1933, entitled "An Act to provide for the establishment

1 of a national employment system and for cooperation with the
2 States in the promotion of such system, and for other purposes.
3 (hereinafter cited as the Wagner-Peyser Act), and Title IV of the
4 Act of Congress approved June 22, 1944, each as amended, in order
5 to secure for this Territory and the Citizens thereof the grants
6 and privileges available thereunder. All doubt as to the proper
7 construction of any provision of this Act shall be resolved in
8 favor of conformity with such requirements.

9 Section 102. DECLARATION OF POLICY. As a guide to the
10 interpretation and application of this Act, the public policy of
11 this Territory is declared to be as follows:

12 Economic insecurity due to involuntary unemployment is a
13 serious menace to the health, morals and welfare of the people of
14 this Territory. Involuntary unemployment is, therefore, a subject
15 of general interest and concern which requires appropriate action
16 by the Legislature to prevent its spread and to lighten its burden,
17 and to maintain purchasing power as a factor in stabilizing
18 Alaska's economy. This can be accomplished by encouraging employ-
19 ers to provide more stable employment and by the systematic accum-
20 ulation of funds during periods of employment, from which benefits
21 may be paid for periods of involuntary unemployment. The Legis-
22 lature, therefore, declares that, in its considered judgment, the
23 public good and the general welfare of the citizens of this Terri-
24 tory require the enactment of this measure, under the police power
25 of the Territory, for the operation of public employment service
26 offices and the establishment of an employment security program to
27 be used for the benefit of eligible unemployed persons.

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ARTICLE II, DEFINITIONS

Section 201. As used in this Act, the terms defined in this Article shall have the meanings provided herein, unless the context clearly requires otherwise.

Section 202. "American vessel" means any vessel documented or numbered under the laws of the United States; and any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if its crew performs service solely for one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any State.

Section 203. "Base period" means the last calendar year preceding the first day of the benefit year.

Section 204. "Benefits" means the money payments payable to an individual, as provided in this Act, with respect to his unemployment effective July 3, 1955 and thereafter.

Section 205. "Benefit year" means the period beginning with the first full calendar week in July and ending with the following calendar year with the last calendar week beginning in June.

Section 206. "Claimant" means an individual who has filed a request for a determination of insured status, a notice of unemployment, a certification for waiting-week credit, or a claim for benefits.

Section 207. "Commission" means the Employment Security Commission established to administer the provisions of this Act.

Section 208. "Contributions" means the money payments to the Alaska Unemployment Compensation Fund required by this Act.

Section 210. "Calendar quarter" means the period of three consecutive calendar months ending March 31, June 30, September

1 30, or December 31.

2 Section 211. "Director" means the Director of Employment
3 Security established by this Act, or any person to whom this
4 Director may delegate his powers and duties.

5 Section 212. "Employer" means: (a) Any employing unit
6 which for some portion of a day within the calendar year has or
7 had in employment one or more individuals; and

8 (b) For the effective period of its election pursuant to
9 Section 604, any employing unit which has elected to become sub-
10 ject to this Act.

11 Section 213. "Employing unit" means any individual or type
12 of organization, any partnership, association, trust, estate,
13 joint trust company, insurance company or corporation, whether
14 domestic or foreign, or the receiver, referee in bankruptcy,
15 trustee, or successor of any of the foregoing, or the legal repre-
16 sentative of a deceased person, which has, or subsequent to
17 January 1, 1957 had one or more individuals performing service
18 for it within this Territory. All individuals performing services
19 within this Territory for any employing unit which maintains two
20 or more separate establishments within this Territory shall be
21 deemed to be employed by a single employing unit for all the pur-
22 poses of this Act.

23 Section 214. "Employment" means: (a) Any service performed
24 prior to January 1, 1955, which was employment as defined in this
25 section prior to such date, and subject to the other provisions
26 of this section, service performed after December 31, 1954, by an
27 individual for wages or by an officer of a corporation, including
28 service in interstate commerce;

29 (b) Notwithstanding Section 215 all service performed after

1 December 31, 1954, by an officer or member of the crew of an
2 American vessel on or in connection with such vessel, if the
3 operating office, from which the operations of such vessel operat-
4 ing on navigable waters within, or within and without, the United

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1 States are ordinarily and regularly supervised, managed, directed
2 and controlled, is within this Territory; and

3 (c) Notwithstanding any other provisions of this Article,
4 service with respect to which a tax is required to be paid under
5 any Federal law imposing a tax against which credit may be taken
6 for contributions required to be paid into a State unemployment
7 fund.

8 Section 215. The term "employment" shall include an indivi-
9 dual's entire service, performed within, or both within and with-
10 out, this Territory if the service is localized in this Territory.
11 Service shall be deemed to be localized within a State or Terri-
12 tory if:

13 (a) The service is performed entirely within such State or
14 Territory; or;

15 (b) The service is performed both within and without such
16 State or Territory but the service performed without such State
17 or Territory is incidental to the individual's service within the
18 State or Territory; for example, is temporary or transitory in
19 nature or consists of isolated transactions.

20 Section 216. The term "employment" shall include an indivi-
21 dual's entire service, performed within, or both within and with-
22 out, this Territory if the service is not localized in any State
23 or Territory but some of the service is performed in this Terri-
24 tory and

25 (a) The individual's base of operations is in this Terri-
26 tory; or

27 (b) If there is no base of operations, then the place from
28 which such service is directed or controlled is in this Territory;
29 or

1 (c) The individual's base of operations or place from which
2 such service is directed or controlled is not in any State or
3 Territory in which some part of the service is performed, but
4 the individual's residence is in this Territory.

5 Section 217. The term "employment" shall, during the effec-
6 tive period of the election, include service covered by an elec-
7 tion pursuant to Section 604, service covered by an election
8 duly approved by the Commission in accordance with an arrangement
9 pursuant to Section 604, and service not otherwise covered under
10 this Act, performed entirely without this Territory, with respect
11 to no part of which contributions are required and paid under the
12 Unemployment Compensation Law of any other State or Territory, if
13 the individual performing such service is a resident of this
14 Territory and the Commission approves the election filed by the
15 employing unit for whom the services are performed in the same
16 manner as for elections filed under Section 604.

17 Section 218. Service performed by an individual shall be
18 deemed to be employment subject to this Act irrespective of whether
19 the common-law relationship of master and servant exists, unless
20 and until it is shown to the satisfaction of the Commission that

21 (c) Such individual has been and will continue to be free
22 from control and direction in connection with the performance of
23 such service, both under his contract for the performance of
24 service and in fact; and

25 (b) Such service is performed either outside the usual
26 course of the business for which the service is performed or is
27 performed outside of all the places of business of the enterprise
28 for which the service is performed; and

29 (c) Such individual is customarily engaged in an independent...

1 ly established trade, occupation, profession, or business of the
2 same nature as that involved in the service performed.

3 Section 219. The term "employment" shall not include service
4 performed in the employ of an individual owner or tenant operating
5 a farm, in connection with the cultivation of the soil, the har-
6 vesting of crops, or the raising, feeding or management of live-
7 stock, bees, or poultry, or in connection with the processing,
8 packing, or marketing of the produce of such farm as an incident
9 to ordinary farming operations.

10 Section 220. The term "employment" shall not include domestic
11 service in a private home.

12 Section 221. The term "employment" shall not include service
13 not in the course of the employing unit's trade or business per-
14 formed after December 31, 1954 in any calendar quarter by an indivi-
15 dual, unless the cash remuneration paid for such service is \$50
16 or more and such service is performed by an individual who is
17 regularly employed by such employing unit to perform such service.
18 For the purposes of this paragraph, an individual shall be deemed
19 to be regularly employed to perform service not in the course of
20 an employing unit's trade or business during a calendar quarter
21 only if (a) on each of some twenty-four days during such quarter
22 such individual performs such service for some portion of the day,
23 or (b) such individual was regularly employed (as determined under
24 clause (a) by such employing unit in the performance of such ser-
25 vice during the preceding calendar quarter.

26 Section 222. The term "employment" shall not include service
27 performed by an individual in any calendar quarter after December
28 31, 1954, in the employ of any organization exempt from income tax
29 under Section 501(a) other than an organization described in

1 Section 401(a) or under Section 521 of the Federal Internal Revenue
2 Code, if (a) the remuneration for such service is less than \$50;
3 or (b) such service is in connection with the collection of dues
4 or premiums for a fraternal beneficiary society, order, or associ-
5 ation, and is performed away from the home office, or is ritual-
6 istic service in connection with any such society, order, or
7 association; or (c) such service is performed by a student who is
8 enrolled, and is regularly attending classes, at a school, college,
9 or university; or (d) such service is performed by a duly ordained,
10 commissioned, or licensed minister of religion in the exercise of
11 his ministry, or by a member of a religious order in the exercise
12 of duties required by such order.

13 Section 223. The term "employment", notwithstanding Section
14 215 of this Article shall not include service performed by an
15 officer or member of the crew of an American vessel on or in
16 connection with such vessel, if the operating office, from which
17 the operations of such vessel operating on navigable waters
18 within, or within and without, the United States are ordinarily
19 and regularly supervised, managed, directed and controlled, is
20 without this Territory.

21 Section 224. The term "employment" shall not include service
22 performed on or in connection with a vessel not an American vessel
23 by an individual if he performed service on and in connection with
24 such vessel when outside the United States.

25 Section 225. Notwithstanding any other provision of this
26 Act, no contributions shall be required on the earnings of fisher-
27 men, unless such earnings would be subject to the employment
28 security tax levied by the Internal Revenue Code of the United
29 States.

1 Section 226. The term "employment" shall not include service
2 performed by an individual in the employ of his son, daughter, or
3 spouse, and service performed by a child under the age of twenty-
4 one in the employ of his father or mother.

5 Section 227. The term "employment" shall not include service
6 performed in the employ of the United States Government or an
7 instrumentality of the United States exempt under the Constitution
8 of the United States from the contributions imposed by this Act,
9 except that to the extent that the Congress of the United States
10 shall permit States to require any instrumentalities of the United
11 States to make payments into an unemployment fund under a State
12 employment security law, all of the provisions of this Act shall
13 apply to such instrumentalities, and to service performed for
14 such instrumentalities, in the same manner, to the same extent,
15 and on the same terms as to all other employers, employing unte-
16 rritory individuals, and service; Provided, that if this Territory shall
17 not be certified for any year by the Secretary of Labor under
18 Section 3304(c) of the Federal Unemployment Tax Act, the payments
19 required of such instrumentalities with respect to such year shall
20 be refunded by the Commission from the fund in the same manner
21 and within the same period as is provided in Section 518 with
22 respect to contributions erroneously collected.

23 Section 228. The term "employment" shall not include service
24 performed in the employ of this Territory or any of its political
25 subdivisions by an elected official or an official compensated
26 on a fee basis.

27 Section 229. The term "employment" shall not include service
28 performed on an unemployment work-relief project undertaken by
29 this Territory or any subdivision thereof.

1 Section 230. The term "employment" shall not include service
2 performed in the employ of any other State, or any political sub-
3 division thereof, or any instrumentality of any one or more of
4 the foregoing which is wholly owned by one or more such States
5 or political subdivisions; and any service performed in the employ
6 of any instrumentality of one or more other States or their poli-
7 tical subdivisions to the extent that the instrumentality is, with
8 respect to such service, exempt under the Constitution of the
9 United States from the tax imposed by Section 5501 of the Federal
10 Unemployment Tax Act.

11 Section 231. The term "employment" shall not include service
12 with respect to which unemployment insurance is payable under an
13 unemployment insurance program established by an Act of Congress.

14 Section 232. The term "employment" shall not include service
15 performed in the employ of a foreign government (including service
16 as a consular or other officer or employee or a non-diplomatic
17 representative).

18 Section 233. The term "employment" shall not include service
19 performed in the employ of an instrumentality wholly owned by a
20 foreign government if (a) the service is of a character similar
21 to that performed in foreign countries by employees of the United
22 States Government or of an instrumentality thereof, and (b) the
23 Commission finds that the United States Secretary of State has
24 certified to the United States Secretary of the Treasury that
25 the foreign government, with respect to whose instrumentality
26 exemption is claimed, grants an equivalent exemption with respect
27 to similar service performed in the foreign country by employees
28 of the United States Government and of instrumentalities thereof.

29 Section 234. The term "employment" shall not include service
30 performed in the employ of an international organization.

1 Section 235. The term "employment" shall not include service
2 covered by an election duly approved by the agency charged with
3 the administration of any other State or Federal employment
4 security law, in accordance with an arrangement pursuant to
5 Section 607 during the effective period of such election.

6 Section 236. INCLUDED AND EXCLUDED SERVICES. If the service
7 performed during one-half or more of any pay period by an indivi-
8 dual for an employing unit constitutes employment, all the service
9 of such individual for such period shall be deemed to be employ-
10 ment; but if the service performed during more than one-half of
11 any such pay period by an individual for an employing unit does
12 not constitute employment, then none of the service of such indi-
13 vidual for such period shall be deemed to be employment. As used
14 in this paragraph the term "pay period" means a period of not
15 more than thirty-one consecutive days for which a payment for
16 service is ordinarily made to the individual by the employing
17 unit. This paragraph shall not be applicable with respect to
18 service performed in a pay period by an individual for an employ-
19 ing unit, when any of such service is excluded because it is sub-
20 ject to an unemployment insurance program established by an act
21 of Congress.

22 Section 237. "Employment office" means a free public employ-
23 ment office or branch thereof operated by this Territory or any
24 other State or Territory as a part of a State-controlled system
25 of public employment offices or by a Federal agency or any agency
26 of a foreign government charged with the administration of an
27 unemployment insurance program or of free public employment
28 offices.

29 Section 238. "Fund" means the unemployment compensation

1 fund established by this Act.

