

*Boiler Room*

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1 IN THE HOUSE

2 HOUSE BILL NO. 52

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Employment Security;  
7 repealing all acts in conflict with this  
8 Act."

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

10 Article I

11 TITLE AND CONSTRUCTION OF ACT

12 Section 1. Short Title and Rule of Construction. This Act  
13 shall be known and may be cited as the "Alaska Employment Security  
14 Act." This Act shall be liberally construed to accomplish its  
15 purposes to promote employment security by increasing opportunities  
16 for placement through the maintenance of a system of public employ-  
17 ment offices and to provide through the accumulation of reserves  
18 for the payment of compensation to individuals with respect to  
19 their unemployment.

20 The Legislature hereby declares its intention to provide for  
21 carrying out the purposes of this Act in cooperation with the  
22 appropriate agencies of other states and of the Federal Govern-  
23 ment, as part of a nationwide employment security program; and  
24 particularly to provide for meeting the requirements of Title III  
25 of the Federal Social Security Act, the requirements of section  
26 1802 and section 1805 of the Federal Unemployment Tax Act (Chapter  
27 9, subchapter 9 of Internal Revenue Code), and the Act of Congress  
28 approved June 6, 1938, entitled "An Act to provide for the  
29 establishment of a national employment system and for cooperation

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

8       Sec. 2. Declaration of State Public Policy. As a guide  
9 to the interpretation and application of this Act, the public  
10 policy of this Territory is declared to be as follows: Economic  
11 insecurity due to unemployment is a serious menace to the health,  
12 morals, and welfare of the people of this Territory. Unemployment  
13 is therefore a subject of general interest and concern which re-  
14 quires appropriate action by the Legislature to prevent its spread  
15 and to lighten its burden which now so often falls with crushing  
16 force upon the unemployed worker and his family. The achievement  
17 of social security requires protection against this greatest hazard  
18 of our economic life. This objective can be furthered by operating  
19 free public employment offices in affiliation with a nation-wide  
20 system of public employment services; by devising appropriate  
21 methods for reducing the volume of unemployment; and by the  
22 systematic accumulation of funds during periods of employment  
23 from which benefits may be paid for periods of unemployment,  
24 thus maintaining purchasing power, promoting the mobility and the  
25 use of the highest skills of unemployed workers, and limiting the  
26 serious social consequences of unemployment. The Legislature,  
27 therefore, declares that in its considered judgment, the public  
28 good and the general welfare of the citizens of this Territory  
29 require the enactment of this measure, under the police power.

1 the Territory, for the establishment and maintenance of free public  
2 employment offices and for the compulsory setting aside of reserves  
3 to be used for the benefit of unemployed persons.

4 Article II

5 DEFINITIONS

6 Section 1. The words and phrases used in the Alaska Employ-  
7 ment Security Act, unless the context clearly requires other-  
8 wise, shall have the meanings in the definitions set forth in  
9 this Article. (Sections 1 to 51 inclusive.)

10 Sec. 2. "American vessel" means any vessel documented or  
11 numbered under the laws of the United States; and any vessel  
12 which is neither documented or numbered under the laws of the  
13 United States nor documented under the laws of any foreign  
14 country, if its crew performs service solely for one or more  
15 citizens or residents of the United States or corporations  
16 organized under the laws of the United States or of any State.

17 Sec. 3. "Base period" means the first four of the last  
18 five completed calendar quarters immediately preceding the first  
19 day of an individual's benefit year.

20 Sec. 4. "Benefits" means the money payments payable to an  
21 individual, as provided in this Act, with respect to his un-  
22 employment.

23 Sec. 5. "Benefit year" means the one-year period beginning  
24 with the first day of the week in which an insured worker first  
25 files a request for determination of his insured status, and  
26 thereafter the one-year period beginning with first day of the  
27 week in which he next files such request after the end of his  
28 last preceding benefit year. The filing of a notice of unemploy-  
29 ment shall be deemed a request for determination of insured

1 status if a current benefit year has not previously been established;  
2 Provided, however, that after the effective date of this Act  
3 and notwithstanding any other provisions of this Act, the  
4 benefit year of any claimant who has for the uniform benefit  
5 year ending July 2, 1955, (1) filed a request for an initial  
6 determination, (2) been found eligible for benefits, and (3)  
7 certified for a waiting period or filed a claim for benefits  
8 prior to the effective date of the Act shall terminate upon  
9 the earlier of the following:

10 (a) The expiration of one year from the date as of  
11 which the claimant filed a request for a determination of insured  
12 status in the old benefit year, or

13 (b) The exhaustion of benefits payable under a  
14 determination of insured status for the old benefit year.

15 Sec. 6. "Calendar quarter" means the period of three  
16 consecutive calendar months ending on March 31, June 30,  
17 September 30, or December 31.

18 Sec. 7. "Claimant" means an individual who has filed  
19 a request for a determination of insured status, a notice of  
20 unemployment, a certification for waiting-week credit, or a  
21 claim for benefits.

22 Sec. 8. "Commission" means the Employment Security Comm-  
23 ission established to administer the provisions of the Alaska  
24 Employment Security Act.

25 Sec. 9. "Contributions" means the money payments required  
26 by this Act to be made into the Alaska Unemployment Compensation  
27 Fund by an employer on account of having individuals performing  
28 service for him and, for the purpose of Article VIII Section 4,  
29 credits applied against contributions in accordance with the

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1 provisions of Article VIII section 4:

2       Sec. 10. "Employer" means: (a) Any employing unit  
3 which for some portion of a day within the current calendar  
4 year has or had in employment one or more individuals; and

5       (b) For the effective period of its election pursuant  
6 to Article VII section 4, any employing unit which has elected  
7 to become subject to this Act.

8       Sec. 11. (a) "Employing unit" means any individual or  
9 type of organization including the Territorial government;  
10 any of its political subdivisions or instrumentalities; any  
11 partnership, association, trust, estate, joint-stock company,  
12 insurance company, or corporation, whether domestic or foreign,  
13 or the receiver, trustee in bankruptcy, trustee, or successor  
14 of any of the foregoing; or the legal representative of a  
15 deceased person, which has, or subsequent to January 1, 1937,  
16 had one or more individuals performing service for it within  
17 this Territory;

18       (b) All individuals performing service within this  
19 Territory for any employing unit which maintains two or more  
20 separate establishments within this Territory shall be deemed  
21 to be performing service for a single employing unit for all  
22 purposes of this Act;

23       (c) Each individual engaged to perform or to assist  
24 in performing the work of any person in the service of an  
25 employing unit shall be deemed to be engaged by such employing  
26 unit for all the purposes of this Act, whether such individual  
27 was engaged, or paid directly by such employing unit or by  
28 such person, provided the employing unit had actual or con-  
29 structive knowledge of the work;

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1       Sec. 12. "Employment" means: (a) Any service performed  
2 prior to January 1, 1955, which was employment as defined in  
3 this section prior to such date, and subject to the other  
4 provisions of this section, service performed after December 31,  
5 1954, by an individual for wages or by an officer of a corp-  
6 oration, including service in interstate commerce;

7       (b) service performed after December 31, 1954, by  
8 an individual for this Territory or any political subdivision  
9 thereof, or any instrumentality of any one or more of the fore-  
10 going which is wholly owned by this Territory or by one or  
11 more of its political subdivisions;

12       (c) notwithstanding section 3, all service performed  
13 after December 31, 1954, by an officer or member of the crew  
14 of an American vessel on or in connection with such vessel,  
15 if the operating office, from which the operations of such  
16 vessel operating on navigable waters within, or within and  
17 without, the United States are ordinarily and regularly super-  
18 vised, managed, directed and controlled, is within this Terri-  
19 tory; and

20       (d) notwithstanding any other provisions of this  
21 chapter, service with respect to which a tax is required to be  
22 paid under any Federal law imposing a tax against which credit  
23 may be taken for contributions required to be paid into a  
24 State unemployment fund.

25       Sec. 13. The term "employment" shall include an individual's  
26 entire service, performed within, or both within and without,  
27 this Territory if the service is localized in this Territory.  
28 Service shall be deemed to be localized within a State or  
29 Territory if

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1 (a) the service is performed entirely within such  
2 State or Territory; or

3 (b) The service is performed both within and without  
4 such State or Territory but the service performed without  
5 such State or Territory is incidental to the individual's  
6 service within the State or Territory; for example, is temp-  
7 orary or transitory in nature or consists of isolated trans-  
8 actions.

9 Sec. 14. The term "employment" shall include an indivi-  
10 dual's entire service, performed within, or both within and  
11 without, this Territory if the service is not localized in  
12 any State or Territory but some of the service is performed  
13 in this Territory and

14 (a) the individual's base of operations is in this  
15 Territory; or

16 (b) if there is no base of operations, then the place  
17 from which such service is directed or controlled is in this  
18 Territory; or

19 (c) the individual's base of operations or place  
20 from which such service is directed or controlled is not in  
21 any State or Territory in which some part of the service is  
22 performed, but the individual's residence is in this Territory.

23 Sec. 15. The term "employment" shall, during the effective  
24 period of the election, include service covered by an election  
25 pursuant to Article VII section 4, service covered by an election  
26 duly approved by the Commission in accordance with an arrange-  
27 ment pursuant to Article XIV, and service not otherwise covered  
28 under this Act, performed entirely without this Territory,  
29 with respect to no part of which contributions are required

1 and paid under the Unemployment Insurance Compensation Law  
2 of any other state or Territory, if the individual performing  
3 such service is a resident of this Territory and the Commission  
4 approved the election filed by the employing unit for whom the  
5 services are performed in the same manner as for elections  
6 filed under Article XIV section 3.