2 Section 239. (a) "Insured Work" means employment for em-
3 ployers.

4 (b) "Insured Worker" means an individual who, with respect
5 to a base period, meets the wage and employment requirements of
6 Section 712.

7 Section 240. "Remuneration" means all compensation payable
8 for personal services, including commissions and bonuses and the
9 cash value of all compensation payable in any medium other than
10 cash. The reasonable cash value of compensation payable in any
11 medium other than cash shall be estimated and determined in accor-
12 dance with regulations prescribed by the director."

13 Section 241. "State" includes the States of the United States
14 of America, Alaska, Hawaii, and the District of Columbia.

15 Section 242. "Wages" means all remuneration for service from
16 whatever source, including commissions and bonuses and the cash
17 value of all remuneration in any medium other than cash. Gratu-
18 ities customarily received by an individual in the course of his
19 service from persons other than his employing unit shall be treat-
20 ed as wages received from his employing unit but only to the extent
21 such individual reports the gratuities to his employing unit.

22 After December 31, 1954, back pay awarded under any statute of
23 this Territory or of the United States shall be treated as wages.

24 The reasonable cash value of remuneration of any medium other than
25 cash, and the reasonable amount of gratuities, shall be estimated
26 and determined in accordance with regulations prescribed by the
27 Director. For the purpose of a determination of insured status
28 only, back-pay awards shall, after December 31, 1954, be allocated
29 to the quarters with respect to which such pay was earned. If the

1 remuneration of an individual is not based upon a fixed period
2 or duration of time or if his wages are paid in irregular inter-
3 vals or in such manner as not to extend regularly over the period

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1 of employment, for the purpose of a determination of insured status
2 only, the wages shall be allocated to weeks or quarter in accord-
3 ance with regulations prescribed by the Director. Such regulations
4 shall, so far as possible, produce results reasonably similar to
5 those which would prevail if the individual were paid his wages
6 at regular intervals.

7 Sect'on 243. Notwithstanding the provisions of Section 242,
8 the term "wages" shall not include the amount of any payment made
9 after December 1, 1954 (including any amount paid by an employing
10 unit for insurance or annuities, or into a fund, to provide for
11 any such payment), to, or on behalf of, an individual or any of
12 his dependents under a plan or system established by an employing
13 unit which makes provision generally for individuals performing
14 service for it (or for such individuals generally and their de-
15 pendents) or for a class or classes of such individuals (or for
16 a class or classes of such individuals and their dependents), on
17 account of (a) retirement, or (b) sickness or accident disability,
18 or (c) medical or hospitalization expenses in connection with
19 sickness or accident disability, or (d) death.

20 Section 244. Notwithstanding the provisions of Section 242,
21 the term "wages" shall not include the amount of any payment made
22 after December 31, 1954 by an employing unit to an individual per-
23 forming service for it (including any amount paid by an employing
24 unit for insurance or annuities, or into a fund, to provide for
25 any such payment) on account of retirement.

26 Sect'on 245. Notwithstanding the provisions of Section 242,
27 the term "wages" shall not include the amount of any payment on
28 account of sickness or accident disability, or medical or hos-
29 pitalization expenses in connection with sickness or accident dis-

1 ability, made after December 31, 1954 by an employing unit to, or
2 on behalf of an individual performing service for it after the
3 expiration of six calendar months following the last calendar
4 month in which the individual performed services for such employ-
5 ing unit.

6 Section 245. Notwithstanding the provisions of Section 242,
7 the term "wages" shall not include the amount of any payment made
8 after December 31, 1954, by an employing unit to, or on behalf of,
9 an individual performing services for it on his beneficiary (a)
10 free or to a trust described in Section 401(a) of the Federal
11 Internal Revenue Code which is exempt from tax under Section 501(a)
12 of the Federal Internal Revenue Code at the time of such payment
13 unless such payment is made to an individual performing services
14 for the trust as remuneration for such services and not as a
15 beneficiary of the trust, or (b) under or to an annuity plan which
16 at the time of such payments, meets the requirements of Section
17 401(a) (3), (4), (5) and (6) of the Federal Internal Revenue Code.

18 Section 247. Notwithstanding the provisions of Section 242,
19 the term "wages" shall not include the amount of any payment made
20 by an employing unit (without deduction from the remuneration of
21 the individual in its employ) of the tax imposed upon an indivi-
22 dual in its employ under Section 1400 of the Federal Internal
23 Revenue Code with respect to service performed after January 1,
24 1941.

25 Section 249. Notwithstanding the provisions of Section 242,
26 the term "wages" shall not include remuneration paid after Decem-
27 ber 31, 1954, in any medium other than cash to an individual for
28 service not in the course of the employing unit's trade or busi-
29 ness.

1 Section 249. Notwithstanding the provisions of Section 242,
2 the term "wages" shall not include the amount of any payment
3 (other than vacation or sick pay) made after December 31, 1954, to
4 an individual after the month in which he attains the age of sixty-
5 five, if he did not perform services for the employing unit in the
6 period for which such payment is made.

7 Section 250. Notwithstanding the provisions of Section 242,
8 the term "wages" shall not include dismissal payments after
9 January 1, 1941, which the employing unit is not legally required
10 to make.

11 Section 251. **WAGES IN FEDERAL EMPLOYMENT.** There shall be
12 counted as "wages" earned during the base period any wages earned
13 in federal employment which is assigned to Alaska under an agree-
14 ment pursuant to title XV of the Social Security Act.

15 Section 252. "Waiting week" means the first week of unemploy-
16 ment, occurring in a benefit year or beginning within the week
17 immediately preceding such year, in which the worker has complied
18 with all the requirements of Article VII.

19 Section 253. "Week" means such period of seven consecutive
20 days as the Director may by regulation prescribe.

21 Section 254. "Week of unemployment" with respect to an indivi-
22 dual means any week during which he performs less than full-time
23 work for any employing unit if the wages payable to him with
24 respect to such week are less than his weekly benefit amount plus
25 ten dollars.

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1 fifth member's term. The Governor, at any time, after notice
2 and hearing, may remove any member of the Commission for neglect
3 of duty, malfeasance in office, or the Commission of a crime in-
4 volving moral turpitude.

5 Upon the expiration of the term of a member, the Governor
6 shall submit the name of a successor for confirmation by the
7 Legislature then in session. The incumbent shall continue to hold
8 office and to perform the duties thereof until his successor shall
9 be appointed and confirmed by the Legislature.

10 Section 303. VACANCY ON COMMISSION. Any member appointed
11 to fill a vacancy occurring prior to the expiration of the term
12 for which his predecessor was appointed, shall be appointed for
13 the remainder of that term; and if a vacancy occurs at a time
14 when the Legislature is not in session, through death, resigna-
15 tion, removal or disqualification, under this Act, a new member
16 shall be appointed by the Governor within 60 days to fill the va-
17 cancy who shall have the qualifications herein prescribed and
18 who shall hold office for the remainder of the term for which
19 his predecessor was appointed,

20 Section 304. CHAIRMAN; REIMBURSEMENT OF MEMBERS. One of
21 the members of the Commission shall be chosen by all members as
22 chairman of the Commission. The five members of the Commission
23 shall receive compensation at the rate of Twenty-five Dollars
24 (\$25.00) per day while in attendance at official meetings of the
25 Commission or while engaged in necessary travel thereto and there-
26 from. In addition, members of the Commission shall receive neces-
27 sary travel expenses as provided for by regulations adopted by
28 the Commission and approved by the Secretary of Labor or his
29 designated representatives.

1. Section 305. QUORUM. A quorum shall consist of three,
2. four or five members of the Commission provided that repre-
3. sentatives of labor and management are present in equal num-
4. bers. Decisions reached by the quorum shall be considered the
5. decisions of the Commission.

6. Section 306. DUTIES OF THE COMMISSION. The Commission
7. shall meet at such times as business requires, but not less than
8. once every six months, at the call of the chairman or upon the
9. request of any three members of the Commission. It shall be the
10. duty of the Commission to aid the Director in formulating
11. policies and to approve or disapprove rules and regulations
12. formulated and submitted to them by the director, and to
13. meeting problems relating to the administration of this Act,
14. and to hear and decide appeals from the decisions of the
15. appeals tribunals, and when necessary or advisable to appoint
16. or remove the Director.

17. Section 307. ADVISORY COUNCIL. The Commission shall
18. appoint a Territorial Advisory Council composed of men and
19. women, including an equal number of employer representatives
20. and employee representatives who may fairly be regarded as
21. representative because of their vocation, employment, or af-
22. filiations, and of such members representing the general public
23. as the Commission may designate. Such Council shall aid the
24. commission in formulating policies and discussing problems re-
25. lating to the administration of this Act and in assuring im-
26. partiality and freedom from political influence in the solution
27. of such problems. Such Advisory Council shall serve without
28. compensation, but shall be reimbursed for any necessary expense.
29. The advisory council shall meet as frequently as the Commission

1. deems necessary but not less than twice each year. The Advisory
2. Council shall make reports of its meetings; such reports shall
3. include a record of its discussions and its recommendations.
4. The commission shall make such reports available to any interested
5. person or groups.

6. Section 311. DIRECTOR: APPOINTMENT AND QUALIFICATIONS. The
7. Alaska Employment Security Law of 1955 shall be administered by
8. a Director, who shall be appointed by a majority vote of the
9. Employment Security Commission created by Section 301 herein,
10. who shall serve for a term of four years, and who may be removed
11. for cause at a Commission meeting by a majority vote of the mem-
12. bers to which the Commission is entitled. No person shall be
13. appointed Director unless he is a citizen of the United States
14. and qualified by training and experience to perform the duties
15. of the office.

16. Section 312. DUTIES AND POWERS OF THE DIRECTOR. It shall
17. be the duty of the Director to administer the Act; and he shall
18. have power and authority to adopt, amend, or rescind such rules
19. and regulations, to employ such persons, make such expenditures,
20. require such reports, make such investigations, and take such
21. other action as he deems necessary or suitable to that end. Such
22. rules and regulations shall be effective with the approval of the
23. Commission, and upon publication in the manner not inconsistent
24. with the provisions of this Act, which the Director shall prescribe,
25. but purely administrative rules and regulations need not be
26. approved by the Commission.

27. The Director shall set up his own organization and methods
28. of procedure in accordance with the provisions of this Act, and
29. shall have an official seal which shall be judicially noticed,

1. Not later than the thirty-first day of July of each year,
2. the Director shall submit to the Governor a report covering the
3. administration and operation of this Act during the preceding
4. twelve months and shall make such recommendations for amendments
5. to this Act as the Director deems proper. Such report shall

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1 include a balance sheet of the moneys in the fund in which there
 2 shall be provided, if possible, a reserve against the liability
 3 in future years to pay benefits in excess of the then current
 4 contributions, which reserve shall be set up by the Director
 5 in accordance with the accepted and actuarial principles on the
 6 basis of statistics of employment, business activity, and other
 7 relevant factors for the longest possible period.

8 The Director may in his discretion require bond of any per-
 9 son handling money or signing checks.

10 Section 313. REGULATIONS; GENERAL AND SPECIAL RULES. Gen-
 11 eral and special rules may be adopted, amended, or rescinded by
 12 the Director only after public hearing or opportunity to be heard
 13 thereon, of which proper notice has been given. General rules
 14 shall become effective thirty days after filing with the Secre-
 15 tary of the Territory and publication in one newspaper of general
 16 circulation in each of the four judicial divisions of the Terri-
 17 tory for such period as the Director may prescribe. Special rules
 18 become effective thirty days after notification to or mailing
 19 to the last known address of the individuals or concerns affected
 20 thereby. Regulations may be adopted, amended, or rescinded by
 21 the Director and shall become effective in the manner and at the
 22 time prescribed by the Director.

23 Section 314. RESEARCH AND PUBLICATIONS. The Director shall
 24 study and make recommendations on the most effective methods of
 25 providing economic security through unemployment insurance, em-
 26 ployment service and related programs and shall take appropriate
 27 steps to promote the reemployment of unemployed workers throughout
 28 the Territory in every way that may be feasible; and to these ends
 29 shall carry on and publish the results of the investigation and

1 research studies.

2 The Director shall cause to be printed for distribution to
3 the public the text of this Act, the Commission's regulations
4 and general rules, its annual reports to the Governor, and any
5 other material the Director deems relevant and suitable and shall
6 furnish the same to any person upon application therefor.

7 Section 315. PERSONNEL. Subject to the other provisions
8 of this Act, the Director is authorized to appoint, fix the com-
9 pensation, and prescribe the duties and powers of such officers,
10 accountants, attorneys, experts and other persons as may be nec-
11 essary in the performance of his duties. Such person shall be
12 under the purview of the Alaska Merit System. The Director may
13 delegate to any such person so appointed such power and authority
14 as he deems reasonable and proper for the effective administra-
15 tion of this Act, and may in his discretion bond any person hand-
16 ling moneys or signing checks hereunder.

17 The Director is authorized to adopt such regulations as may
18 be necessary to meet personnel standards promulgated by the Social
19 Security Act, as amended, and the Acts of Congress entitled "An
20 Act to provide for the establishment of a national employment
21 system and for cooperation with the States in the promotion of
22 such system, and for other purposes," approved June 6, 1933 (29
23 USC Section 49 et seq.), as amended and to function under the
24 Alaska Merit System as required hereunder in conjunction with
25 any merit system applicable to any other state agency, or agencies,
26 which meets the personnel standards promulgated by the Secretary
27 of Labor.

28 Section 316. RECORDS AND REPORTS. Each employing unit shall
29 keep true and accurate work records, containing such information

1 as the Director may prescribe. Such records shall be open to
2 inspection and be subject to being copied by the Director or
3 his authorized representatives at any reasonable time and as
4 often as may be necessary. The Director, the Commission, and
5 the chairman of any appeal tribunal may require from any employ-
6 ing unit any sworn or unsworn reports, with respect to persons
7 employed by it, which they deem necessary for the effective
8 administration of this Act.

9 Section 317. PRESERVATION AND DESTRUCTION OF AGENCY RECORDS.

10 (a) The commission may cause to be made such summaries, compila-
11 tions, photographs, duplications, or reproductions of any records,
12 reports, or transcripts thereof as it may deem advisable for the
13 effective and economical preservation of the information con-
14 tained therein, and such summaries, compilations, photographs,
15 duplications, or reproductions, duly authenticated, shall be
16 admissible in any proceedings under this Act if the original
17 record or records would have been admissible therein.

18 (b) The commission may provide by regulation for the
19 destruction, after reasonable periods, of any records, reports,
20 transcripts, other papers in its custody, or reproductions
21 thereof, the preservation of which is no longer necessary for
22 the establishment of contribution liability or of benefit rights
23 or for any other purpose necessary to the proper administration
24 of this Act, including any required audit thereof.

25 Section 318. REPRESENTATION IN COURT. (a) Civil Actions.
26 In any civil action to enforce the provisions of this Act the
27 Commission and the Territory may be represented by any qualified
28 attorney who is employed by the Commission and is designated by
29 it for this purpose or at the Commission's request by the Attorney

1 General, or if the action is brought in the Courts of any other
2 State, by an attorney qualified to appear in the courts of that
3 State.

4 (b) Criminal Actions. All criminal actions for violations
5 of any provisions of this Act, or of any rules or regulations
6 issued pursuant thereto, shall at the request of the Commission
7 be prosecuted by the Attorney General of the Territory or United
8 States District Attorney.

9 Section 319. OATHS AND WITNESSES. In the discharge of the
10 duties imposed by this Act the Director, the members of the Com-
11 mission and any duly authorized representative of either shall
12 have power to administer oaths and affirmations, take deposti-
13 tions, certify to official acts, and issue subpoenas to compel
14 the attendance of witnesses and production of books, papers,
15 correspondence, memoranda, and other records deemed necessary
16 as evidence in connection with a disputed claim or the adminis-
17 tration of this Act.

18 Section 320. SUBPOENAS. In case of contumacy, or refusal
19 to obey a subpoena issued to any person, the District Court of
20 this Territory, upon application by the Director, the Commission,
21 or any duly authorized representative of either, shall have jurisdic-
22 tion to issue to such person an order requiring such person
23 to appear before the Director, the Board or any duly authorized
24 representative of either, there to produce evidence if so ordered,
25 or there to give testimony touching the matter under investiga-
26 tion or in question; and any failure to obey such order of the
27 Court may be punished by said Court as a contempt thereof.

28 Section 321. PROTECTION AGAINST SELF-INCRIMINATION. No
29 person shall be excused from attending and testifying or from

1 producing books, papers, correspondence, memoranda, and other
2 records before the Director, the Commission, or any duly auth-
3 orized representative of either, or in obedience to the subpoena
4 of any of them in any cause or proceeding before the Commission,
5 or an appeal tribunal, on the ground that the testimony or evi-
6 dence, documentary or otherwise, required of him may tend to
7 incriminate him or subject him to a penalty or forfeiture; but
8 no individual shall be prosecuted or subjected to any penalty
9 or forfeiture for or on account of any transaction, matter, or
10 thing concerning which he is compelled, after having claimed
11 his privilege against self-incrimination, to testify or produce
12 evidence, documentary or otherwise, except that such individual
13 so testifying shall not be exempt from prosecution and punish-
14 ment for perjury committed in so testifying.

15 Section 322. FEDERAL-TERRITORIAL COOPERATION, In the admin-
16 istration of this Act the Director shall cooperate, to the fullest
17 extent consistent with the provisions of this Act, with the Secre-
18 tary of Labor, and is authorized and directed to take such action,
19 through the adoption of appropriate rules, regulations, administra-
20 tion methods and standards, as may be necessary to secure to this
21 Territory and its citizens all advantages available under the pro-
22 visions of Sections 3303 and 3304 of the Federal Internal Revenue
23 Code of 1954 and under the provisions of the Act of Congress entit-
24 led "An Act to provide for the establishment of a national employ-
25 ment system, and for other purposes," approved June 6, 1933 (29
26 USC Section 49 et seq.), as amended. The Director shall comply
27 with the regulations of the Secretary of Labor relating to the
28 receipt or expenditure by this Territory of such moneys granted
29 under any of such acts and shall make such reports, in such form

1 and containing such information, as the Secretary of Labor shall
2 from time to time require, and shall comply with such provisions
3 as the Secretary of Labor may from time to time find necessary
4 to assure the correctness and verification of such reports. The
5 Director may afford reasonable cooperation with every agency of
6 the United States charged with the administration of any unemploy-
7 ment insurance law.

8 Section 323. CONFIDENTIAL INFORMATION. Except as hereinafter
9 otherwise provided, information obtained from any employing unit
10 or individual pursuant to the administration of this Act, and de-
11 terminations as to the benefit rights of any individual shall be
12 held confidential and shall not be disclosed or be open to public
13 inspection in any manner revealing the individual's or employing
14 unit's identity. Any claimant (or his legal representative) shall
15 be supplied with information from the records of the Director to
16 the extent necessary for the proper presentation of his claim in
17 any proceeding under this Act with respect thereto. Subject to
18 such restrictions as the Director may by regulation prescribe,
19 such information may be made available to any agency of this Terri-
20 tory or any State, or Federal agency, charged with the administra-
21 tion of an unemployment compensation law or the maintenance of a
22 system of public employment offices, or the Bureau of Internal
23 Revenue of the United States Department of the Treasury; and in-
24 formation obtained in connection with the administration of the
25 employment service may be made available to persons or agencies
26 for purposes appropriate to the operation of a public employment
27 service.

28 Upon request therefor the Director shall furnish to any agency
29 of the United States charged with the administration of public

1 work or assistance through public employment, and may furnish
2 to any State agency similarly charged, the name, address, ordi-
3 nary occupation, and employment status of each recipient of
4 benefits and such recipient's rights to further benefits under
5 this Act.

6 The Director may request the Comptroller of the Currency of
7 the United States to cause an examination of the correctness of
8 any return or report of any national banking association rendered
9 pursuant to the provisions of this Act, and may in connection with
10 such request transmit any such report or return to the Comptroller
11 of the Currency of the United States as provided in Section 3305
12 (c) of the Federal Internal Revenue Code of 1954.

13 Section 324. ACQUISITION OF LAND AND BUILDINGS. (a) The
14 Director is authorized to acquire for and in the name of the
15 Territory by term purchase agreements based on competitive bids,
16 such land and buildings upon such terms and conditions as may be
17 approved by the Bureau of Employment Security of the United States,
18 or such other Federal agency as shall hereafter perform its func-
19 tions, for the purpose of providing office space for the Director
20 at such place as the Director shall find necessary and suitable.

21 (b) Any agreement made for the purchase of said premises
22 shall be subject to the approval of the Attorney General and
23 shall not subject the Territory to any liability for the payment
24 of such purchase price, or any part or portion thereof, except
25 from such moneys as may be allocated to the Territory by the
26 Bureau of Employment Security, or successor thereto, for the
27 administration of the Alaska Employment Security Law of 1955.

28 (c) All moneys received from the United States for the
29 payments authorized herein for such lands and buildings shall be

2 deposited in the Employment Security Administration Fund in the
3 Territorial Treasury and are hereby appropriated therefrom for
4 purposes of this Act.

4 (d) It is declared to be the policy of this Territory that
5 in the event such premises are purchased pursuant to this Act,
6 the Director of Employment Security or such other department of
7 the Territory as may hereafter perform his functions, shall be
8 housed therein without further payment therefor by the United
9 States, except for general maintenance, utilities and janitorial
10 services; or if, in the future, it may be desirable to move said
11 offices, other suitable similar space will be furnished by the
12 Territory to said Director without further payment therefor by
13 the United States, except for general maintenance, utilities
14 and janitorial services.

15 Section 325. ARRANGEMENTS WITH STATES OR FEDERAL GOVERNMENT.
16 The Director is hereby authorized to enter into arrangements with
17 the appropriate agencies of other States or the Federal Government
18 whereby individuals performing services in this Territory and
19 other States for a single employing unit under circumstances not
20 specifically provided for in Sections 212 to 216 herein, or under
21 similar provisions in the unemployment compensation laws of such
22 other States, shall be deemed to be engaged in employment per-
23 formed entirely within this Territory or within one of such other
24 States and whereby potential rights to benefits accumulated
25 under the unemployment compensation laws of one or more States
26 or under such a law of the Federal Government, or both, may con-
27 stitute the basis for the payment of benefits through a single
28 appropriate agency under terms which the Director finds will
29 be fair and reasonable as to all affected interests and will not

1 result in any substantial loss to the fund.

2 Section 326. EXCHANGE OF SERVICES, FACILITIES AND INFORMA-
3 TION. The administration of this Act and of other State and
4 Federal unemployment compensation and public employment service
5 laws will be promoted by cooperation between this Territory and
6 such States and the appropriate Federal agencies exchanging
7 services, and making available facilities and information. The
8 Director is therefore authorized to make such investigations,
9 secure and transmit such information, make available such ser-
10 vices and facilities and exercise such of the other powers pro-
11 vided herein with respect to the administration of this Act as
12 he deems necessary or appropriate to facilitate the administra-
13 tion of any such other unemployment compensation or public employ-
14 ment service law.

15 Section 331. TERRITORIAL EMPLOYMENT SERVICE. The Alaska
16 Territorial Employment Service is hereby established under the
17 Director. The Director, in the conduct of such service, shall
18 establish and maintain free public employment offices in such
19 number and in such places as may be necessary for the proper
20 administration of this Act and for the purposes of performing
21 such functions as are within the purview of the Act of Congress
22 entitled "An Act to provide for the establishment of a national
23 employment system and for cooperation with the States in the
24 promotion of such system, and for other purposes," approved June
25 6, 1933 (48 Stat. 113; USC title 29, Section 40 (c), as amended,
26 herein referred to as the "Wagner-Peyser Act". The provisions
27 of said Act of Congress are hereby accepted by this Territory,
28 and the Director is hereby designated and constituted the agency
29 of this Territory for the purposes of said Act. All moneys

1 received by this Territory under the said Act of Congress shall
2 be paid into the Employment Security Administration Fund and shall
3 be expended solely for the maintenance of the Territorial system
4 of public employment offices.

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ARTICLE IV. FUNDS

UNEMPLOYMENT COMPENSATION FUND

Section 401. ESTABLISHMENT AND CONTROL. There is hereby established as a special fund, separate and apart from all public moneys or funds of this Territory, an unemployment compensation fund, which shall be administered by the Director exclusively for the purposes of this Act. This fund shall consist of:

- (a) all contributions collected under this Act, together with any interest thereon collected pursuant to Section 511 herein;
- (b) interest earned upon any moneys in the fund;
- (c) all fines and penalties collected pursuant to the provisions of this Act;
- (d) any property or securities acquired through the use of moneys belonging to the fund; and
- (e) all earnings of such property or securities.

All moneys in the fund shall be mingled and undivided.

Section 402. ACCOUNTS AND DEPOSIT. The Territorial Treasurer shall be ex-officio the treasurer and custodian of the fund and shall administer such funds in accordance with the directions of the Director and shall issue his warrants upon it in accordance with such regulations as the Director may prescribe. He shall maintain within the fund three separate accounts.

- (a) a Clearing Account,
- (b) an Unemployment Trust Fund Account, and
- (c) a Benefit Account,

All moneys payable to the fund, upon receipt thereof by the Director, shall be forwarded to the Treasurer who shall immediately deposit them in the Clearing Account. Refunds payable pursuant to Sections 237, 501(b) and 516 herein may be paid from the Clearing

1 Account upon warrants issued by the Treasurer under the direction
2 of the Director. After clearance thereof, all of the moneys in
3 the Clearing Account shall be immediately deposited with the
4 Secretary of the Treasury of the United States of America to the
5 credit of the account of this Territory in the Unemployment Trust
6 Fund, established and maintained pursuant to Section 904 of the
7 Social Security Act, as amended, any provision of law in this
8 Territory relating to the deposit, administration, release, or
9 disbursement of moneys in the possession or custody of this Terri-
10 tory to the contrary notwithstanding.

11 The Benefit Account shall consist of moneys requisitioned
12 from this Territory's account in the Unemployment Trust Fund for
13 the purpose of paying benefits. Except as herein otherwise pro-
14 vided, moneys in the Clearing and Benefit Accounts may be deposit-
15 ed by the Treasurer, under the direction of the Director, in any
16 bank or public depository in which general funds of the Territory
17 may be deposited, but no public deposit insurance charge or
18 premium shall be paid out of the fund. Moneys in the Clearing
19 and Benefit Accounts shall not be commingled with other Territor-
20 ial funds, but shall be maintained in separate accounts on the
21 books of the depository bank. Such money shall be secured by
22 the depository law of this Territory; and collateral pledged
23 for this purpose shall be kept separate and distinct from any
24 collateral pledged to secure other funds of the Territory. The
25 Treasurer shall be liable on his official bond for the faithful
26 performance of his duties in connection with the fund. All sums
27 recovered for losses sustained by the fund shall be deposited
28 therein.