7       Sec. 16. Service performed by an individual shall be  
8 deemed to be employment subject to this Act irrespective of whether  
9 the common-law relationship of master and servant exists, unless  
10 and until it is shown to the satisfaction of the commission that

11           (a) such individual has been and will continue to  
12 be free from control and direction in connection with the  
13 performance of such service, both under his contract for the  
14 performance of service and in fact; and

15           (b) such service is performed either outside the  
16 usual course of the business for which the service is performed  
17 or is performed outside of all the places of business of the  
18 enterprise for which the service is performed; and

19           (c) such individual is customarily engaged in an  
20 independently established trade, occupation, profession, or  
21 business of the same nature as that involved in the service  
22 performed.

23       Sec. 17. The term "employment" shall not include service  
24 performed in the employ of an individual owner or tenant  
25 operating a farm, in connection with the cultivation of the  
26 soil, the harvesting of crops, or the raising, feeding, or  
27 management of livestock, bees, or poultry, or in connection  
28 with the processing, packing, or marketing of the produce of  
29 such farm as an incident to ordinary farming operations.

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1       Sec. 18. The term "employment" shall not include domestic  
2 service in a private home;

3       Sec. 19. The term "employment" shall not include service  
4 not in the course of the employing unit's trade or business  
5 performed after \_\_\_\_\_ in any calendar quarter by an  
6 individual, unless the cash remuneration paid for such service  
7 is \$50 or more and such service is performed by an individual  
8 who is regularly employed by such employing unit to perform  
9 such service. For the purposes of this paragraph,  
10 an individual shall be deemed to be regularly employed to  
11 perform service not in the course of an employing unit's trade  
12 or business during a calendar quarter only if (a) on each of  
13 some twenty-four days during such quarter such individual  
14 performs such service for some portion of the day; or (b) such  
15 individual was regularly employed (as determined under clause  
16 (a)) by such employing unit in the performance of such service  
17 during the preceding calendar quarter.

18       Sec. 20. The term "employment" shall not include service  
19 performed by an individual in any calendar quarter after  
20 December 31, 1954, in the employ of any organization exempt  
21 from income tax under section \_\_\_\_\_ (101) of the Federal  
22 Internal Revenue Code, if (a) the remuneration for such service  
23 is less than \$50; or (b) such service is in connection with  
24 the collection of dues or premiums for a fraternal beneficiary  
25 society, order, or association, and is performed away from  
26 the home office, or is ritualistic service in connection with  
27 any such society, order, or association; or (c) such service  
28 is performed by a student who is enrolled, and is regularly  
29 attending classes, at a school, college, or university; or

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1 (a) such service is performed by a duly ordained, commissioned,  
2 or licensed minister of religion in the exercise of his ministry,  
3 or by a member of a religious order in the exercise of duties  
4 required by such order.

5 Sec. 21. The term "employment", notwithstanding section 13  
6 of this Article shall not include service performed by an officer  
7 or member of the crew of an American vessel on or in connection  
8 with such vessel, if the operating office, from which the  
9 operations of such vessel operating on navigable waters within,  
10 or within and without, the United States are ordinarily and  
11 regularly supervised, managed, directed and controlled, is  
12 without this Territory.

13 Sec. 22. The term "employment" shall not include service  
14 performed on or in connection with a vessel not an American  
15 vessel by an individual, if he performed service on and in  
16 connection with such vessel when outside the United States.

17 Sec. 23. The term "employment", shall not include service  
18 performed by an individual in (or as an officer or member of  
19 the crew of a vessel while it is engaged in) the catching,  
20 taking, harvesting, cultivating, or farming of any kind of fish,  
21 shellfish, crustacea, sponges, seaweeds, or other aquatic forms  
22 of animal and vegetable life (including service performed by  
23 any such individual as an ordinary incident to any such activity),  
24 except (a) service performed in connection with the catching  
25 or taking of salmon or halibut, for commercial purposes, and  
26 (b) service performed on or in connection with a vessel of  
27 more than ten net tons (determined in the manner provided  
28 for determining the register tonnage of merchant vessels under  
29 the laws of the United States),

1       Sec. 24. The term "employment" shall not include service  
2 performed by an individual in the employ of his son, daughter,  
3 or spouse, and service performed by a child under the age of  
4 twenty-one in the employ of his father or mother.

5       Sec. 25. The term "employment" shall not include service  
6 performed in the employ of the United States Government or  
7 an instrumentality of the United States exempt under the Consti-  
8 tution of the United States from the contributions imposed  
9 by this Act, except that to the extent that the Congress of  
10 the United States shall permit States to require any instrument-  
11 alities of the United States to make payments into an unemploy-  
12 ment fund under a State employment security law, all of the  
13 provisions of this Act shall apply to such instrumentalities,  
14 and to service performed for such instrumentalities, in the  
15 same manner, to the same extent, and on the same terms as to  
16 all other employers, employing units, individuals, and service:  
17 Provided, That if this Territory shall not be certified for  
18 any year by the Secretary of Labor under section 1603(c) of  
19 the Federal Unemployment Tax Act, the payments required of  
20 such instrumentalities with respect to such year shall be  
21 refunded by the commission from the fund in the same manner  
22 and within the same period as is provided in Article IX section 6  
23 with respect to contributions erroneously collected.

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

28       Sec. 27. The term "employment" shall not include service  
29 performed on an unemployment work-relief project undertaken by

1 this Territory or any subdivision thereof.

2       Sec. 28. The term "employment" shall not include service  
3 performed in the employ of any other State, or any political  
4 subdivision thereof, or any instrumentality of any one or more  
5 of the foregoing which is wholly owned by one or more such  
6 States or political subdivisions; and any service performed  
7 in the employ of any instrumentality of one or more other  
8 States or their political subdivisions to the extent that the  
9 instrumentality is, with respect to such service, exempt under  
10 the Constitution of the United States from the tax imposed  
11 by section 1600 of the Federal Unemployment Tax Act.

12       Sec. 29. The term "employment" shall not include service  
13 with respect to which unemployment insurance is payable under  
14 an unemployment insurance program established by an act of  
15 Congress.

16       Sec. 30. The term "employment" shall not include service  
17 performed in the employ of a foreign government (including  
18 service as a consular or other officer or employee or a non-  
19 diplomatic representative).

20       Sec. 31. The term "employment" shall not include service  
21 performed in the employ of an instrumentality wholly owned  
22 by a foreign government if (a) the service is of a character  
23 similar to that performed in foreign countries by employees  
24 of the United States Government or of an instrumentality thereof,  
25 and (b) the commission finds that the United States Secretary  
26 of State has certified to the United States Secretary of the  
27 Treasury that the foreign government, with respect to whose  
28 instrumentality exemption is claimed, grants an equivalent  
29 exemption with respect to similar service performed in the

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1 foreign country by employees of the United States Government  
2 and of instrumentalities thereof.

3 Sec. 32. The term "employment" shall not include service  
4 performed in the employ of an international organization.

5 Sec. 33. The term "employment" shall not include service  
6 covered by an election duly approved by the agency charged  
7 with the administration of any other State or Federal employ-  
8 ment security law, in accordance with an arrangement pursuant  
9 to Article XIV, section 4 during the effective period of such  
10 election.

11 Sec. 34. Included and Excluded Services. If the service  
12 performed during one-half or more of any pay-period by an  
13 individual for an employing unit constitutes employment, all  
14 the service of such individual for such period shall be deemed  
15 to be employment; but if the service performed during more  
16 than one-half of any such pay period by an individual for an  
17 employing unit does not constitute employment, then none of  
18 the service of such individual for such period shall be deemed  
19 to be employment. As used in this paragraph the term "pay  
20 period" means a period (of not more than thirty-one consecutive  
21 days) for which a payment for service is ordinarily made to  
22 the individual by the employing unit. This paragraph shall not  
23 be applicable with respect to service performed in a pay period  
24 by an individual for an employing unit, when any of such service  
25 is excluded because it is subject to an unemployment insurance  
26 program established by an act of Congress.

27 Sec. 35. "Employment office" means a free public employ-  
28 ment office or branch thereof operated by this Territory or any  
29 other State as a part of a State-controlled system of public

1 employment offices or by a Federal agency or any agency of a  
2 foreign government charged with the administration of an un-  
3 employment insurance program or of free public employment offices.

4       Sec. 36. "Fund" means the unemployment fund established  
5 by this Act.

6       Sec. 37. "Insured work" means employment for employers.

7       Sec. 38. "Insured worker" means an individual who, with  
8 respect to a base period, meets the wage and employment re-  
9 quirement which qualify a worker for benefits.

10       Sec. 39. "State" includes the States of the United States  
11 of America, Alaska, Hawaii, and the District of Columbia.