29 Section 403. ADVANCES FROM THE FEDERAL UNEMPLOYMENT ACCOUNT.

1 Whenever, in accordance with Title XII of the Social Security Act,
2 as amended, the balance in the Unemployment Fund reaches a point
3 where the Governor of the Territory must apply for an advance in
4 order to secure to this Territory and its citizens the advantages
5 available under the provisions of such Title, the Director is
6 authorized and directed to so notify the Governor and to take such
7 other action as may be appropriate to obtain such advance to the
8 Unemployment Trust Fund and its repayment in accordance with the
9 conditions specified in Title XII of the Social Security Act, as
10 amended.

11 Section 494. WITHDRAWALS. In accordance with regulations
12 prescribed by the Director, moneys shall be requisitioned from
13 this Territory's account in the Unemployment Trust Fund solely
14 for the payment of benefits and refunds.

15 (a) Benefit Payments. The Director shall from time to time
16 requisition from the Unemployment Trust Fund such amounts, not
17 exceeding the amount standing to this Territory's account therein,
18 as he deems necessary for the payment of benefits for a reasonable
19 future period. Upon receipt thereof the Treasurer shall deposit
20 such moneys in the Benefit Account and shall issue warrants for the
21 payment of benefits solely from such Benefit Account.

22 (b) Refund Payments. If, at any time, moneys in the Clear-
23 ing Account are not sufficient to provide for refunds payable pur-
24 suant to Sections 227, 501 (b) and 518 herein, the Director shall
25 withdraw from the Unemployment Trust Fund such amounts, not exceed-
26 ing the amount standing to this Territory's account herein, as are
27 necessary for the payment of such refunds. Upon receipt thereof
28 the Treasurer shall deposit such moneys in the Clearing Account and
29 shall issue warrants for the payment of such refunds from such

1 account.

2 Expenditures of such moneys in the Benefit Account and re-
3 funds from the Clearing Account shall not be subject to any pro-
4 visions of law requiring specific appropriations or other formal
5 release by Territorial officers of money in their custody. All
6 warrants issued by the Treasurer for the payment of benefits and
7 refunds shall bear the signature of the Treasurer and counter-
8 signature of the Director or his duly authorized agent for that
9 purpose. Any balance of moneys requisitioned from the Unemploy-
10 ment Trust Fund which remains unclaimed or unpaid in the Benefit
11 Account after the expiration of the period for which such sums
12 were requisitioned shall either be deducted from estimates for,
13 and may be utilized for the payment of, benefits during suc-
14 ceeding periods, or, in the discretion of the Director, shall be
15 redeposited with the Secretary of the Treasury of the United
16 States of America, to the credit of this Territory's account in
17 the Unemployment Trust Fund, as provided in Section 402 herein.

18 Section 405. MANAGEMENT OF FUNDS UPON DISCONTINUANCE OF
19 UNEMPLOYMENT TRUST FUND. The provisions of Sections 401, 402
20 and 403 herein, to the extent that they relate to the Unemploy-
21 ment Trust Fund shall be operative only so long as such
22 Unemployment Trust Fund continues to exist and so long as the
23 Secretary of the Treasury of the United States of America
24 continues to maintain for this Territory a separate book account
25 of all funds deposited therein by this Territory for the benefit
26 purposes, together with this Territory's proportionate share of
27 the earnings of such Unemployment Trust Fund, from which no other
28 State is permitted to make withdrawals. If and when such Unem-
29 ployment Trust Fund ceases to exist, or such separate book account.

1 is no longer maintained, all moneys, properties, or securities
2 therein, belonging to the Unemployment Compensation Fund of this
3 Territory, shall be transferred to the Treasurer of the Unemploy-
4 ment Compensation Fund, who shall hold, invest, transfer, sell,
5 deposit, and release such moneys, properties, or securities in
6 a manner approved by the Director in accordance with the pro-
7 visions of this Act; Provided, That such moneys shall be invested
8 in the following readily marketable classes of securities:
9 Bonds, or other interest-bearing obligations of the United States
10 of America; Provided further, That such investments shall be at
11 all times so made that all the assets of the fund shall always be
12 readily convertible into cash when needed for the payment of
13 benefits. The treasurer shall dispose of securities or other
14 properties belonging to the Unemployment Compensation Fund only
15 under the direction of the Director.

16 EMPLOYMENT SECURITY ADMINISTRATION FUND

17 Section 411. SPECIAL FUND. There is hereby created in the
18 Territorial Treasury a special fund to be known as the Employment
19 Security Administration Fund. All moneys which are deposited or
20 paid into this fund shall be continuously available to the
21 Director for expenditure in accordance with the provisions of
22 this Act, and shall not lapse at any time or be transferred to
23 any other fund. All moneys in this fund which are received from
24 the Federal government or any agency thereof, or which are
25 appropriated by this Territory for the purposes described in
26 Section 341 herein, shall be expended solely for the purposes
27 and in the amounts found necessary by the Secretary of Labor
28 for the proper and efficient administration of this Act. The
29 fund shall consist of all moneys appropriated by this Territory,

1 all moneys received from the United States of America, or any
2 agency thereof, including the Department of Labor, and all moneys
3 received from any other source for such purpose, and shall also
4 include any moneys received from any agency of the United States
5 or any other State as compensation for services or facilities
6 supplied to such agency, any amounts received pursuant to any
7 surety bond or insurance policy or from other sources for losses
8 sustained by the Employment Security Administration Fund or by
9 reason of damage to equipment or supplies purchased from moneys
10 in such fund, and any proceeds realized from the sale or disposi-
11 tion of any such equipment or supplies which may no longer be
12 necessary for the proper administration of this Act. All moneys
13 in this fund shall be deposited, administered, and disbursed, in
14 the same manner and under the same conditions and requirements as
15 is provided by law for other special funds in the Territorial
16 Treasury. The Territorial Treasurer shall be liable on his
17 official bond for the faithful performance of his duties in
18 connection with the Employment Security Administration Fund pro-
19 vided for under this Act. Such liability on the official bond
20 shall be effective immediately upon the enactment of this provision,
21 and such liability shall exist in addition to any liabilities
22 upon any separate bond existent on the effective date of this pro-
23 vision, or which may be given in the future. All sums recovered
24 on any surety bond for losses sustained by the Employment Security
25 Administration Fund shall be deposited in said fund.

26 Section 412. REIMBURSEMENT OF FUND. If any moneys received
27 after June 30, 1941, from the Department of Labor under Title III
28 of the Social Security Act, or any unencumbered balances in the
29 Employment Security Administration Fund as of that date, or any

1 moneys granted after that date to this Territory pursuant to the
2 provisions of the Wagner-Peyser Act, or any moneys made available
3 by this Territory or its political subdivisions and matched by
4 such moneys granted to this Territory pursuant to the provisions
5 of the Wagner-Peyser Act, are found by the Secretary of Labor,
6 because of any action or contingency, to have been lost or been
7 expended for purposes other than, or in amounts in excess of,
8 those found necessary by the Secretary of Labor for the proper
9 administration of this Act, it is the policy of this Territory
10 that such moneys shall be replaced by moneys appropriated for
11 such purpose from the general funds of this Territory by the
12 Employment Security Administration Fund for expenditures as
13 provided for in Section 411 herein. Upon receipt of notice of
14 such finding by the Secretary of Labor, the Director shall
15 promptly report the amount required for such replacement to the
16 Governor and the Governor shall at the earliest opportunity sub-
17 mit to the Legislature a request for the appropriation of such
18 amount. This section shall not be construed to relieve this
19 Territory of its obligation with respect to funds received prior
20 to July 1, 1941, pursuant to the provisions of Title III of the
21 Social Security Act.

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1 in the same manner as is provided for the collection of employer
2 contributions.

3 If any employer shall convert to his own use or otherwise
4 misappropriate any funds so held in trust, he shall be required
5 to pay to the Commission the amount so converted or mis-
6 appropriated, together with a penalty equal to five times that
7 amount but not less than \$25.00. In addition, if such conversion
8 or misappropriation is willful, he shall be guilty of a misdemeanor
9 and, upon conviction thereof, shall be fined not more than \$200,
10 or imprisonment of not more than 60 days, or both.

11 Each employer shall maintain a record of the amounts so
12 deducted from the wages of each of his employees, and shall furn-
13 ish a statement of such deductions to each employee at such times
14 and in such manner as the Director shall prescribe by regulation.

15 No such deduction shall be made from those wages in excess
16 of the first thirty-six hundred dollars (\$3600) of wages paid
17 to an employee during any calendar year. In the event that an
18 employee earns wages totaling in excess of thirty-six hundred
19 dollars (\$3600) in one calendar year in the employ of two or
20 more employers, or in the event that any one employer through
21 error shall have made such deductions from his wages in excess of
22 thirty-six hundred dollars (\$3600) during any one calendar year,
23 the amount of such deductions in excess of those required by this
24 Act shall be refunded to the employee by the Director upon appli-
25 cation therefor in accordance with regulations prescribed by the
26 Director, provided, that such application is made during the
27 calendar year immediately following the calendar year in which
28 such deductions were made.

29 Any employee whose wages total less than \$450 during any

1 calendar year shall upon application receive from the director the
2 total amount so deducted from his wages, provided, that such
3 application is made during the calendar year immediately following
4 the calendar year in which such deductions were made.

5 Section 502. RATE OF CONTRIBUTIONS. Each employer shall pay
6 contributions equal to 2.7 percent of wages paid by him during the
7 calendar year with respect to employment commencing January 1, 1955,
8 except as otherwise provided in Sections 503 and 504. Each indi-
9 vidual performing services in employment for such employer com-
10 mencing January 1, 1955, shall pay contributions equal to one
11 half of one (1) percent of wages paid to him during the calendar
12 year with respect to employment: provided that the provisions of
13 this Article with respect to the payment by, and rate of, con-
14 tributions for individuals in the employment of employers shall
15 terminate with contributions due on employment through December 31,
16 1956, unless otherwise determined by the next Legislature.

17 In the payment of any contribution a fractional part of a
18 cent shall be disregarded unless it amounts to one-half cent or
19 more, in which case it shall be increased to one cent.

20 Section 503. BASE OF CONTRIBUTIONS. For the purposes of
21 Sections 501 and 502 of this Article and subsequent to December
22 31, 1954, wages shall not include that part of remuneration which
23 exceeds thirty-six hundred dollars (\$3600) earned in a calendar
24 year by any individual with respect to such calendar year, unless
25 said excess becomes subject to a tax under a Federal law imposing
26 a tax against which credit may be taken for contributions required
27 to be paid into a State unemployment fund. For the purposes of
28 this section, the term employment shall include service constitut-
29 ing employment under any employment security law of another State

1 er of the Federal Government.

2 Section 804. RECORDS AND ANALYSIS OF BENEFIT EXPERIENCE

3 (a) For the last half of the calendar year 1955 and the
4 calendar year 1956, and for each calendar year thereafter separate
5 accounts shall be maintained for each employer to secure suffi-
6 cient facts and studies upon which the next Legislature could
7 base penalty rates for high risk employers to broaden coverage
8 for their employees and to establish experience rating credits
9 for employers with year around payrolls. In addition the Director
10 is instructed to provide data showing benefits which would have
11 been paid if the restriction of Section 712 (a) with reference to
12 earnings in corresponding previous calendar quarters had not been
13 in effect.

14 (b) Benefits paid to an eligible individual for any week of
15 ~~unemployment~~ commencing on or after July 3, 1955 shall be charged
16 to the account of his base period employer; Provided, That when
17 an individual has been employed by two or more employers during
18 his base period each such employer's account shall be charged an
19 amount which bears the same ratio to the total benefits paid to
20 the individual as the amount of wages payable by each such
21 employer bears to total wages payable by all employers during the
22 individual's base period; except that any benefits determined to
23 have been unlawfully paid shall not be chargeable to any employer's
24 account.

25 Section 811. INTEREST ON PAST DUE CONTRIBUTIONS. If contri-
26 butions are not paid on the date on which they are due and payable
27 as prescribed by the Director, the whole or part thereof remaining
28 unpaid shall bear interest at the rate of eight per cent per annum
29 from and after such date until payment plus accrued interest is re-

1 ceived by the Director. Interest collected pursuant to this sec-
2 tion shall be paid into the Unemployment Compensation Fund. In-
3 terest shall not accrue on contributions from any estate in the
4 hands of a receiver, executor, administrator, trustee in bankruptcy,
5 common law assignee or other liquidating officer subsequent to the
6 date when such receiver, executor, administrator, trustee in
7 bankruptcy, common law assignee or other liquidating officer
8 qualified as such, but contributions accruing with respect to em-
9 ployment of persons by any receiver, executor, administrator,
10 trustee in bankruptcy, common law assignee or other liquidating

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1 officer shall become due and shall draw interest in the same
2 manner as contributions due from other employers. Payments of
3 contributions erroneously paid to an unemployment compensation
4 fund of another State which should have been paid to this Terri-
5 tory and which thereafter shall be refunded by such other State
6 and paid by the employer to this Territory, shall be deemed to
7 have been paid to this Territory at the date of payment to such
8 other State.

9 Section 512. PENALTY FOR FAILURE TO FILE REPORTS. Contri-
10 bution reports not made and filed by the date on which they are
11 due as prescribed by the Director shall be subject to a penalty
12 to be assessed and collected, in the same manner as contributions
13 due hereunder equal to five (5%) per cent of the contributions
14 due if the failure to file on time was not more than fifteen (15)
15 days, with an additional five (5%) per cent for each additional
16 fifteen days or fraction thereof during which such failure con-
17 tinued, but not to exceed twenty-five (25%) per cent in the
18 aggregate and not less than two dollars and fifty cents (\$2.50)
19 with respect to each reporting period; except that when a report
20 is filed after such time and it is shown to the satisfaction of
21 the Director or his authorized representative that the failure
22 to file was due to a reasonable cause, no such addition shall be
23 made to the contribution.

24 Section 513. PENALTY FOR NONPAYMENT OF CONTRIBUTIONS. If
25 the contributions are unpaid after thirty (30) days from the date
26 of the mailing or personal delivery by the Director or his author-
27 ized representative, of a written demand for payment, there shall
28 attach to the contribution, to be assessed and collected in the
29 same manner as contributions due hereunder, a penalty equal to

1 ten (10%) per cent of the contributions due; Provided, That in
2 no event shall such penalty be less than one (\$1.00) dollar; and,
3 provided further, that no such penalty shall attach if within
4 thirty (30) days after such mailing or personal delivery, arrange-
5 ments for payments have been made with the Director or his
6 authorized representative, and payment is made in accordance with
7 such arrangements. Penalties collected in accordance with this
8 section shall be paid into the Unemployment Compensation Fund.

9 Section 514. LIEN. The claim of the Director for any con-
10 tributions, including interest and penalties, not paid when due
11 shall be a lien in favor of the Territory against all the real and
12 personal property of the employer, and also upon all the real and
13 personal property used with the permission of the owner thereof in
14 prosecuting the business of the employer. In order to avail itself
15 of the lien hereby created, the Director shall file notice thereof
16 with the U. S. Commissioner (Recording Officer) of the Division
17 in which said property shall then be situated, or, with respect
18 to motor vehicles, in the office of the Commissioner of Taxation
19 of the Territory of Alaska, and such filing shall constitute con-
20 structive notice of said lien against the property described
21 therein to creditors of the owner, and to subsequent purchasers
22 and encumbrancers. The lien hereby created is expressly exempt
23 from the provisions of Section 7, Chapter 124, SLA 1951, except-
24 ing the provisions of Sections 7 (1), (exclusive of subparagraphs
25 (a) and (b) thereof), 7 (3) and 7 (5).

26 When any such notice of lien has been so filed, the Director
27 may release the case by filing at the appropriate office a Certi-
28 ficate of Release when it shall appear that the amount of contri-
29 butions, including interest, and penalties and costs, has been

1 paid, or when such assurance of payment shall be made as the
2 Director deems adequate.

3 Section 518. NOTICE OF ASSESSMENT; DISTRAINT, SEIZURE AND
4 SALE. At any time after the Director shall find that any contri-
5 bution, including interest or penalty thereon, has become delin-
6 quent, the Director may issue a notice of assessment specifying
7 the amount due, which notice of assessment shall be served on the
8 delinquent employer by the Marshal of the Judicial Division where
9 in service is made, or by his deputy, or by any duly authorized
10 representative of the Director; or by mail. In case of service by
11 mail the notice must be deposited in the post office, addressed
12 to the delinquent employer at his last known address, and the
13 postage paid. The service shall be deemed to be made on the day
14 of such deposit in the post office. If the amount so assessed
15 is not paid within ten days after such personal service or mailing
16 of said notice, the Director or his duly authorized representative
17 may collect the amount stated in the assessment by the distraint,
18 seizure and sale of the property, goods, chattels and effects of
19 said delinquent employer except as is provided in Section 517 of
20 this Act. There shall be exempt from distraint and sales under
21 this section such goods and property as are exempt from execution
22 under the laws of this Territory.

23 Section 519. INVENTORY AND SALE. The Director upon making
24 a distraint, shall seize the property and shall make an inventory
25 of the property distrained, a copy of which shall be mailed to
26 the owner of such property or personally delivered to him, and
27 shall specify the time and place when said property shall be sold.
28 A notice specifying the property to be sold and the time and place
29 of sale shall be posted in at least two public places in the

1 recording district of the judicial division wherein the seizure
2 has been made. The time of sale shall be not less than thirty
3 nor more than forty days from the date of posting such notices.
4 Said sale may be adjourned from time to time at the discretion
5 of the Director but not for a time to exceed in all ninety days.
6 Said sale shall be conducted by the Director or his authorized
7 representative who shall proceed to sell such property by parcel
8 or by lot at a public auction, and may set a minimum price to
9 include the expenses of making a levy and of advertising the sale,
10 and if the amount bid for such property at the sale is not equal
11 to the minimum price so fixed, the Director or his representative
12 may declare such property to be purchased by the Director for such
13 a minimum price. The delinquent account shall be credited with
14 the amount at which the property shall be sold. Property acquired
15 by the Director as herein prescribed may be sold by the Director
16 at public or private sale, and the amount realized shall be placed
17 in the Unemployment Compensation Fund.

18 In all cases of sale, as aforesaid, the Director shall issue
19 a bill of sale or a deed to the purchaser and said bill of sale
20 or deed shall be prima facie evidence of the regularity of his
21 proceeding in making the sale, and shall transfer to the pur-
22 chaser all right, title, and interest of the delinquent employer
23 in said property. The proceeds of such sale shall first be applied
24 by the Director in satisfaction of the delinquent account, and out
25 of any sum received in excess of the amount of delinquent contri-
26 butions and interest the administration fund shall be reimbursed
27 for the cost of distraint and sale. Any excess which shall there-
28 after remain in the hands of the Director shall be refunded to
29 the delinquent employer.

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1 Section 517. PETITION FOR HEARING. When any notice of
2 assessment has been delivered or mailed to a delinquent employer,
3 as heretofore provided, such employer may within thirty days there-
4 after file a petition in writing with the Director, stating that
5 such assessment is unjust or incorrect and requesting a hearing
6 thereon. Such petition shall set forth the reasons why the
7 assessment is objected to and the amount of contributions, if
8 any, which said employer admits to be due the Director. If no
9 such petition is filed with the Director within said thirty days,
10 said assessment shall be prima facie just and correct; Provided,
11 that in such cases the Director may properly entertain a subse-
12 quent application for refund, and hearing thereon if denied, in
13 accordance with Section 518 herein. The filing of a petition on
14 a disputed assessment with the Director shall stay the sale pro-
15 vided for in Section 516 herein until a final decision thereon
16 shall have been made, but the filing of such petition shall not
17 affect the right of the Director to perfect a lien, as provided
18 in Section 514 herein, upon the property of the employer. The
19 issues raised by such petition shall be heard by the District
20 Court.

21 Section 518. ADJUSTMENTS OR REFUNDS. No later than two
22 years after the date when any contributions or interest have
23 been paid, an employer who has paid such contributions or interest
24 may file with the Director a petition in writing for an adjust-
25 ment thereof in connection with subsequent contribution payments,
26 or for a refund thereof when such adjustment cannot be made. If
27 the Director upon ex parte consideration shall determine that such
28 contributions or interest, or portion thereof, were erroneously
29 collected, he shall allow such employer to make an adjustment

1 thereof without interest in connection with subsequent contribu-
2 tion payments by him, or if such adjustment cannot be made the
3 Director shall refund said amount without interest from the fund.
4 For like causes and within the same period, adjustment or refund
5 may be made on the Director's own initiative.

6 If the Director finds that upon ex parte consideration he
7 cannot readily determine that such adjustment or refund should
8 be allowed, he shall deny such application and notify the employer
9 in writing. Within thirty days after such notification shall have
10 been mailed or delivered to such employer, whichever is the
11 earlier, the employer may file a petition in writing with the
12 Director for a hearing thereon; Provided, That this right shall
13 not apply in those cases in which assessments have been appealed
14 from and have become final as provided in Section 517 herein.
15 The petition shall set forth the reasons why such hearing should
16 be granted and the amount which the petitioner believes should be
17 adjusted or refunded. If no such petition be filed within said
18 thirty days, the determination of the Director as stated in said
19 notice shall be final. The petition for refund shall be heard
20 by the District Court.

21 Section 519. ARBITRARY REPORTS. If an employing unit shall
22 fail or neglect to make or file any report or return required by
23 this Act or any regulation made pursuant hereto, the Director
24 may, upon the basis of such knowledge as may be available to him
25 arbitrarily make a report on behalf of such employing unit, and
26 the report so made shall be deemed prima facie correct.

27 Section 520. JEOPARDY ASSESSMENT. If the Director shall
28 have reason to believe that an employer is insolvent or if any
29 reason exists why the collection of any contributions accrued will

1 be jeopardized by delaying collection, he may make an immediate
2 assessment thereof and may proceed to enforce collection on said
3 assessment immediately, but interest shall not begin to accrue
4 upon any contributions until the date when such contributions
5 would normally have become delinquent.

6 Section 521. LIEN FORECLOSURE; CIVIL ACTION. If after due
7 notice any employer defaults in any payment of contributions or
8 interest thereon the amount due may be collected by civil action
9 in the name of the Territory of Alaska, and the employer adjudged
10 in default shall pay the cost of such action. Any lien created
11 by this Act may be foreclosed by decree of the court in any such
12 action. All other civil actions brought under this section to
13 collect contributions or interest thereon from an employer shall
14 be heard by the court at the earliest possible date and shall be
15 entitled to preference upon the calendar of the court over all
16 other civil actions except petitions for judicial review under
17 this Act and cases arising under the Workmen's Compensation Laws
18 of this Territory. The courts in this Territory shall in the
19 manner provided in this section entertain actions to collect
20 contributions or interest thereon for which liability has accrued
21 under the Employment Security Law of any other State; provided,
22 that such state has in its Employment Security Law a similar pro-
23 vision for actions to collect contributions due to Alaska,

24 Section 522. REMEDIES CUMULATIVE. Remedies given to the
25 Territory under this Act for the collection of contributions and
26 interest shall be cumulative and no action taken by the Director
27 or his duly authorized representative, the Attorney General, or
28 any other officer shall be construed to be an election on the
29 part of the Territory or any of its officers to pursue any remedy

1 to the exclusion of any other.

2 Section 523. LIEN UPON DISTRIBUTION OR ASSIGNMENT OF ASSETS.
3 In the event of any distribution of any employer's assets pur-
4 suant to an order of any court, including any receivership, pro-
5 bate, legal dissolution, or similar proceedings, or in case of any
6 assignment for the benefit of creditors, composition, or similar
7 proceedings, contributions then or thereafter due shall be a
8 lien upon all the assets of such employer. Said lien will be
9 prior to all other liens or claims except prior tax liens, liens
10 filed under Section 514 herein, and claims for remuneration for
11 services of not more than \$250.00 to each claimant, earned within
12 six months of the commencement of the proceeding. The mere
13 existence of a condition of insolvency or the institution of any
14 judicial proceeding for legal dissolution or of any proceeding
15 for distribution of assets shall cause such a lien to attach
16 without action on behalf of the Director or the Territory. In
17 the event of an employer's adjudication in bankruptcy, judicially-
18 confirmed extension proposal, or composition, under the Federal
19 Bankruptcy Act of 1903, as amended (11 USC 1 et seq.), contri-
20 butions then or thereafter due shall be entitled to such priority
21 as provided in that Act, as amended.

22 Section 524. COMPROMISE OF CONTRIBUTIONS. The Director may
23 compromise any claim for contributions, interest or penalties
24 existing or arising under this Act in any case where collection
25 of the full claim would result in the insolvency of the employ-
26 ing unit or individual from whom such contributions, interest
27 or penalties are claimed.

28 Whenever a compromise is made by the Director in any case,
29 there shall be placed on file in the office of the Director a

1 statement of the amount of contributions, interest and penalties
2 imposed by law and claimed due, a complete record of the com-
3 promise agreement and the amount actually paid in accordance with
4 the terms of the compromise agreement.

5 Any person who, in connection with any compromise or
6 offer of such compromise, wilfully conceals from any officer or
7 employee of the Territory any property belonging to an employing
8 unit or individual liable in respect to contributions, interest
9 or penalties, or receives, destroys, mutilates, or falsifies any
10 book, document or record, or makes under oath any false statement
11 relating to the financial condition of the employing unit or
12 individual liable in respect to the contributions; shall upon
13 conviction thereof be fined not more than \$5,000.00 or be
14 imprisoned for not more than one year, or both.

15 If any such compromise is accepted by the Director, within
16 such time as may be stated in the compromise or agreed to, such
17 compromise shall be final and conclusive and, except upon showing
18 of fraud or malfeasance or misrepresentation of a material fact,
19 or failure to meet the terms of the compromise, the case shall
20 not be reopened as to the matters agreed upon.

21 Section 535. LIABILITY OF SUCCESSOR-EMPLOYER. The contri-
22 butions required by this Act shall be a lien upon the property
23 of an employer subject to its provisions who shall sell out his
24 business or stock of goods, or who shall quit business, or whose
25 property used or acquired in the business, shall be sold under
26 voluntary conveyance or under foreclosure, execution or attach-
27 ment, distraint or other judicial proceedings, and such employer
28 shall be required to file such reports as the Director shall
29 prescribe and to pay the contributions required by this Act with

1 respect to wages payable for employment up to the date of the
2 happening of each contingency, and the purchaser or successor
3 in business shall withhold sufficient of the purchase money to
4 cover the amount of contributions due and unpaid until such time
5 as such employer shall produce a receipt from the Director show-
6 ing that the contributions have been paid, or a certificate that
7 no contributions are due. If such purchaser or successor shall
8 fail to withhold purchase money as provided, and the contributions
9 shall not be paid within ten days, such purchaser or successor
10 shall be personally liable for the payment of the contributions
11 accrued and unpaid on account of the operation of the business
12 by the former owner.

13 Section 626. CONTRACTOR'S AND PRINCIPAL'S LIABILITY FOR
14 CONTRIBUTIONS. No employing unit which contracts with or has
15 under it any contractor or subcontractor who is an employer under
16 the provisions of this Act shall make any payment to such con-
17 tractor or subcontractor for any indebtedness due until after
18 the contractor or subcontractor has paid, or has furnished a
19 good and sufficient bond acceptable to the Director for payment
20 of contributions, including penalty and interest, due or to
21 become due in respect to personal services which have been per-
22 formed by individuals for such contractor or subcontractor.
23 Failure to comply with the provisions of this section shall render
24 said employing unit directly liable for such contributions and
25 interest and the Director shall have all of the remedies of col-
26 lection against said employing unit under the provisions of this
27 Act as though the services in question were performed directly
28 for said employing unit.