12       Sec. 40. "Wages" means all remuneration for service from  
13 whatever source, including commissions and bonuses and the  
14 cash value of a remuneration in any medium other than cash.  
15 Gratuities customarily received by an individual in the course  
16 of his service from persons other than his employing unit shall  
17 be treated as wages received from his employing unit but only to  
18 the extent such individual reports the gratuities to his employing  
19 unit. Back pay awarded under any statute of this Territory or  
20 of the United States shall be treated as wages. The reasonable  
21 cash value of remuneration in any medium other than cash, and  
22 the reasonable amount of gratuities, shall be estimated and  
23 determined in accordance with rules prescribed by the Commission.  
24 For the purpose of a determination of insured status only,  
25 back-pay awards shall be allocated to the quarters with respect  
26 to which they were paid. If the remuneration of an individual  
27 is not based upon a fixed period of duration of time or if  
28 his wages are paid at irregular intervals or in such manner  
29 as not to extend regularly over the period of employment, for

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

7       Sec. 41. Notwithstanding the provisions of Article II,  
8 section 40, the term "wages" shall not include the amount of  
9 any payment made after January 1, 1941, (including any amount  
10 paid by an employing unit for insurance or annuities, or into  
11 a fund, to provide for any such payment), to, or on behalf of,  
12 an individual or any of his dependents under a plan or system  
13 established by an employing unit which makes provision generally  
14 for individuals performing service for it (or for such individuals  
15 generally and their dependents) or for a class or classes of  
16 such individuals (or for a class or classes of such individuals  
17 and their dependents), on account of (a) retirement, or (b)  
18 sickness or accident disability, or (c) medical or hospitalization  
19 expenses in connection with sickness or accident disability, or  
20 (d) death.

21       Sec. 42. Notwithstanding the provisions of Article II,  
22 section 40, the term "wages" shall not include the amount of  
23 any payment made by an employing unit to an individual performing  
24 service for it (including any amount paid by an employing unit  
25 for insurance or annuities, or into a fund, to provide for any  
26 such payment) on account of retirement.

27       Sec. 43. Notwithstanding the provisions of Article II,  
28 section 40, the term "wages" shall not include the amount of any  
29 payment on account of sickness or accident disability, or medical

1 or hospitalization expenses in connection with sickness or accident  
2 disability, made by an employing unit to, or on behalf of, an  
3 individual performing services for it after the expiration of six  
4 calendar months following the last calendar month in which the  
5 individual performed services for such employing unit.

6     <sup>b</sup> Sec. 44. Notwithstanding the provisions of Article II,  
7 section 40, the term "wages" shall not include the amount of  
8 any payment made after December 31, 1954, by an employing unit  
9 to, or on behalf of, an individual performing services for it  
10 or his beneficiary (a) from or to a trust exempt from tax under  
11 section 165(c) of the Federal Internal Revenue Code at the time  
12 of such payment unless such payment is made to an individual  
13 performing services for the trust as remuneration for such  
14 services and not as a beneficiary of the trust, or (b) under  
15 or to an annuity plan which, at the time of such payments, meets  
16 the requirements of section 165(a)(3), (4), (5), and (6) of  
17 the Federal Internal Revenue Code.

18     Sec. 45. Notwithstanding the provisions of Article II,  
19 section 40, the term "wages" shall not include the amount of  
20 any payment made by an employing unit (without deduction from  
21 the remuneration of the individual in its employ) of the tax  
22 imposed upon an individual in its employ under section 1400 of  
23 the Federal Internal Revenue Code with respect to service  
24 performed after January 1, 1941.

25     Sec. 46. Notwithstanding the provisions of Article II,  
26 section 40, the term "wages" shall not include remuneration  
27 paid after December 31, 1954, in any medium other than cash to  
28 an individual for service not in the course of the employing  
29 unit's trade or business.

1           Sec. 47. Notwithstanding the provisions of Article II,  
2 section 40, the term "wages" shall not include the amount of  
3 any payment (other than vacation or sick pay) made after  
4 December 31, 1954, to an individual after the month in which  
5 he attains the age of sixty-five, if he did not perform services  
6 for the employing unit in the period for which such payment  
7 is made.

8           Sec. 48. Notwithstanding the provisions of Article II,  
9 section 40, the term "wages" shall not include dismissal payments  
10 before January 1, 1941, which the employing unit is not legally  
11 required to make.

12           Sec. 49. "Waiting week" means the first week of unemploy-  
13 ment, occurring in a benefit year or within the ten (10) day  
14 period immediately preceding such year, in which the worker has  
15 complied with all the requirements of Article IV.

16           Sec. 50. "Week" means such period of seven consecutive days  
17 as the commission may by regulation prescribe.

18           Sec. 51. "Week of unemployment" with respect to an individual  
19 means any week during which he performs less than full-time work  
20 for any employing unit if the wages payable to him with respect  
21 to such week are less than his weekly benefit amount.

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1 and who meets the conditions of eligibility for benefits of Article  
2 IV shall be paid with respect to such week an amount equal to his  
3 weekly benefit amount less that part of the wages (if any) payable  
4 to him with respect to such week which is in excess of ten dollars  
5 (.10.00); except that any insured worker who files his claim for  
6 benefit for such week while residing outside the Territory shall  
7 be paid an amount equal to not more than forty dollars (~~40~~40.00)  
8 less that part of the wages (if any) payable to him with respect  
9 to such week which is in excess of ten dollars (~~10~~10.00). Such  
10 benefits, if not a multiple of \$1.00 shall be computed to the  
11 next higher multiple of \$1.00.

12       Sec. 5. Proration of Wages. For the purposes of this  
13 Article in determining whether or not an individual is eligible  
14 to receive benefits, his weekly benefit amount and the maximum  
15 potential benefits, wages paid by one employer to an individual  
16 during one calendar year but not reported for the calendar  
17 quarters in which paid pursuant to the provisions of Article VIII,  
18 section 3 or other similar provisions excluding from the tax  
19 base remuneration in excess of four thousand eight hundred dollars  
20 (\$4,800.00) paid during a calendar year by an employer or his  
21 predecessor, shall be to the extent of four thousand eight hundred  
22 dollars (\$4,800.00), equally prorated throughout the weeks in  
23 which he was employed.

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Article IV

2

CONDITIONS FOR RECEIPT OF BENEFITS

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Section 1. Eligibility for Benefits. An insured worker shall  
4 be eligible for and shall receive waiting-week credit or benefits, as  
5 the case may be, for any week of his unemployment with respect to  
6 which he has not been determined to be disqualified under Article  
7 IV, section 2, if such worker has, in accordance with regulations  
8 prescribed by the commission with respect to such week:

9

(a) filed a notice of his unemployment;

10

(b) registered for work; and

11

(c) certified for waiting-week credit or filed a claim

12

for benefits, as the case may be.

13 No benefits are payable for a waiting week and no benefits are  
14 payable for any week of unemployment occurring within the benefit  
15 year prior to the completion of such waiting week, except that no  
16 insured worker shall be required to serve a waiting week if the  
17 first week of his unemployment occurring within a benefit year is  
18 immediately preceded by a week of unemployment in the preceding  
19 benefit year for which benefits are payable.

20 Sec. 2. Disqualifications. An insured worker shall not be  
21 disqualified for waiting-week credit or benefits for any week of  
22 his unemployment unless with respect to such week the commission  
23 finds that:

24

(a) He was not able to work or was not available for

25

suitable work for such week; or

26

(b) He left suitable work voluntarily without good cause,  
27 in which case he shall be disqualified for the week in which he  
28 left work and the five weeks of continuous unemployment immediately  
29 following such week; except that and such period of continuous such

1 unemployment beginning within the six week period prior to a week  
2 with respect to which he certifies for waiting week credit or files  
3 a claim for benefits shall not be deemed terminated by performance  
4 of short time casual or temporary work.

5 (c) He was discharged or suspended for misconduct connect-  
6 ed with his work, in which case he shall be disqualified for the  
7 week in which he was discharged or suspended and for the five weeks  
8 of continuous unemployment immediately following such week; except  
9 that and such period of continuous unemployment beginning within the  
10 six week period prior to a week with respect to which he certifies  
11 for waiting week credit or files a claim for benefits shall not be  
12 deemed terminated by performance of short time casual or temporary  
13 work.

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

20 (e) For such week or other part of such week he has re-  
21 ceived or is seeking unemployment benefits under any other  
22 employment security law in any manner other than in accordance with  
23 the reciprocal arrangements with other States or the Federal  
24 government in accordance with Article XV, but if the appropriate  
25 agency finally determines that he is not entitled to benefits under  
26 such other law, this paragraph shall not apply; or

27 (f) For such week his unemployment was due to a stoppage  
28 of work then existing because of a labor dispute at the immediate  
29 factory, establishment, or other premises at which he is or was

1 last employed, and for purposes of this section, each separate  
2 department of the same premises which is commonly conducted as  
3 a separate business in separate premises shall be deemed to be a  
4 separate factory, establishment, or other premises: Provided,  
5 That this paragraph shall not apply if the commission finds that--

6 (1) He was not participating in or directly interest-  
7 ed in the labor dispute which caused the stoppage of work; and

8 (2) He did not belong to a grade or class of workers  
9 of which, immediately before the commencement of the stoppage, there  
10 were members employed at the premises at which the stoppage occurred  
11 any of whom were participating in or directly interested in the  
12 dispute.

13 (g) Within the 24 calendar months immediately preceding such  
14 week he has, with intent to defraud by obtaining any benefits not  
15 due under this Act, made a false statement or representation of a  
16 material fact knowing it to be false or knowingly failed to disclose  
17 a material fact, in which case he shall be disqualified for the week  
18 in which the commission makes such determination and for not more  
19 than the twenty-six (26) weeks immediately following such week,  
20 Provided however, That no disqualification shall be imposed if  
21 proceedings have been undertaken against the claimant under Article  
22 XIII section 1,

23 Sec. 3. Suitable Work (a) Notwithstanding any other provision  
24 of this Act, no work shall be deemed suitable and benefits shall not  
25 be denied under any provision of this Act to any otherwise eligible  
26 individual for refusing to accept new work under any of the follow-  
27 ing conditions:

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

1 (2) If the wages, hours, or other conditions of the  
2 work offered are substantially less favorable to the individual  
3 than those prevailing for similar work in the locality;

4 (3) If, as a condition of being employed, the  
5 individual would be required to join a company union or to resign  
6 from or refrain from joining any bona fide labor organization.