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ARTICLE VI COVERAGE

Section 601. COVERAGE DETERMINATION. (a) On his own initiative or on the application of an employing unit, the Director shall, on the basis of facts found by him, determine whether the employing unit is an employer and whether service performed for it constitutes employment.

(b) Within one year after a determination has been made under paragraph (a) of this section, the Director may, reconsider his determination in the light of additional evidence and make a redetermination.

(c) A notice of the Director's determination made under paragraph (a) or (b) of this section, which shall include a statement of the supporting facts found by the Director, shall be mailed to the last known address of the employing unit affected, or otherwise delivered to it.

(d) Within fifteen days after a notice of a determination made under paragraph (a) or (b) of this section was mailed to the last known address of an employing unit, or otherwise delivered to it, that employing unit may apply to the Director to reconsider his determination in the light of additional evidence and to issue a redetermination. The Director shall, if the request is granted, mail to the last known address of the employing unit affected, or otherwise deliver to it, a notice of the redetermination, which shall include a statement of the supporting facts found by the Director; if the request is denied, he shall furnish a notice of the denial of the application.

(e) Within fifteen days after a notice of a determination made under paragraph (a), (b), or (d) of this section or a denial of the application under paragraph (d) of this section was mailed

1 to the last known address of an employing unit, or otherwise de-
2 livered to it, that employing unit may appeal from the determin-
3 ation to the Director. A properly designated representative of
4 the Director shall be a party to such appeal. The Director shall
5 afford the parties a reasonable opportunity for a fair hearing as
6 provided in the case of hearings before appeal tribunals in
7 Article VIII. The Director's decision shall be final unless,
8 within thirty days after the decision was mailed to the last
9 known address of a party, or otherwise delivered to it, that
10 party initiates judicial review in accordance with the provisions
11 of Article VIII, Section 803.

12 Section 802. CONCLUSIVENESS OF DETERMINATION. A determin-
13 ation of the status of an employing unit by the Director under
14 Section 801, in the absence of appeal therefrom, and a final
15 determination of the Director upon an appeal, together with the
16 record of the proceeding, shall be admissible in any subsequent
17 proceeding under this Act. If supported by substantial evidence
18 and in the absence of fraud, the determination shall be conclusive,
19 except as to errors of law, upon any employing unit which was a
20 party to such proceeding.

21 Section 803. PERIOD OF COVERAGE. Any employing unit which
22 is or becomes an employer subject to this Act within any calendar
23 year shall be deemed to be an employer during the whole of such
24 calendar year except as provided elsewhere in this Article and
25 shall remain an employer until coverage is terminated as provided
26 in Section 804.

27 Section 804. ELECTIVE COVERAGE OF EXCLUDED SERVICE. (a)
28 Any service performed for an employing unit, including Territorial
29 departments and agencies, municipalities, and other political sub-

1 division of Alaska, which is excluded under the definition of
2 employment in Article II, and with respect to which no payments
3 are required under the employment security law of another State
4 or of the Federal Government, may be deemed to constitute employ-
5 ment for all purposes of this Act, provided that the Director has
6 approved a written election to that effect filed by the employing
7 unit for which the service is performed, as of the date stated in
8 such approval. No election shall be approved by the Director un-
9 less it (1) includes all the service of the type specified in each
10 establishment or place of business for which the election is made,
11 and (2) is made for not less than two calendar years.

12 (b) Any service which because of an election by an employ-
13 ing unit under paragraph (a) of this section is employment sub-
14 ject to this Act shall cease to be employment subject to the Act
15 as of January 1 of any calendar year subsequent to the two cal-
16 endar years of the election, only if not later than March 15 of
17 such year, either such employing unit has filed with the Director
18 a written notice to that effect, or the Director on his own motion
19 has given notice of termination of such coverage.

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ARTICLE VII. BENEFIT ENTITLEMENT

CLAIMS FOR BENEFITS

1 Section 701. FILING. Claims for benefits shall be made in
2 accordance with such regulations as the Director may prescribe.
3 Each employer shall post and maintain in places readily acces-
4 sible to individuals in his service printed statements concerning
5 such regulations or such other matters, as the Director may by
6 regulation prescribe. Each employer shall supply such indivi-
7 dual copies of such printed statements or materials relating to
8 claims for benefits as the Director may by regulation prescribe.
9 Such printed statements shall be supplied by the Director to each
10 employer without cost to him.

11 Section 702. INITIAL DETERMINATION. An examiner designated
12 by the Director shall take the claim. An initial determination
13 thereon shall be made promptly and shall include a determination
14 with respect to whether or not benefits are payable, the week
15 with respect to which benefits shall commence, the weekly benefit
16 amount payable, and the maximum duration of benefits. In any
17 case in which the payment or denial of benefits will be determined
18 by the provisions of Section 741 (j) herein, the examiner shall
19 promptly transmit all the evidence with respect to that section
20 to the Director. The Director, or such representative as he may
21 designate for such purpose, shall, on the basis of the evidence
22 so submitted and such additional evidence as he may require, make
23 an initial determination with respect thereto.

24 An initial determination may for good cause be reconsidered.

25 The claimant and any other parties to the determination shall
26 be promptly notified of the initial determination (or of any
27 amended initial determination) and the reasons therefor.

1 Benefits shall be denied, or if the claimant is otherwise
2 so eligible, promptly paid, in accordance with the initial deter-
3 mination, except as hereinafter otherwise provided.

4 The claimant or any party to the determination may file an
5 appeal from such initial determination within ten days after
6 notification thereof, or after the date such notice was mailed
7 to his last known address. If upon such initial determination,
8 benefits are allowed, but the record of the case indicates a
9 disqualification has been alleged or may exist, benefits shall
10 not be paid prior to the expiration of the period for appeal as
11 heretofore provided.

12 If an appeal is duly filed with respect to a matter other
13 than the weekly benefit amount or maximum duration of benefits
14 payable, benefits with respect to the period prior to the final
15 decision of the Director shall be paid only after such decision.

16 If subsequent to such initial determination benefits with
17 respect to any week for which a claim has been filed are denied
18 for reasons other than matters included in the initial determina-
19 tion, the claimant shall be promptly notified of the denial and
20 the reasons therefor and may appeal therefrom in accordance with
21 the procedure herein described for appeals from initial determina-
22 tion.

23 BENEFIT PAYMENT FORMULA

24 Section 711. PAYMENT OF BENEFITS. All benefits provided
25 herein shall be payable from the fund. All benefits shall be
26 paid through employment offices in accordance with such regula-
27 tions as the Director may prescribe.

28 Section 712. AMOUNT OF BENEFITS. (a) Qualifying wages.
29 To qualify for benefits an individual shall have earned wages

1 in his base period totalling not less than one and one-fourth
2 times the aggregate amount of wages earned by him in that calendar
3 quarter of his base period in which he earned the highest amount
4 of wages, and all his wages for such base period must equal not
5 less than the minimum amount required for benefits under subsection
6 (a), below; Provided, that to be eligible to receive benefits with
7 respect to any week in a calendar quarter, he shall have earned
8 wages for insured work of at least one hundred and twenty dollars
9 (\$120) during the corresponding calendar quarter in either of the
10 two next preceding calendar years. Further provided, that if the
11 Federal Government declares Subsection (a) of this section to be
12 out of conformity with the requirements of any Federal Act per-
13 taining to Unemployment Compensation, the Commission may, in its
14 discretion, order the restriction of said subsection suspended
15 pending appropriate action by the next Legislature.

16 (b) Weekly benefit amount. Except as provided in subsection
17 (a), above, an individual's weekly benefit amount shall be the
18 amount shown in the table below, in the applicable column oppo-
19 site the amount of his total base period wages as shown in column
20 A; Provided, that for any week with respect to which an individual
21 while outside the Territory files claim for benefits the weekly
22 benefit amount shall not exceed thirty dollars (\$30), and a like
23 reduction shall be made in the remaining maximum amount poten-
24 tially payable. The number of dependents shall be determined as
25 of the day on which the individual files a request for an initial
26 determination, and shall be so fixed for the duration of such
27 benefit year. For the duration of such benefit year no dependent
28 who has been included in such a determination shall be included as
29 a dependent in any determination which is made on behalf of any

1 other individual.

2	3 Total Base Period Wages	4 Basic Weekly Benefit Amount	5 <u>Augmented weekly benefit amount</u> 6 <u>with the following dependents</u>					7 Maximum Potential Benefits
			8 One (C)	9 Two (D)	10 Three (E)	11 Four (F)	12 Five (G)	
13	14 Column (A)	15 (B)	16 (C)	17 (D)	18 (E)	19 (F)	20 (G)	21 (H)
22	23 2,440.88	24 700	25 \$00	26 \$00	27 \$00	28 \$00	29 \$00	30 \$000
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1	450-500.00	10	17	20	20	20	20	150
2	600-650.00	11	18	22	22	22	22	175
3	700-750.00	12	19	24	24	24	24	204
4	800-850.00	13	20	25	26	25	26	254
5	900-950.00	14	21	28	28	28	28	266
6	1000-1050.00	15	22	29	30	30	30	300
7	1100-1150.00	16	23	30	32	32	32	336
8	1200-1250.00	17	24	31	34	34	34	374
9	1300-1350.00	18	25	32	35	35	36	414
10	1400-1450.00	19	25	33	38	38	38	456
11	1500-1550.00	20	27	34	40	40	40	500
12	1600-1650.00	21	28	35	42	42	42	546
13	1700-1750.00	22	29	36	43	44	44	572
14	1800-1850.00	23	30	37	44	46	46	598
15	1900-1950.00	24	31	38	45	43	48	624
16	2000-2050.00	25	32	39	46	50	50	650
17	2100-2150.00	26	33	40	47	52	52	676
18	2200-2250.00	27	34	41	48	54	54	702
19	2300-2350.00	28	35	42	49	55	53	728
20	2400-2450.00	29	36	43	50	57	58	754
21	2500-2550.00	30	37	44	51	58	60	780
22	2600-2650.00	31	38	45	52	59	62	806
23	2700-2750.00	32	39	46	53	60	64	832
24	2800-2850.00	33	40	47	54	61	66	858
25	2900-2950.00	34	41	48	55	62	68	884
26	3000-3050.00	35	42	49	56	63	70	910
27	3100-3150.00	36	43	50	57	64	71	935
28	3200-3250.00	37	44	51	58	65	72	962
29	3300-3350.00	38	45	52	59	63	73	988

1	\$400-\$499.99	39	46	53	60	67	74	1014
2	\$500-and over	40	47	54	61	68	75	1040

3 (c) Maximum potential benefits. The maximum potential bene-
4 fits of any individual in a benefit year shall be the amount in
5 column H of the above table on the line on which, in column 3,
6 there appears his basic weekly benefit amount; Provided, however,
7 dependents' allowances shall be in addition to the maximum poten-
8 tial benefits in column H of the above table.

9 (d) Definition of dependent. "Dependent" means an indivi-
10 dual's unmarried child (including stepchild and legally adopted
11 child) under 18 years of age, who is not gainfully employed, and
12 who is principally supported by such individual; except, that an
13 individual's unmarried child (including stepchild and legally
14 adopted child) who because of physical infirmity is prevented
15 from engaging in a gainful occupation and who is principally de-
16 pendent upon such individual for support, shall be deemed to be a
17 dependent for the purposes of this provision regardless of age.

18 Any other provision of this Act notwithstanding, no individual
19 shall be entitled to an augmented weekly benefit amount on account
20 of any particular dependent with respect to any week in which both
21 such individual and such dependent are not within the Territory.

22 Section 716. Each eligible individual who is "unemployed"
23 in any week shall be paid with respect to such week a benefit in
24 an amount equal to his basic or augmented weekly benefit amount
25 less that part of the remuneration, whether or not covered by this
26 Act, payable to him with respect to such week which is in excess
27 of ten dollars. Such benefit, if not a multiple of one dollar,
28 shall be computed to the next higher multiple of one dollar.

29 Section 721. PAYMENT OF BENEFITS DUE DECEASED OR IRRREGULARLY

1 INCOMPETENT INSURED WORKER. Benefits due and payable to a deceased

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1 or judicially declared incompetent person shall be paid, in
2 accordance with such regulations as the Director shall prescribe,
3 to the person or persons in the following order; spouse, child, or
4 parent, payment to whom the Director finds would effectuate the
5 purposes of this Act. Such regulations need not conform to the
6 statutes applicable to the descent and distribution of decedents'
7 estates. A receipt from the person or persons to whom the Direc-
8 tor makes payment shall fully discharge the fund and the Commission
9 from liability for such benefits.

10 **CONDITIONS FOR RECEIPT OF BENEFITS**

11 **Section 751. ELIGIBILITY FOR BENEFITS.** An insured worker
12 shall be eligible for and receive waiting-week credit or benefits
13 as the case may be, for any week of his unemployment with respect
14 to which he has not been determined to be disqualified under
15 Section 741, if such worker has, in accordance with regulations
16 prescribed by the Director with respect to such week:

- 17 (a) filed a notice of his unemployment;
18 (b) registered for work; and
19 (c) certified for waiting-week credit or filed
20 a claim for benefits, as the case may be.

21 No benefits are payable for a waiting week and no benefits are
22 payable for any week of unemployment occurring within the benefit
23 year prior to the completion of such waiting week, except that no
24 insured worker shall be required to serve a waiting week if the
25 first week of his unemployment occurring within a benefit year is
26 immediately preceded by a week of unemployment in the preceding
27 benefit year for which benefits are payable.