7 (4) For the purpose of this chapter, this section  
8 shall have the same meaning as the provisions of 1603 (a) (5) of  
9 the Federal Unemployment Tax Act.

10 (b) In determining whether any work is suitable for a  
11 claimant and in determining the existence of good cause for leaving  
12 or refusing any work, the commission shall, in addition to determin-  
13 ing the existence of any of the conditions specified in section 3  
14 (a) consider the degree of risk to the claimant's health, safety,  
15 and morals, his physical fitness for the work, his prior training  
16 and experience, his prior earnings, the length of his unemployment,  
17 his prospects for obtaining work at his highest skill, the distance  
18 of the available work from his residence, his prospects for obtain-  
19 ing local work, and such other factors as would influence a reason-  
20 ably prudent person in the claimant's circumstances.

21 Article V

22 DETERMINATIONS, NOTICES, AND PAYMENTS OF BENEFITS

23 Section 1. Payment of Benefits. Benefits shall be paid through  
24 public employment offices in accordance with regulations prescribed  
25 by the commission.

26 Sec. 2. Information to Workers on Benefit Rights. The  
27 commission shall supply to each employer, without cost to the  
28 employer, printed statements concerning the regulations applicable  
29 to the establishment of benefit rights and other materials relating

1 to the administration of this Act. Each employer shall post such  
2 printed statements and maintain them in places readily accessible,  
3 to his workers and shall supply copies of such printed statements  
4 to his workers.

5       Sec. 3. Notice by Employing Unit. An employing unit having  
6 knowledge of any facts which may affect an individual's right to  
7 waiting-week credit or benefits shall notify the commission of such  
8 facts promptly, in accordance with regulations prescribed by the  
9 commission.

10       Sec. 4. Determinations. (a) Any individual may file a request  
11 for a determination of his insured status in accordance with  
12 regulations prescribed by the commission. Upon such request, or, if  
13 no such request has been made with respect to a current benefit year,  
14 upon the filing of a notice of unemployment, the commission shall  
15 promptly determine such individual's insured status. A determination  
16 that an individual is an insured worker shall remain in effect  
17 throughout the benefit year for which it is made, unless modified  
18 in accordance with section 6 and 7 of this Article and Article VI.

19       (b) When an insured worker files a notice of unemployment,  
20 the commission shall determine promptly whether such worker is  
21 disqualified under any of the provisions of Article IV, section 2  
22 (except paragraph a) by reason of any facts which existed on the  
23 date such notice was filed.

24       (c) Thereafter, (1) whenever it is necessary to determine  
25 a claimant's right to waiting-period credit or benefits, the  
26 commission shall determine promptly whether the claimant is dis-  
27 qualified under the applicable paragraphs of Article IV, section 2,  
28 except paragraphs (a) and (c) for each week of the period of  
29 continuous unemployment immediately following the filing of a notice

1 of unemployment with respect to which he has not previously  
2 certified for waiting-week credit or filed a claim for benefits;  
3 and (2) when the claimant certifies for waiting-week credit or files  
4 a claim for benefits for any such week of unemployment, the com-  
5 mission shall determine promptly whether such claimant has satisfied  
6 the conditions of Article IV, section 1, and whether he is dis-  
7 qualified for such week under Article IV, sections 2 (a) and (e).

8 (d) Whenever a determination whether a claimant is dis-  
9 qualified involves the application of Article IV, section 2 (f),  
10 the commission may set the case for hearing and decision in  
11 accordance with Article VI.

12 Sec. 5. Written Notice of Determination. (a) Written notice  
13 of a determination of insured status shall be furnished to the  
14 claimant promptly. Such notice shall include a statement as to  
15 whether the claimant is an insured worker, the amount of wages for  
16 insured work paid to him by each employer during his base period,  
17 and the employers by whom such wages were paid. For an insured  
18 worker the notice shall include also his benefit year, his basic  
19 weekly benefit amount, and the maximum amount of benefits that may  
20 be paid to him for his unemployment during such year; for a worker  
21 who is not insured, the notice shall include the reason for such  
22 determination.

23 (b) If the commission determines pursuant to Article IV  
24 that a claimant is not eligible to receive waiting-week credit or  
25 benefits for any week or weeks, he shall promptly furnish to such  
26 claimant written notice of such determination together with a  
27 statement of the reasons therefore and of the period covered by such  
28 determination. Written notice of such determination shall be given  
29 to the claimant only once with respect to the period covered by the

1 determination except that if the commission determines that such  
2 claimant is disqualified for an indeterminate period under the  
3 provisions of Article IV, section 2(a) or (f), by reason of the  
4 same facts, written notice of such determination with respect to  
5 the first of such weeks shall be furnished to the claimant promptly;  
6 thereafter, written notice of such determinations with respect to  
7 any subsequent week or weeks for which a claimant has filed a claim  
8 shall be furnished to him promptly upon his request, or in the  
9 absence of such request, shall be furnished promptly with respect  
10 to each period of not more than four weeks.

11 (c) The last employing unit which employed a claimant  
12 shall be entitled to receive written notice of a determination made  
13 pursuant to Article IV, section 2, only if it has furnished : " :  
14 information to the commission in accordance with Article V, section  
15 3, prior to such determination; and the commission shall promptly  
16 give such employing unit written notice of any determination made  
17 pursuant to Article IV, section 2, which is based in whole or in  
18 part on the information furnished, together with the reasons therefor  
19 or, if it is determined that the individual concerned is not an  
20 insured worker, written notice to that effect.

21 (d) Written notice of any determination to which any  
22 party is entitled shall be given promptly by delivery thereof or by  
23 mailing to his last known address. Such notice shall include a  
24 clear statement of the appeal rights of the parties.

25 (e) A benefit payment shall be deemed a determination,  
26 and a notice to the claimant, that he is eligible to receive the  
27 payment for the period covered thereby.

28 Sec. 6. Finality of Determination. A determination shall be  
29 deemed final unless a party entitled to notice thereof applies for

1 reconsideration of the determination or appeals therefrom within  
2 ten days after the notice was mailed to his last known address or  
3 otherwise delivered to him: Provided, That such period may be  
4 extended for good cause.

5       Sec. 7. Reconsideration of Determination. (a) The commission  
6 may reconsider any determination upon application by any party  
7 entitled to notice thereof filed within the period authorized by  
8 section (6) or on its own motion within ten days after the date of  
9 the determination: Provided, That subject to the same limitations,  
10 a decision in a case referred to the commission for determination  
11 under the provisions of Article V, section 4 (d), may, in the  
12 discretion of the commission, be reconsidered by the body which  
13 rendered such decision, or, if the decision was rendered by an appeal  
14 tribunal which is not available, by a tribunal designated for such  
15 purpose by the commission.

16       (b) At any time within one year from the date of a  
17 determination of insured status, the commission on its own motion  
18 may reconsider such determination if it finds that an error in  
19 computation or identity has occurred in connection therewith or that  
20 additional wages pertinent to the claimant's insured status have  
21 become available, or if such determination of insured status was  
22 made as a result of a wilful nondisclosure or misrepresentation of  
23 a material fact.

24       (c) At any time within two years from the end of any  
25 week with respect to which a determination allowing or denying  
26 waiting-week credit or benefits has been made, the commission on  
27 its own motion may reconsider such determination if it finds that  
28 such waiting-week credit or benefits were allowed or denied as a  
29 result of a wilful nondisclosure or misrepresentation of a material

1. fact.

2. (d) In any case in which the commission is authorized  
3. by the other provisions of this Article to reconsider any determin-  
4. ation but the final decision in the case has been rendered by a  
5. court, the commission may petition the court which rendered such  
6. final decision to issue a revised decision.

7. (e) Written notice of any redetermination shall be given  
8. promptly in the same manner, in the same form, and to the same  
9. parties, as provided in section 5.

10. (f) A redetermination shall be deemed final unless a  
11. party entitled to notice thereof files an appeal within ten days  
12. after the notice was mailed to his last known address, or otherwise  
13. delivered to him; Provided, That such period may be extended for  
14. good cause.

15. Sec. 8. Prompt Payment of Claims. (a) Benefits shall be paid  
16. promptly in accordance with a determination or redetermination  
17. under this Article except that no benefits shall be paid prior to  
18. the expiration of the period for appeal from a determination if the  
19. record with respect to the claim indicates that disqualification  
20. has been alleged, If an application for reconsideration is duly  
21. made or an appeal is duly filed, benefits with respect to weeks  
22. of unemployment not in dispute and benefits payable pursuant to a  
23. determination or redetermination in any amount not in dispute shall  
24. be paid promptly regardless of any consideration or appeal.

25. (b) The commencement of a proceeding for judicial review  
26. pursuant to Article VI shall not operate as a supersedeas or stay  
27. unless the commission shall so order,

28. (c) If a determination allowing benefits is affirmed in  
29. any amount by an appeal tribunal, or by the commission, or if a

1 decision of an appeal tribunal allowing benefits is affirmed in  
2 any amount by the commission, such benefits shall be paid promptly  
3 regardless of any further appeal, and no injunction, supersedeas,  
4 stay, or other writ or process suspending the payment of such  
5 benefits shall be issued by the commission or any court; but if  
6 such decision is finally reversed, benefits shall not be paid for  
7 any subsequent weeks of unemployment involved in such reversal.

8 Sec. 9. Payment of Benefits Due Deceased or Mentally

9 Incompetent Insured Worker. Benefits due and payable to a deceased  
10 or judicially declared incompetent person shall be paid, in  
11 accordance with such regulations as the commission shall prescribe,  
12 to the person or persons in the following order: spouse, child or  
13 parent, payment to whom the commission finds would effectuate the  
14 purposes of this Act. Such regulations need not conform to the  
15 statutes applicable to the descent and distribution of decedents'  
16 estates. A receipt from the person or persons to whom the commission  
17 makes payment shall fully discharge the fund and the commission  
18 from liability for such benefits.

19 Sec. 10. Recovery and Recoupment. (a) Any person who makes,  
20 or causes to be made by another, a false statement or representation  
21 of a material fact knowing it to be false or knowingly fails, or  
22 causes another to fail, to disclose a material fact, and as a result  
23 thereof has received any amount as benefits under this Act to which  
24 he was not entitled shall, in the discretion of the commission,  
25 be liable to repay such amount to the commission for the fund or to  
26 have such amount deducted from any future benefits payable to him  
27 under this Act within the two-year period following the finding, if  
28 the existence of such nondisclosure or misrepresentation has been  
29 found by a court of competent jurisdiction or in connection with

1 reconsideration or appeal pursuant to this section of Article VI:  
2 (b) No redetermination or decision shall be construed  
3 to authorize the recovery of the amount of any benefits paid to a  
4 claimant or the deduction of such amount from future benefits  
5 payable to him unless (a) written notice of such redetermination or  
6 decision, delivered or mailed to such person's last known address  
7 specifies that he is liable to repay to the fund the amount of  
8 benefits paid to him by reason of a nondisclosure or misrepresentat-  
9 ion of a material fact as specified in this section, the nature of  
10 such nondisclosure or misrepresentation, and the week or weeks for  
11 which such benefits were paid.

12 (c) In any case in which, under this section, a claimant  
13 is liable to repay any amount to the commission, such amount shall  
14 be collectible without interest by civil action in the name of the  
15 commission.

16 Sec. 11. Waiver of Rights Void: Any agreement by an individual  
17 to waive, release, or commute his rights to benefits or any other  
18 rights under this Act shall be void. Any agreement by an individual  
19 performing service for an employer to pay all or any portion of  
20 any contributions required under this Act from such employer shall  
21 be void. No employer shall directly or indirectly make or require  
22 or accept any deduction from wages to finance the contributions  
23 required from him, require or accept any waiver of any right  
24 hereunder by any individual in his employ, discriminate in regard  
25 to the hiring or tenure of work or any term or condition of work  
26 of any individual on account of his claiming benefits under this  
27 Act, or in any manner obstruct or impede the claiming of benefits:  
28 Any employer or officer or agent of an employer who violates any  
29 provision of this section shall for each offense be fined more than

1. one thousand (\$1,000) dollars or be imprisoned for not more than  
2. six months or both.

3.       Sec. 12. Assignment of Benefits. Any assignment, pledge, or  
4. encumbrance of any right to benefits which are or may become due  
5. or payable under this Act shall be void; and such rights to benefits  
6. shall be exempt from levy, execution, attachment, order for the  
7. payment of attorney fees, or any other remedy whatsoever provided  
8. for the collection of debt; and benefits received by any individual,  
9. so long as they are not mingled with other funds of the recipient;  
10. shall be exempt from any remedy whatsoever for the collection of  
11. all debts, except debts incurred for necessaries furnished to such  
12. individual or his spouse or dependents during the time when such  
13. individual was unemployed. Any waiver of any exemption provided  
14. for in the section shall be void.

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1 Article VI

2 APPEALS

3 Section 1. Appeal Tribunals. The commission shall appoint  
4 one or more referees, selected in accordance with Article XII,  
5 section 8(f) each of whom shall constitute an appeal tribunal to  
6 hear and decide appeals from determinations and redeterminations.  
7 The commission may in its discretion appoint a tripartite appeal  
8 tribunal to hear and decide cases involving Article IV, section  
9 2(f) or section 3(a), consolidated appeals, or other appeals, as  
10 appropriate. A tripartite tribunal shall consist of one referee  
11 selected pursuant to Article XII, section 8(f), who shall act  
12 as chairman, one representative of employers, and one repre-  
13 sentative of employees. The latter two may be selected without  
14 regard to Article XII, section 8(f), shall serve at the pleasure  
15 of the commission, and shall be paid a fee of not more than  
16 fifteen (15) dollars per day of active service on such tribunal  
17 plus necessary expenses. In the absence or disqualification of  
18 any member of the tripartite appeal tribunal, the commission may  
19 appoint an alternate. No hearing shall proceed in the absence  
20 of the chairman of the appeal tribunal and the chairman shall act  
21 alone in the absence of any other member and his alternate.

22 Sec. 2. Review by Appeal Tribunal. Any party entitled to  
23 notice of determination as provided in Article V, section 5,  
24 may file an appeal from the determination to an appeal tribunal  
25 within the time specified in Article V, sections 6 and 7(f).  
26 However, any appeal from a determination which involves  
27 Article IV, section 2(f) shall be made to the commission. The  
28 parties to an appeal from a determination shall include all those  
29 entitled to notice of the determination, and a properly

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

21 Sec. 3. Hearing Procedure and Record. A reasonable  
22 opportunity for fair hearing shall be afforded all parties  
23 promptly. An appeal tribunal shall inquire into and develop all  
24 facts bearing on the issues and shall receive and consider  
25 evidence without regard to statutory and commonlaw rules. The  
26 appeal tribunal shall include in the record and consider as  
27 evidence all records of the commission that are material to the  
28 issues. The commission shall adopt regulations governing the  
29 manner of filing appeals and the conduct of hearings and appeals

1 consistent with the provisions of this Act. A record shall be  
2 kept of all testimony and proceedings in an appeal, but testimony  
3 need not be transcribed unless further review is initiated.  
4 Witnesses subpoenaed pursuant to Article VII, section \_\_\_\_\_ shall  
5 be allowed fees at a rate fixed by the commission; and the fees  
6 of witnesses subpoenaed on behalf of the commission or of any  
7 claimant shall be deemed part of the expense of administering  
8 this Act. The commission, any member of an appeal tribunal, or  
9 any person acting on his behalf, shall in no case participate in  
10 any appeal in which he has a direct or indirect interest.

11 Sec. 4. Consolidated Appeals. When the same or sub-  
12 stantially similar evidence is material to the matter in issue  
13 with respect to more than one individual, the same time and place  
14 for considering all such cases may be fixed, hearings thereon  
15 jointly conducted, a single record of the proceedings made, and  
16 evidence introduced with respect to one proceeding considered as  
17 introduced in the others, provided no party is prejudiced thereby,

18 Sec. 5. Notice of Decision of Appeal Tribunal and Time for  
19 Appeal. After a hearing an appeal tribunal shall make findings  
20 and conclusions promptly and on the basis thereof affirm, modify,  
21 or reverse the commission's determination. Each party shall be  
22 furnished promptly a copy of the decision and the supporting  
23 findings and conclusions; this decision shall be final unless  
24 further review is initiated pursuant to this article within ten  
25 days after the decision has been mailed to each party's last  
26 known address or otherwise delivered to him; Provided, that such  
27 period may be extended for good cause,

28 Sec. 6. Review by the Commission. An appeal to the  
29 commission by any party shall be allowed as of right if the

1 appeal tribunal's decision reversed or modified the determin-  
2 ation, or if a question arising under Article IV, sections 2(f)  
3 and 4(g), is presented; in all other cases further appeal shall  
4 be permitted only at the discretion of the commission. The  
5 commission on its own motion may initiate a review of a decision  
6 or determination of an appeal tribunal within ten days after the  
7 date of the decision. The commission may affirm, modify, or  
8 reverse the findings or conclusions of the appeal tribunal  
9 solely on the basis of evidence previously submitted, or upon  
10 the basis of such additional evidence as it may direct to be  
11 taken.

12       Sec. 7. Labor Disputes: Determinations and Appeals. In  
13 any case involving Article IV, section 2(f), the commission may  
14 designate an appeal tribunal to hear and decide the case. The  
15 determination of the appeal tribunal shall then be appealable,  
16 as of right, to the commission within the same period as that  
17 provided for appealing a determination made by the commission.  
18 If the commission elects to make the determination, it shall  
19 afford all parties a fair hearing as required by this section with  
20 respect to proceedings before an appeal tribunal. No further  
21 administrative appeal shall be permitted from the commission's  
22 determination in that case, but judicial review may be initiated,  
23 as provided in section 9.

24       Sec. 8. Removal to the Commission. The commission may  
25 remove to itself or transfer to another appeal tribunal any  
26 appeal pending before an appeal tribunal. The parties to any  
27 appeal so removed to the commission before a fair hearing has  
28 been completed shall be given a fair hearing by the commission as  
29 required by this Article with respect to proceedings before an

1 appeal tribunal.