28 **Section 741. DISQUALIFICATION FOR BENEFITS.** An insured worker
29 shall be disqualified for waiting-week credit or benefits for any

1 week of his unemployment if with respect to such week the Director
2 finds that:

3 (a) He was not able to work or was not available for suit-
4 able work for such week; or

5 (b) He left suitable work voluntarily without good cause in
6 which case he shall be disqualified for the week in which he left
7 work and the five weeks of continuous unemployment immediately
8 following such week; except that such period of disqualification
9 shall not be deemed terminated by performance of short time casual
10 or temporary work within such period; or

11 (c) He was discharged or suspended for misconduct connected
12 with his work, in which case he shall be disqualified for the week
13 in which he was discharged or suspended and for the five weeks of
14 continuous unemployment immediately following such week; except
15 that such period of disqualification shall not be deemed termin-
16 ated by performance of short time casual or temporary work within
17 such period; or

18 (d) He has failed without good cause either to apply for
19 available suitable work to which he was referred by the employment
20 office, or to accept suitable work offered him, in which case he
21 shall be disqualified for the week in which such failure occurred
22 and for the five weeks of continuous unemployment immediately
23 following such week; or

24 (e) For such week or any part of such week he has received
25 or is seeking unemployment benefits under any other employment
26 security law in any manner other than in accordance with the
27 reciprocal arrangements with other States or the Federal govern-
28 ment, but if the appropriate agency finally determines that he is
29 not entitled to benefits under such other law, this paragraph

1 shall not apply; or

2 (f) For any week wherein claimant leaves her most recent
3 work to change her place of residence in order to remain with her
4 husband or family. Such disqualification shall continue until
5 such time subsequent to such week as claimant earns additional
6 wages, whether or not covered by this Act, of at least One hun-
7 dred twenty dollars (\$120.00); or

8 (g) For any week wherein claimant leaves her most recent
9 work to be married. Such disqualification shall continue until
10 such time subsequent to such week as claimant earns additional
11 wages, whether or not covered by this Act, of at least One hun-
12 dred twenty dollars (\$120.00); or

13 (h) For any week wherein claimant's unemployment is found
14 to be due to pregnancy. Such disqualification shall continue until
15 such time subsequent to such week as claimant earns additional
16 wages, whether or not covered by this Act, of at least One hun-
17 dred twenty dollars (\$120.00); or

18 (j) For such week his unemployment was due to a stoppage
19 of work then existing because of a labor dispute at the immediate
20 factor, establishment, or other premises at which he is or was
21 last employed, and for purposes of this section, each separate
22 department of the same premises which is commonly conducted as
23 a separate business in separate premises shall be deemed to be a
24 separate factory, establishment, or other premises; Provided,
25 that this paragraph shall not apply if the Director finds that

26 (1) He was not participating in or directly interested
27 in the labor dispute which caused the stoppage of work; and

28 (2) He did not belong to a grade or class of workers
of which, immediately before the commencement of the stoppage,

1 there were members employed at the premises at which the
2 stoppage occurred any of whom were participating in or
3 directly interested in the dispute.

4 (1) Within the 24 calendar months immediately preceding
5 such week he has, with intent to defraud by obtaining any benefits
6 not due under this Act, made a false statement or representation
7 of a material fact knowing it to be false or knowingly failed to
8 disclose a material fact, in which case he shall be disqualified
9 for the week in which the Director makes such determination and
10 for the twenty-six (26) weeks immediately following such week.

11 Section 742. SUITABLE WORK. (a) Notwithstanding any other
12 provisions of this Act, no work shall be deemed suitable and
13 benefits shall not be denied under any provision of this Act to
14 any otherwise eligible individual for refusing to accept new
15 work under any of the following conditions:

16 (1) If the position offered is vacant due directly
17 to a strike, lockout, or other labor dispute;

18 (2) If the wages, hours, or other conditions of the
19 work offered are substantially less favorable to the indi-
20 vidual than those prevailing for similar work in the locality.

21 (3) If, as a condition of being employed, the indivi-
22 dual would be required to join a company union or to resign
23 from or refrain from joining any bona fide labor organization.

24 (4) For the purpose of this chapter, this section shall
25 have the same meaning as is given by the Secretary of Labor
26 to the provisions of 3304 (a) (5) of the Federal Internal
27 Revenue Code of 1954.

28 In determining whether any work is suitable for a claimant
29 and in determining the existence of good cause for leaving or re-

1 facing any work, the Director shall, in addition to determining
2 the existence of any of the conditions specified in subsection
3 (a) (2) of this section consider the degree of risk to the claim-

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1 ant's health, safety, and morals, his physical fitness for the
2 work, his prior training and experience, his prior earnings, the
3 length of his unemployment, his prospects for obtaining work at
4 his highest skill, the distance of the available work from his
5 residence, his prospects for obtaining local work, and such other
6 factors as would influence a reasonably prudent person in the
7 claimant's circumstances.

8 RECOVERY OF BENEFIT PAYMENTS

9 Section 751. Except as provided in this section, any indivi-
10 dual who has received any sum as benefits from the Unemployment
11 Compensation Fund, when not entitled thereto under the provisions
12 of this Act, shall be liable to the fund for the sum improperly
13 paid to him.

14 As soon as the Director has knowledge of payments of benefits
15 to an individual under the circumstances mentioned in this section,
16 he shall promptly prepare and deliver or mail to the individual
17 at his last known address a notice of determination of liability
18 declaring that the individual has been determined liable to refund
19 the amount of benefits paid under the circumstances mentioned in
20 this section. Such amount, if not previously collected, shall be
21 collected from any future benefits payable to the individual;
22 Provided, however, that when the Director determines that an
23 individual has acted in good faith in claiming and receiving
24 benefits that he was not entitled to, and that great hardship
25 would result from charging said individual with repayment of said
26 benefits, the Director may, in his discretion, absolve said indivi-
27 dual from liability to the fund for repayment of said benefits.

28 For similar cause and in like manner, claims by other States
29 for the recovery of sums paid as benefits under an employment

1 security law of such other State to claimants shall be recoverable
2 under the provisions of this Act provided such sums were fraudu-
3 lently obtained; Provided, That such other State has a comparable
4 provision in its employment security law for recovery of such sums
5 on behalf of the Territory of Alaska.

6 Appeal from the determination of liability herein provided
7 may be had in the same manner and to the same extent as provided
8 by this Act for appeals relating to determinations in respect to
9 claims for benefits. If no such appeal is taken to the appeal
10 tribunal by the individual within ten days of the delivery of
11 the notice of determination of liability, or within ten days of
12 the mailing of the notice of determination, whichever is the
13 earlier, said determination of liability shall be deemed con-
14 clusive and final and the Court shall, upon application of the
15 Director, enter a judgment in the amount provided by the notice
16 of determination, which judgment shall have and be given the same
17 effect as if entered pursuant to civil action,

18 PROTECTION OF RIGHTS AND BENEFITS.

19 Section 761. WAIVER OF RIGHTS VOID. Any agreement by an in-
20 dividual to waive, release or commute his rights to benefits or any
21 other rights under this Act shall be void. Any agreement by any in-
22 dividual in the employ of any person or concern to pay all or any
23 portion of an employer's contributions, required under this Act
24 from such employer, shall be void. No employer shall directly or
25 indirectly make or require or accept any deduction from wages to
26 finance the employer's contributions required from him, or require
27 or accept any waiver of any right hereunder by any individual in
28 his employ. Any employer or officer or agent of any employer who
29 violates any provisions of this section shall, upon conviction

1 thereof, for each offense, be fined not more than One Thousand
2 (\$1,000.00) dollars or be imprisoned for not more than six months,
3 or both.

4 Section 732. LIMITATION OF FEES. No individual claiming
5 benefits shall be charged fees of any kind in any proceeding under
6 this Act by the Director or his representatives or by the Board,
7 or by any court or any officer thereof. Any individual claiming
8 benefits in any proceeding before the Director or his representa-
9 tives or the Board or a court may be represented by counsel or
10 other duly authorized agent; but no such counsel or agent shall
11 either charge or receive for such services more than an amount
12 approved by the Director, the Board, or the Court. Any person who
13 violates any provision of this section shall, upon conviction
14 thereof, for each offense, be fined not more than Five hundred
15 (\$500.00) dollars, or imprisoned for not more than six months,
16 or both.

17 Section 733. EXEMPTION OF BENEFITS. Any assignment, pledge,
18 or encumbrance of any rights to benefits which are or may become
19 due or payable under this Act shall be void; and such rights to
20 benefits shall be exempt from levy, execution, attachment, or
21 any other remedy whatsoever provided for the collection of debt;
22 and benefits received by any individual, so long as they are not
23 mingled with other funds of the recipient, shall be exempt from
24 any remedy whatsoever for the collection of all debts except
25 debts incurred for necessities furnished to such individual or his
26 spouse or dependents during the time when such individual was un-
27 employed. Any waiver of any exemption provided for in this section
28 shall be void.

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ARTICLE VIII APPEALS

1
2 Section 801. APPEAL TRIBUNALS. The Director shall appoint
3 one or more referees, selected in accordance with Article III,
4 each of whom shall constitute an appeal tribunal to hear and
5 decide appeals from determinations and redeterminations. The
6 Director may in his discretion appoint a tripartite appeal tribunal
7 to hear and decide cases involving section 741 (j), consolidated
8 appeals, or other appeals, as appropriate. A tripartite tribunal
9 shall consist of one referee selected pursuant to Article III, who
10 shall act as chairman, one representative of employers, and one
11 representative of employees. The latter two may be selected with-
12 out regard to Article III, shall serve at the pleasure of the
13 Director, and shall be paid a fee of not more than Twenty-five
14 (\$ 25) dollars per day of active service on such tribunal plus
15 necessary expenses. In the absence or disqualification of any
16 member of the tripartite appeal tribunal, the Director may appoint
17 an alternate. No hearing shall proceed in the absence of the
18 chairman of the appeal tribunal and the chairman shall act alone
19 in the absence of any other member and his alternate.

20 Section 802. REVIEW BY APPEAL TRIBUNAL. Any party entitled
21 to notice of determination as provided in section 702, may file an
22 appeal from the determination to an appeal tribunal within the
23 time specified in section 702. However, any appeal from a deter-
24 mination which involved section 741(j) shall be made to the
25 Director. The parties to an appeal from a determination shall
26 include all those entitled to notice of the determination, and a
27 properly designated representative of the Director. Whenever an
28 appeal involves a question whether service constitutes employment,
29 the tribunal shall give notice of the appeal and the issues in-

1 volved to a properly designated representative of the Director
2 and to the employing unit for which such service was performed;
3 and that employing unit, if not already a party, shall then be-
4 come a party to the appeal. If an appeal from a determination
5 is pending as of the date a redetermination is issued, the appeal
6 unless withdrawn shall be treated as an appeal from such redeter-
7 mination. Appeals may be withdrawn at the request of the appell-
8 ant and with the permission of the appeal tribunal if the record
9 preceding the appeal and the request for the withdrawal support
10 the correctness of the determination and indicate that no coercion
11 or fraud is involved in the withdrawal. In addition to the issues
12 raised by the appealed determination the tribunal may hear and
13 decide any additional issues affecting the claimant's rights to
14 benefits, if as of the date of hearing the Director has issued no
15 final determination concerning such additional issues and the
16 parties involved have been notified of the hearing and of the
17 pendency of such additional issues.

18 Section 603. HEARING PROCEDURE AND RECORD. A reasonable
19 opportunity for fair hearing shall be afforded all parties
20 promptly. An appeal tribunal shall inquire into and develop all
21 facts bearing on the issues and shall receive and consider evi-
22 dence without regard to statutory and common-law rules. The appeal
23 tribunal shall include in the record and consider as evidence all
24 records of the Director that are material to the issues. The
25 Director shall adopt regulations governing the manner of filing
26 appeals and the conduct of hearings and appeals consistent with
27 the provisions of this Act. A record shall be kept of all testi-
28 mony and proceedings in an appeal, but testimony need not be
29 transcribed unless further review is initiated. Witnesses ..

1 subpoenaed shall be allowed fees at a rate fixed by the Director;
2 and the fees of witnesses subpoenaed on behalf of the Director or
3 of any claimant shall be deemed part of the expense of administer-
4 ing this Act. No member of the commission, or of an appeal tri-
5 bunal, or any person acting on behalf of the commission or director
6 shall participate in any appeal in which he has a direct or in-
7 direct interest.

8 Section 804. CONSOLIDATED APPEALS. When the same or sub-
9 stantially similar evidence is material to the matter in issue
10 with respect to more than one individual, the same time and place
11 for considering all such cases may be fixed, hearings thereon
12 jointly conducted, a single record of the proceedings made, and
13 evidence introduced with respect to one proceeding considered as
14 introduced in the others, provided no party is prejudiced thereby.

15 Section 805. NOTICE OF DECISION OF APPEAL TRIBUNAL AND TIME
16 FOR APPEAL. After a hearing an appeal tribunal shall make find-
17 ings and conclusions promptly and on the basis thereof affirm,
18 modify, or reverse the Director's determination. Each party shall
19 be furnished promptly a copy of the decision and the supporting
20 findings and conclusions; this decision shall be final unless
21 further review is initiated pursuant to Section 806 within ten
22 days after the decision has been mailed to each party's last
23 known address or otherwise delivered to him; Provided, that such
24 period may be extended for good cause.

25 Section 806. REVIEW BY THE COMMISSION. An appeal to the com-
26 mission by any party shall be allowed as of right if the appeal
27 tribunal's decision reversed or modified the determination of the
28 Director, or if a question arising under Section 741(j) is pre-
29 sented; in all other cases further appeal shall be permitted only

1 at the discretion of the Commission. The Commission on its own
2 notice may initiate a review of a decision or determination of an
3 appeal tribunal within fifteen days after the date of the decision.
4 The Commission may affirm, modify, or reverse the findings or con-
5 clusions of the appeal tribunal solely on the basis of evidence
6 previously submitted, or upon the basis of such additional evidence
7 as it may take or direct to be taken.