2       Sec. 9. Notice of Decision of the Commission and Judicial  
3 Review. (a) Each party, including the properly designated re-  
4 presentative of the commission, shall be furnished promptly a  
5 copy of the decision and the supporting findings and conclusions  
6 of the commission. The decision shall be final unless a party  
7 initiates judicial review by filing an action in the United  
8 States District Court for review within thirty days after the  
9 commission's decision has been mailed to each party's last known  
10 address, or otherwise delivered to him. For the purposes of  
11 judicial review, an appeal tribunal's decision from which an  
12 application for appeal has been denied by the commission shall  
13 be deemed to be the decision of the commission, except that the  
14 time for initiating judicial review shall run from the date of  
15 the mailing or delivery of the notice of the denial or the  
16 application for appeal by the commission. The petition for  
17 review shall state the grounds upon which review is sought but  
18 need not be verified. Exceptions taken to the rulings of the  
19 commission shall not be necessary to obtain judicial review nor  
20 shall a bond be required either as a condition of initiating a  
21 proceeding for judicial review of a determination of benefit  
22 rights or of entering an appeal from the decision of the court  
23 upon such review.

24       (b) The commission and all parties to the proceedings  
25 before it shall be parties to the review proceedings. If the  
26 commission is a party respondent, the petition shall be served  
27 by leaving with the chairman of the commission, or any represent-  
28 ative whom he designates for that purpose, as many copies of the  
29 petition as there are respondents. The commission shall file

1 with the court certified copies of the record of the case to-  
2 gether with its petition for review or its answer to the  
3 appellant's petition. Upon the filing of a petition for review  
4 by the commission, or upon service of a petition upon it, the  
5 commission shall send a copy of the petition by registered mail  
6 to each party and such mailing shall constitute service upon the  
7 parties.

8 (c) The jurisdiction of the reviewing court shall be  
9 confined to questions of law, and, in the absence of fraud, the  
10 findings of fact by the commission, if supported by substantial  
11 evidence regardless of statutory or common-law rules, shall be  
12 conclusive. Additional evidence required by the court shall be  
13 taken before the commission, which after hearing such additional  
14 evidence, shall file with the court such additional or modified  
15 findings of fact or conclusions as it may make, together with  
16 transcripts of the additional record. All proceedings under this  
17 section shall be heard summarily and given precedence over all  
18 other civil cases except those arising under the workmen's  
19 compensation law of this Territory; appeals involving benefit  
20 rights shall be given precedence over all other cases arising  
21 under this Act. An appeal may be taken from the decision of the  
22 United States District Court to the United States Circuit Court  
23 of Appeals in the same manner consistent with the provisions of  
24 this Act as provided in civil cases.

25 Sec. 10. Conclusiveness of Final Determinations and  
26 Decisions. Except insofar as there is a redetermination under  
27 Article V, section 7, of this Act, all final determinations and  
28 decisions shall be conclusive upon employing units with notice,  
29 the commission, and the claimant. No final determination or

1 decision as to benefit rights shall be subject to collateral  
2 attach by an employing unit regardless of notice. The  
3 commission, or appeal tribunal, shall reopen a determination or  
4 decision or revoke permission for withdrawal of an appeal if  
5 (a) he or it finds that a worker or employer has been defrauded  
6 or coerced in connection with the determination, decision, or  
7 withdrawal of the appeal, and (b) the defrauded or coerced person  
8 informs the appropriate officer or body of the fraud or coercion  
9 within sixty days after he has become aware of the fraud or  
10 within sixty days after the coercion has been removed.

11 Sec. 11. Rule of Decision and Certification to Commission.

12 Final decision of the commission and the principles of law  
13 declared in their support shall be binding in all subsequent  
14 proceedings involving similar questions unless expressly or  
15 impliedly overruled by a later decision of the commission or of  
16 a court of competent jurisdiction. Final decisions of appeal  
17 tribunals and the principles of law declared in their support  
18 shall be binding on the employees and representatives of the  
19 commission, and shall further be persuasive authority in  
20 subsequent appeal tribunal proceedings. If in any subsequent  
21 proceeding the commission or an appeal tribunal has serious doubt  
22 as to the correctness of any principles previously declared by  
23 an appeal tribunal or by the commission, or if there is an  
24 apparent inconsistency or conflict in final decisions of  
25 comparable authority, then the findings of fact in such case may  
26 be certified, together with the question of law involved, to the  
27 commission. After giving notice and reasonable opportunity for  
28 hearing upon the law to all parties to the proceedings, the  
29 commission shall certify to the appropriate employees or

1 representatives of the commission or appeal tribunal and the  
2 parties its answer to the question submitted; or the commission  
3 in its discretion may remove to itself the entire proceeding as  
4 provided in section 8 and render its decision upon the entire  
5 case.

6       Sec. 12. Limitation of Fees. No claimant shall be charged  
7 fees or costs of any kind by the commission, or its represent-  
8 atives, an appeal tribunal, or by any court or any court officer,  
9 except that a court may assess costs against such claimant if it  
10 determines that the proceedings for judicial review have been  
11 instituted or continued without reasonable grounds.

12       Sec. 13. Representation of Claimant. Any claimant in any  
13 proceeding before the commission, or an appeal tribunal, may be  
14 represented by counsel or other duly authorized agent. No such  
15 counsel or agent shall either charge or receive for such services  
16 more than an amount approved by the commission. Any person who  
17 violates any provision of this section shall, for each offense, be  
18 fined not more than five hundred (\$500) dollars, or imprisoned  
19 for not more than six months or both.

20       Sec. 14. Fees of Attorneys for Claimants on Appeals to  
21 Courts. An attorney at law representing a claimant on appeal to  
22 the courts shall be entitled to reasonable counsel fees as fixed  
23 by the court not to exceed \$\_\_\_\_\_ and necessary court costs and  
24 printing disbursements not exceeding \$\_\_\_\_\_. In difficult cases  
25 the court to which the appeal was taken may, upon application of  
26 counsel for the claimant, increase such fees, court costs, or  
27 disbursements to an amount which the court deems reasonable.  
28 Such counsel fees, costs, and disbursements shall be paid by the  
29 commission out of employment security administration funds in

1 each of the following cases: (a) any court appeal from an  
2 administrative or judicial decision favorable in whole or in part  
3 to the claimant, (b) any court appeal by a claimant from a  
4 decision which reverses a decision in his favor, (c) any court  
5 appeal by a claimant from a decision denying or reducing benefits  
6 awarded under a prior administrative or judicial decision, (d)  
7 any court appeal as a result of which the claimant is awarded  
8 benefits, (e) any court appeal by a claimant from a decision by  
9 a tribunal, commission, or court which was not unanimous, or (f)  
10 any other court appeal by a claimant if the court finds that a  
11 reasonable basis exists for the appeal.

12 Article VII

13 COVERAGE

14 Section 1. Coverage Determination. (a) On its own motion  
15 or on the application of an employing unit, the commission shall,  
16 on the basis of facts found by it, determine whether the employ-  
17 ing unit is an employer and whether service performed for it  
18 constitutes employment.

19 (b) Within one year after a determination has been  
20 made under paragraph (a) of this section, the commission may, on  
21 its own motion, reconsider its determination in the light of  
22 additional evidence and make a redetermination.

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

28 (d) Within fifteen days after a notice of a deter-  
29 mination made under paragraph (a) or (b) of this section was

1 mailed to the last known address of an employing unit, or other-  
2 wise delivered to it, that employing unit may apply to the  
3 commission to reconsider its determination in the light of  
4 additional evidence and to issue a redetermination. The  
5 commission shall, if the request is granted, mail to the last  
6 known address of the employing unit<sup>e</sup> affected, or otherwise de-  
7 liver to it, a notice of the redetermination, which shall include  
8 a statement of the supporting facts found by the commission if  
9 the request is denied, it shall furnish a notice of the denial of  
10 the application.

11 (c) Within fifteen days after a notice of a determin-  
12 ation made under paragraph (a), (b), or (d) of this section or  
13 a denial of the application under paragraph (d) of this section  
14 was mailed to the last known address of an employing unit, or  
15 otherwise delivered to it, that employing unit may appeal from  
16 the determination to the commission. The commission shall be a  
17 party to such appeal. The commission shall afford the parties  
18 a reasonable opportunity for a fair hearing as provided in the  
19 case of hearings before appeal tribunals in Article VI. The  
20 commission's decision shall be final unless, within thirty days  
21 after the decision was mailed to the last known address of a  
22 party, or otherwise delivered to it, that party initiates  
23 judicial review in accordance with the provisions of Article VI,  
24 section 9.

25 Sec. 2. Conclusiveness of Determination. A determination  
26 of the status of an employing unit by the commission under  
27 section 1, in the absence of appeal therefrom, and a final  
28 determination of the commission upon an appeal, together with the  
29 record of the proceeding, shall be admissible in any subsequent

1 proceeding under this Act. If supported by substantial evidence  
2 and in the absence of fraud, the determination shall be con-  
3 clusive, except as to errors of law, upon any employing unit  
4 which was a party to such proceeding.

5       Sec. 3. Period of Coverage. Any employing unit which is or  
6 becomes an employer subject to this Act within any calendar  
7 year shall be deemed to be an employer during the whole of such  
8 calendar year except as provided elsewhere in this article and  
9 shall remain an employer until coverage is terminated as provided  
10 in section 4 of this Article.