8 Section 807. LABOR DISPUTES; DETERMINATION AND APPEALS.

9 In any case involving Section 741(j), the Director may designate
10 an appeal tribunal to hear and decide the case. The determination
11 of the appeal tribunal shall then be appealable, as of right, to
12 the Commission within the same period as that provided for appeal-
13 ing a determination made by the Director. When the Commission
14 makes the determination, it shall afford all parties a fair hear-
15 ing as required by this Article with respect to proceedings before
16 an appeal tribunal. No further administrative appeal shall be
17 permitted from the commission's determination in that case, but
18 judicial review may be initiated, as provided in Section 809.

19 Section 808. REMOVAL TO THE COMMISSION. The Commission may
20 remove to itself or transfer to another appeal tribunal any appeal
21 pending before an appeal tribunal. In any appeal so removed to
22 the Commission before a fair hearing has been completed the parties
23 shall be given a fair hearing by the Commission as required by
24 this Article with respect to proceedings before an appeal tribunal.

25 Section 809. NOTICE OF DECISION OF THE COMMISSION AND JUDICI-
26 AL REVIEW. (a) Each party, including the properly designated re-
27 presentative of the Commission, shall be furnished promptly a
28 copy of the decision and the supporting findings and conclusions
29 of the commission. The decision shall be final unless a party

1 initiates judicial review by filing an action in the District
2 Court for review within thirty days after the commission's
3 decision has been mailed to each party's last known address, or
4 otherwise delivered to him. For the purposes of judicial review,
5 an appeal tribunal's decision from which an application for appeal
6 has been denied by the commission shall be deemed to be the deci-
7 sion of the Commission, except that the time for initiating judi-
8 cial review shall run from the date of the mailing or delivery of
9 the notice of the denial or the application for appeal by the
10 Commission. The petition for review shall state the grounds upon
11 which review is sought but need not be verified. To obtain judi-
12 cial review exceptions need not be noted nor shall a bond be re-
13 quired either as a condition of initiating a proceeding for judi-
14 cial review of a determination of benefit rights or of entering
15 an appeal from the decision of the court upon such review.

16 (b) The Commission and all parties to the proceedings before
17 it shall be parties to the review proceedings. If the Commission
18 is a party respondent, the petition shall be served by leaving with
19 the Director, or any representative whom he designates for that
20 purpose, as many copies of the petition as there are respondents.
21 The Commission shall file with the court certified copies of the
22 record of the case together with its petition for review or its
23 answer to the appellant's petition. Upon the filing of a petition
24 for review by the Commission, or upon service of a petition upon
25 it, the Commission shall send a copy of the petition by registered
26 mail to each party and such mailing shall constitute service upon
27 the parties.

28 (c) The jurisdiction of the reviewing court shall be con-
29 fined to questions of law, and, in the absence of fraud, the find-

1 facts of fact by the Commission, if supported by substantial evidence
2 shall be conclusive. However, additional evidence may be required
3 by the court. Such additional evidence shall be taken before the
4 Commission, after which it shall file with the court its addition-
5 al or modified findings, together with transcripts of the addition-
6 al record. All proceedings under this section shall be heard
7 summarily and given precedence over all other civil cases except
8 those arising under the workmen's compensation law of this Terri-
9 tory. Appeals involving benefit rights shall be given precedence
10 over all other cases arising under this Act. An appeal may be
11 taken from the decision of the District Court to the United States
12 Circuit Court of Appeals in the same manner as provided for other
13 civil cases.

14 Section 810. CONCLUSIVENESS OF FINAL DETERMINATIONS AND
15 DECISIONS. Except insofar as there is a redetermination under
16 Article VII of this Act, all final determinations and decisions
17 shall be conclusive upon employing units and notice given the
18 Commission, and the claimant. No final determination or decision
19 as to benefit rights shall be subject to collateral attack by an
20 employing unit regardless of notice. The Commission, or appeal
21 tribunal, shall reopen a determination or decision or revoke
22 permission for withdrawal of an appeal if (a) he or it finds that
23 a worker or employer has been defrauded or coerced in connection
24 with the determination, decision, or withdrawal of the appeal,
25 and (b) the defrauded or coerced person informs the appropriate
26 officer or body of the fraud or coercion within sixty days after
27 he has become aware of the fraud or within sixty days after the
28 coercion has been removed.

29 Section 811. RULE OF DECISION AND CERTIFICATION TO COMMISSION

1 Final decisions of the Commission and the principles of law de-
2 clared in their support shall be binding in all subsequent pro-
3 ceedings involving similar questions unless expressly or implied-
4 ly overruled by a later decision of the Commission or of a court
5 of competent jurisdiction. Final decisions of appeal tribunals
6 and the principles of law declared in their support shall be bind-
7 ing on the employees and representatives of the Commission, and
8 shall further be persuasive authority in subsequent appeal tri-
9 bunal proceedings. If in any subsequent proceeding the Commission
10 or an appeal tribunal has serious doubt as to the correctness of
11 any principles previously declared by an appeal tribunal or by the
12 Commission, or if there is an apparent inconsistency or conflict
13 in final decisions of comparable authority, then the findings of
14 fact in such case may be certified, together with the question of
15 law involved, to the Commission. After giving notice and reason-
16 able opportunity for hearing upon the law to all parties to the
17 proceedings, the Commission shall certify to the appropriate
18 employees or representatives of the Commission or appeal tribunal
19 and the parties its answer to the question submitted; or the
20 Commission in its discretion may remove to itself the entire pro-
21 ceeding as provided in Section 808 and render its decision upon
22 the entire case.

23 Section 812. LIMITATION OF FEES. No claimant shall be
24 charged fees or costs of any kind by the Commission, or its repre-
25 sentatives, an appeal tribunal, or by any court or any court
26 officer, except that a court may assess costs against such claim-
27 ant if it determines that the proceedings for judicial review
28 have been instituted without reasonable grounds.

29 Section 813. REPRESENTATION OF CLAIMANT. Any claimant in

1 any proceeding before the Commission, or an appeal tribunal, may
2 be represented by counsel or other duly authorized agent. No
3 such counsel or agent shall either charge or receive for such
4 services more than an amount approved by the Commission.

5 Section 614. FEES OF ATTORNEYS FOR CLAIMANTS ON APPEALS TO
6 COURTS. An attorney at law representing a claimant on appeal to
7 the courts shall be entitled to reasonable counsel fees as fixed
8 by the court not to exceed \$300 and necessary court costs and
9 printing disbursements not exceeding \$150. In difficult cases
10 the court to which the appeal was taken may, upon application of
11 counsel for the claimant, increase such fees, court costs, or
12 disbursements to an amount which the court deems reasonable.
13 Such counsel fees, costs, and disbursements shall be paid by the
14 commission out of employment security administration funds in
15 each of the following cases: (a) any court appeal from an
16 administrative or judicial decision favorable in whole or in part
17 to the claimant, (b) any court appeal by a claimant from a
18 Commission decision which reverses a tribunal decision in his
19 favor, (c) any court appeal as a result of which the claimant
20 is awarded benefits, or (d) any court appeal by a claimant from
21 a decision by a tribunal, commission, or court which was not unan-
22 imous.

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ARTICLE IX PENALTIES

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2 Section 901. FALSE STATEMENT TO SECURE BENEFITS. Whoever
3 makes a false statement or misrepresentation knowing it to be
4 false or knowingly fails to disclose a material fact, to obtain
5 or increase any benefit or other payment under this Act or under
6 an employment security law of any State, of the Federal Government,
7 or of a foreign government, either for himself or for any other
8 person, upon conviction thereof, shall be punished by a fine of not
9 more than two hundred (\$200.00) dollars, or by imprisonment for not
10 longer than sixty days, or by both such fine and imprisonment; and
11 each such false statement or misrepresentation or failure to dis-
12 close a material fact shall constitute a separate offense.

13 Section 902. FALSE STATEMENTS BY EMPLOYER; REFUSAL TO PAY,
14 ETC. Any employing unit or any officer or agent of an employing
15 unit who makes a false statement or representation knowing it to
16 be false, or who knowingly fails to disclose a material fact, to
17 prevent or reduce the payment of benefits to any individual en-
18 titled thereto, or to avoid or reduce any contribution or other
19 payment required from an employing unit under this Act, or who
20 willfully fails or refuses to make any such contributions or other
21 payment, or to furnish any reports required by this Act or by
22 authority granted in this Act, or to produce or permit the inspec-
23 tion or copying of records as required hereunder, upon conviction
24 thereof, shall be punished by a fine of not more than two hundred
25 (\$200.00) dollars, or by imprisonment for not longer than sixty
26 days, or by both such fine and imprisonment.

27 Section 903. NONCOMPLIANCE WITH SUBPOENA OF AGENCY. Any
28 person who, without just cause, fails or refuses to attend and
29 testify or to answer any lawful inquiry or to produce books,

1 papers, correspondence, memoranda and other records, if it is
2 in his power so to do, in obedience to a subpoena of the
3 commission, an appeal tribunal, or any duly authorized repre-
4 sentative of any of them, upon conviction thereof, shall be fined
5 not more than \$300 or imprisoned for not longer than sixty days,
6 or both; and each day such failure or refusal continues shall
7 constitute a separate offense.

8 Section 304. VIOLATION OF LAW, RULES OR REGULATIONS. Any
9 person who wilfully violates any provision of this Act or any
10 order, rule, or regulation thereunder, the violation of which is
11 made unlawful or the observance of which is required under the
12 terms of this Act, and for which a penalty is neither prescribed
13 in this Act nor provided by any other applicable statute, upon
14 conviction thereof, shall be fined not more than \$200 or imprison-
15 ed for not longer than sixty days, or both.

16 Section 305. UNAUTHORIZED DISCLOSURE OF INFORMATION. If any
17 member of the commission or any employee of the commission in
18 violation of the provisions of Section 323 makes any disclosure
19 of information obtained from any employing unit or individual in
20 the administration of this Act, or if any person who has obtained
21 any list of applicants for work or of claimants or recipients of
22 benefits under this Act uses or permits the use of such list for
23 any purpose not authorized by Section 323, upon conviction there-
24 of, shall be fined not more than \$200 or imprisoned for not long-
25 er than ninety days, or both.

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1 ARTICLE X. MISCELLANEOUS PROVISIONS

2 Section 1001. NON-LIABILITY OF TERRITORY. Benefits shall
3 be deemed to be due and payable under this Act only to the extent
4 provided in this Act and to the extent that moneys are available
5 therefor to the credit of the Unemployment Fund, and the liability
6 of the Territory and the Commission shall be limited accordingly.

7 Section 1002. AMENDMENT OR REPEAL. The Legislature reserves
8 the right to amend or repeal all or any part of this Act at any
9 time; and there shall be no vested right of any kind against the
10 Territory as the result of such amendment or repeal.

11 Section 1003. SEPARABILITY CLAUSE. If any provision of this
12 Act, or the application thereof to any person or circumstance, is
13 held invalid, the remainder of this Act, and the application of
14 such provision to other persons or circumstances, shall not be
15 affected thereby.

16 Section 1004. TERMINATION. If at any time the Federal
17 Unemployment Tax Act shall be amended or repealed by Congress or
18 held unconstitutional by the Supreme Court of the United States,
19 with the result that no portion of the contributions required
20 under this Act may be credited against the tax imposed by said
21 Federal Act, in such event, the commission shall send immediate
22 notice of such fact to the Governor of the Territory who may, be-
23 cause of the danger to the welfare of the people of this Territory,
24 call a special session of the Legislature, if necessary, so that
25 it may take measures designed either to effectuate the purpose of
26 this Act or terminate its operations. Pending such determination
27 by the Legislature, the Commission shall requisition from the
28 Unemployment Trust Fund all monies therein standing to its credit,
29 which, together with any other monies in the Unemployment Fund,

1 as long as such monies are available, shall be used for the pay-
2 ment of benefits in accordance with the provisions of this Act.

3 Section 1011. CONTINUATION OF REGULATIONS, AGREEMENTS,
4 ACCOUNTS, ETC. All rules, regulations, procedures, policies,
5 funds, contracts, agreements, employees' positions, accounts,
6 assets and liabilities, whether vested or contingent, established
7 in any manner under the authority of the Alaska Employment Secur-
8 ity Law, are hereby continued, except where inconsistent with the
9 provisions of this Act.

10 Section 1012. ASSUMPTION OF RIGHTS AND LIABILITIES OF
11 COMMISSION. Upon his appointment under this Act, the Director
12 shall assume, and is hereby granted, all rights, liabilities,
13 powers and duties of the Alaska Employment Security Commission,
14 except where inconsistent with the provisions of this Act.

15 Section 1013. CONTINUATION OF COMMISSION AND DIRECTOR.
16 Notwithstanding any provisions of this Act to the contrary, the
17 Alaska Employment Security Commission shall continue with full
18 power and authority heretofore granted, until such time as a
19 Director of Employment Security is appointed by the Commission
20 under the provisions of this Act.

21 Section 1014. REPEALER. Chapter 5 of Title 51, ACIA 1949,
22 as amended and expanded by Chapters 25, 53, and 112 SLA 1949,
23 Chapters 10, 11, and 98 SLA 1951, Chapters 82, 83, 99, 113 and
24 138 SLA 1953, is hereby repealed and all acts and parts of acts
25 in conflict with this Act are hereby repealed to the extent of
26 such conflict.

27 Section 1015. An emergency is hereby declared to exist and
28 this Act shall take effect immediately upon its passage and
29 approval.