11       Sec. 4. Elective Coverage of Excluded Service. (a) Any  
12 service performed for an employing unit, which is excluded under  
13 the definition of employment in Article II, sections 17 to 33,  
14 and with respect to which no payments are required under the  
15 employment security law of another State or of the Federal  
16 Government, may be deemed to constitute employment for all  
17 purposes of this Act, provided that the commission has approved  
18 a written election to that effect filed by the employing unit for  
19 which the service is performed, as of the date stated in such  
20 approval. No election shall be approved by the commission un-  
21 less it (1) includes all the service of the type specified in  
22 each establishment or place of business for which the election  
23 is made, and (2) is made for not less than two calendar years.

24       (b) Any service which because of an election by an  
25 employing unit under paragraph (a) of this section is employment  
26 subject to this Act shall cease to be employment subject to the  
27 Act as of January 1 of any calendar year subsequent to the two  
28 calendar years of the election, only if not later than March 15  
29 of such year, either such employing unit has filed with the

1 commission a written notice to that effect, or the commission on  
2 its own motion has given notice of termination of such coverage.

3 Article VIII

4 CONTRIBUTIONS

5 Section 1. Payment of Contributions. (a) Contributions  
6 with respect to wages for employment shall accrue and become pay-  
7 able by each employer for each calendar year in which he is  
8 subject to this Act. Such contribution shall become due and be  
9 paid by each employer to the commission for the fund in accord-  
10 ance with such regulations as the commission may prescribe and  
11 contributions payable by the employer shall not be deducted in  
12 whole, or in part, from the wages of individuals in the employ-  
13 ment for such employers.

14 (b) Contributions with respect to wages for employment  
15 shall accrue and become payable until such time as contributions  
16 shall be terminated pursuant to section 2 of this Article, by  
17 each individual who performs services in employment for each  
18 calendar year in which such services are subject to this Act.

19 The contributions required of each such individual,  
20 in accordance with regulation proscribed by the Commission, shall  
21 become payable, be deducted from his wages by his employer, and  
22 be held in trust by the employer for the commission until such  
23 time as such employee contributions are required by regulation to  
24 be deposited with the commission. Such funds shall not be  
25 subject to garnishment or attachment in any fashion, and in the  
26 event of lien, judgment or bankruptcy proceedings shall not be  
27 considered as assets of the employer. Any employer who shall  
28 fail to make such deductions from the wages of his employees  
29 shall himself be liable to the commission for the payment of

1 such required contributions, which shall be collected from him  
2 in the same manner as is provided for the collection of employer  
3 contributions.

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

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

16 No such deduction shall be made from those wages in excess  
17 of the first \$4800 of wages paid to an employee during any  
18 calendar year. In the event that an employee earns wages total-  
19 ling in excess of \$4800 in one calendar year in the employ of two  
20 or more employers, or in the event that any one employer through  
21 error shall have made such deductions on his wages in excess of  
22 \$4800 during any one calendar year, the amount of such deductions  
23 in excess of those required by this Act shall be refunded to the  
24 employee by the commission upon application therefor in accord-  
25 ance with regulations prescribed by the commission.

26 Any employee whose wages total less than \$450 during any  
27 calendar year may receive refund by the commission of the total  
28 amount so deducted from his wages upon application therefor to  
29 the commission in accordance with prescribed regulations.

1           Such contributions shall become due and be paid by each  
2 employer to the commission for the fund, in accordance with such  
3 regulations as the commission may prescribe, and contributions  
4 payable by the employer, shall not be deducted in whole or in  
5 part, from the wages of individuals in employment for such  
6 employer. Contributions payable by individuals in the employment  
7 for such employer shall be deducted and paid by the employer from  
8 the wages of the individual in accordance with such regulations as  
9 the commission may prescribe.

10           Sec. 2. Rate of Contributions. Each employer shall pay  
11 contributions equal to 2.7 percent of wages paid by him during  
12 the calendar year with respect to employment, except as other-  
13 wise provided in this Article. Each individual performing  
14 services in employment for such employer shall pay contributions  
15 equal to 1 percent of wages paid to him during the calendar year  
16 with respect to employment: provided that provisions of this  
17 Article with respect to the payment by and rate of contributions  
18 for individuals in the employment of employers shall terminate at  
19 such time as the amount available for benefits in the unemploy-  
20 ment fund becomes sufficient for the allowance of the employer  
21 experience rating credits provided for in section 4 of this  
22 Article.

23           Sec. 3. Base of Contributions. For the purposes of  
24 sections (1) and (2) of this Article and subsequent to December  
25 31, 1954, wages shall not include that part of remuneration which  
26 after remuneration equal to \$4800 has been paid in a calendar  
27 year to an individual by an employer or his predecessor with  
28 respect to employment during any calendar year, is paid to such  
29 individual by such employer during such calendar year unless that

1 part of the remuneration is subject to a tax under a Federal law  
2 imposing a tax against which credit may be taken for contri-  
3 butions required to be paid into a State unemployment fund. For  
4 the purposes of this section, the term employment shall include  
5 service constituting employment under any employment security law  
6 of another State or of the Federal Government.

7       Sec. 4. Experience Rating Credits - Contributions Based on  
8 Payroll Declines. As used in this section,

9           (a) "Computation date" means January first of any year  
10 in which credits are being computed.

11           (b) "Effective date" means June thirtieth next follow-  
12 ing the computation date.

13           (c) "Credit year" means the four consecutive calendar  
14 quarters immediately following the effective date.

15           (d) "Cut-off date" means March thirty-first next  
16 following the computation date.

17           (e) "Qualified employer":

18           (1) Any employer as of the effective date who had  
19 some employment in the 12-month period immediately preceding  
20 April 1 of the first of the three consecutive calendar years  
21 immediately preceding the computation date, who had some employ-  
22 ment in each of these three calendar years, and who had filed  
23 contribution reports thereon on or before the cut-off date:  
24 Provided, that such employer shall not be deemed a qualified  
25 employer if he has reported no employment for four or more con-  
26 secutive calendar quarters in such three calendar years; or

27           (2) Any employer as of the effective date who has  
28 not been subject to the Act for a period of time sufficient to be  
29 classified as a qualified employer under the provisions of

1 paragraph 1 of this subsection but who has had some employment  
2 in the 12-month period immediately preceding April 1 of the first  
3 of the two consecutive calendar years immediately preceding the  
4 computation date, who had some employment in each of these two  
5 calendar years, and who had filed contribution reports thereon  
6 on or before the cutoff date: provided, that such employer shall  
7 not be deemed a qualified employer if he has reported no employ-  
8 ment for four or more consecutive calendar quarters in such two  
9 calendar years.

10 (f) Transfer of experience. Payroll experience shall  
11 be transferred in the following manner:

12 (1) When an employer or prospective employer has  
13 acquired all or substantially all the operating assets of an  
14 employer, the payroll experience of both shall be jointly con-  
15 sidered for the purpose of determining and establishing the  
16 acquiring party's qualification for and amount of credit, and  
17 the transferring employer shall be divested of his experience; or

18 (2) When an employer or prospective employer has  
19 acquired an operating department, section, division, or any  
20 substantial portion of the business or assets of any employer,  
21 which is clearly segregable and identifiable, the entire pay-  
22 roll experience of the transferring employer shall be divided  
23 between the transferring and acquiring employers in proportion  
24 to the payroll for the four preceding completed calendar quarters  
25 attributable to the operating assets conveyed and retained; and  
26 provided that to the extent permitted by and in compliance with  
27 the requirements of Section 1602 of the Federal Internal Revenue  
28 Code, the Commission may by regulation provide for the fair and  
29 equitable allocation of experience with unemployment risk as

1 measured by annual percentage declines in payrolls, to or among  
2 two or more employers whose operations have been transferred,  
3 joined, combined, merged or consolidated because of governmental  
4 regulations limiting a natural product, raw materials, supplies  
5 or manpower.

6 Notwithstanding the provisions of this section, no  
7 transfer of experience from a predecessor to a successor employer  
8 not previously a qualified employer under this section shall be  
9 effective if the successor's payroll in the last four completed  
10 calendar quarters following the date of the transfer is in excess  
11 of \$50,000 and exceeds the predecessor's payroll for the last  
12 four completed calendar quarters immediately preceding the date  
13 of transfer by 300 per cent or more: provided, however, that no  
14 provision, section, clause or part of this Act shall apply to  
15 any acquisition or transfer is determined by the commission to  
16 have been primarily for the purpose of obtaining a more favorable  
17 rate of contribution under this section.

18 (g) "Payroll" means the amount of remuneration paid by  
19 employer or employing unit to individuals for service in  
20 employment.

21 (h) "Surplus" means that amount by which the moneys  
22 in the Unemployment Compensation Trust Fund, as of the cut-off  
23 date, exclusive of the total of the employee contributions  
24 collected pursuant to sections 1 and 2 of this Article and the  
25 amounts advanced to the Fund pursuant to the provisions of  
26 section 3, Article X of this Act and Title XII of the Social  
27 Security Act, as amended, exceed the amount required under  
28 subsection (i) for a variation in rate from the standard rate,  
29 provided that (1) the amount of such excess is equal to not less

1 than ten percent (10%) of the amount of contributions paid on  
2 the payrolls reported by all employers on or before the cut-  
3 off date for the preceding calendar year, and (2) the surplus  
4 shall be an amount not in excess of sixty percent (60%) of the  
5 contributions so paid for the preceding calendar year.

6 (i) Variation from standard rate. No employer's rate  
7 shall be varied from the standard rate by means of experience  
8 rating credits or otherwise unless the amount in the fund for  
9 the payment of benefits equals or is in excess of, whichever is  
10 the greater, of (1) 10% of the total taxable payroll reported by  
11 all employers on or before cut-off date for the preceding  
12 calendar year, or (2) three times the total amount of benefits  
13 paid in the highest of the last five preceding calendar years.

14 (j) Establishment of Credits. The amount of credit  
15 for each qualified employer shall be established as provided in  
16 sections (j) to (r), inclusive, herein.

17 (k) Credit Classes. Qualified employers shall be  
18 grouped into six credit classes, to be designated as classes 6,  
19 5, 4, 3, 2, and 1, in accordance with the sum of the annual  
20 percentage payroll declines in regard to the three consecutive  
21 calendar years immediately preceding the computation date, each  
22 such percentage to be obtained by dividing any decline of the  
23 payroll of a qualified employer in any calendar year from the  
24 preceding calendar year by the amount of the payroll in such  
25 preceding year, each division being carried out to the fourth  
26 decimal place and the remaining fraction, if any, disregarded.

27 Each qualified employer shall be in the credit class  
28 which is listed below on the same horizontal line on which the  
29 sum of annual percentage payroll declines of such employer appear:

1 provided, however, that the credit class of an employer who  
 2 qualifies under the provisions of subsection (e)(2) shall be that  
 3 credit class on the line on which his annual decrease quotient  
 4 is equal to one-half the sum of annual decrease quotients in said  
 5 schedule, such quotient to be obtained by dividing any decrease  
 6 of the payroll of the employer in the calendar year immediately  
 7 preceding the computation date from the preceding calendar year  
 8 by the amount of the payroll in such preceding year, each division  
 9 being carried to the fourth decimal place and the remaining  
 10 fraction, if any, disregarded:

11	Sum of Annual Percentage Payroll Declines	Credit Class
12	Less than 10 .....	6
13	10 or more but less than 30 .....	5
14	30 or more but less than 50 .....	4
15	50 or more but less than 70 .....	3
16	70 or more but less than 80 .....	2
17	80 or more .....	1

18 (1) Class Weight. A "class weight" shall be assigned  
 19 to each credit class as follows:

20	Credit Class	Class Weight
21	6 .....	6
22	5 .....	5
23	4 .....	4
24	3 .....	3
25	2 .....	2
26	1 .....	0

27 (m) Class Product. The "class product" shall be ob-  
 28 tained by dividing the total of the payrolls for the calendar  
 29 year immediately preceding the computation date for all qualif-

1 employers in the same class by the total of the payrolls of all  
2 qualified employers for such year, such division being carried  
3 out to the fourth decimal place, and multiplying the quotient by  
4 the class weight.

5 (n) Class Surplus. The surplus to be credited to each  
6 class shall be the product obtained by dividing the class product  
7 for each class by the sum of the class products for all classes  
8 and multiplying the quotient by the surplus to be credited to all  
9 employers. No portion of the surplus shall be credited to credit  
10 class 1.

11 (o) Class Credit Factor. The "class credit factor"  
12 shall be the quotient obtained by dividing that portion of the  
13 surplus assigned to any class of qualified employers by the sum  
14 of the payrolls of all employers in that class for the calendar  
15 year immediately preceding the computation date, such division  
16 being carried out to the fourth decimal place and the remaining  
17 fraction, if any, disregarded.

18 (p) Surplus Distribution. That portion of the surplus  
19 which is to be credited to any qualified employer is the product  
20 obtained by multiplying his taxable payroll in the calendar year  
21 immediately preceding the computation date by the class credit  
22 factor of his class.

23 (q) Credit Notice. As soon as practicable after the  
24 effective date each qualified employer shall be furnished a  
25 notice showing the amount of credit to which he is entitled, if  
26 any. The amount shown on the notice may be applied only against  
27 contributions which are payable by him on wages payable in the  
28 credit year and reported not later than the date prescribed by the  
29 commission for payment of contributions on wages payable in the

1. last quarter of such credit year, except that when an employer or  
2. prospective employer has acquired all or substantially all of the  
3. operating assets of another employer, any unused portion of the  
4. credit of the transferring employer shall be transferred to the  
5. acquiring party; provided, that the transferring employer has  
6. submitted all reports and has paid all contributions and interest  
7. due to the date of such acquisition.

8. The first credit notices shall be effective with the  
9. credit year beginning July 1, 1947.

10. (r) Corrections and Appeals.

11. (1) Corrections or modifications of an employer's  
12. payroll shall not be taken into account for the purpose of an  
13. increase of his credit unless such corrections, or modifications  
14. were established on or before the cut-off date.

15. (2) Corrections or modifications of an employer's  
16. payroll may be taken into account within three years after the  
17. cut-off date, for the purpose of a reduction of his credit.

18. (3) Within one year from the effective date the  
19. commission may reconsider the credit allowed any employer when  
20. it finds that there has been an error in the computation thereof.  
21. When an increase is due, it shall issue to such employer a  
22. supplementary credit notice reflecting the increase in the  
23. employer's credit; however, when a credit notice has been issued  
24. to an employer whose credit is reduced, such notice shall be re-  
25. called and a revised notice issued. If the credit shown by the  
26. incorrect notice has already been applied in payment of contri-  
27. butions in excess of the correct credit, the employer shall  
28. thereupon become liable for payment into the fund of an amount  
29. equal to the excess of the credit taken by him over the credit

1 to which he is entitled and such amount shall be deemed and  
2 collected as contributions payable under the Act.

3 (4) Increases or reductions of an employer's  
4 credit shall not affect the credits established or to be estab-  
5 lished for any other employer, and shall, further, not affect  
6 any other computations made under this section.

7 (5) Any employer dissatisfied with the amount of  
8 credit shown on his credit notice may file a request for  
9 adjustment with the commission within thirty days of the mailing  
10 of such credit notice to an employer, showing wherein the amount  
11 of credit may be in error. Should such request for adjustment  
12 be denied, the employer, within ten days of the mailing of such  
13 notice of denial of adjustment, may file with the Appeal Tribunal  
14 a petition for hearing which shall be heard in the same manner as  
15 a petition for a denial or refund. The appellate procedure  
16 prescribed by this Act for further appeal shall apply to all  
17 denials of adjustment.

18 Sec. 5. Financing Benefits Paid to Territorial Employers.  
19 In lieu contributions required of employers under this Act, the  
20 Territory of Alaska shall pay into the fund an amount equivalent  
21 to the amount of benefits paid to individuals based on wages  
22 paid by the Territory. If benefits paid an individual are based  
23 on wages paid by both the Territory of Alaska and one or more  
24 other employers, the amount payable by the Territory to the fund  
25 shall bear the same ratio to total benefits paid to the individual  
26 as the base-period wages paid to the individual by the Territory  
27 bear to the total amount of base-period wages paid to the  
28 individual by all his base period employers.

29 The amount of payment required under this section shall be

1 ascertained by the commission quarterly and shall be paid from  
2 the general funds of the Territory at such time and in such manner  
3 as the commission may prescribe except that to the extent that  
4 benefits are paid on the basis of wages paid by the Territory from  
5 administrative funds, the payment by the Territory into the un-  
6 employment fund shall be made from the special funds.

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1 Article IX

2 COLLECTION OF DELINQUENT AND CONTESTED CONTRIBUTIONS

3 Section 1. Interest on Past-due Contributions. If contribu-  
4 tions are not paid on the date on which they are due and payable  
5 as prescribed by the commission, the whole or part thereof remain-  
6 ing unpaid shall bear interest at the rate of six per cent per  
7 annum from and after such date until payment plus accrued interest  
8 is received by the commission. Interest collected pursuant to  
9 this section shall be paid into the Unemployment Compensation  
10 Fund. Interest shall not accrue on contributions from any estate  
11 in the hands of a receiver, executor, administrator, trustee in  
12 bankruptcy, common law assignee or other liquidating officer  
13 subsequent to the date when such receiver, executor, administrator,  
14 trustee in bankruptcy, common law assignee or other liquidating  
15 officer qualifies as such, but contributions accruing with respect  
16 to employment of persons by any receiver, executor, administrator,  
17 trustee in bankruptcy, common law assignee or other liquidating  
18 officer shall become due and shall draw interest in the same  
19 manner as contributions due from other employers. Payments of  
20 contributions erroneously paid to an unemployment compensation  
21 fund of another State which should have been paid to this Terri-  
22 tory and which thereafter shall be refunded by such other State  
23 and paid by the employer to this Territory, shall be deemed to  
24 have been paid to this Territory at the date of payment to such  
25 other State.

26 Sec. 2. Penalty for Failure to File Reports. Contribution  
27 reports not made and filed by the date on which they are due as  
28 prescribed by the commission shall be subject to a penalty to be  
29 assessed and collected in the same manner as contributions due

1 hereunder equal to five (5%) per cent of the contributions due if  
2 the failure to file on time was not more than fifteen (15) days,  
3 with an additional five (5%) per cent for each additional fifteen  
4 days or fraction thereof during which such failure continued, but  
5 not to exceed twenty-five (25%) per cent in the aggregate and not  
6 less than two dollars and fifty cents (\$2.50) with respect to  
7 each reporting period; except that when a report is filed after  
8 such time and it is shown to the satisfaction of the commission  
9 or its authorized representative that the failure to file was due  
10 to a reasonable cause, no such addition shall be made to the  
11 contribution.

12       Sec. 3. Penalty for Nonpayment of Contributions. If the  
13 contributions are unpaid after ten (10) days from the date of  
14 the mailing or personal delivery by the commission or its auth-  
15 orized representative, of a written demand for payment, there  
16 shall attach to the contribution, to be assessed and collected  
17 in the same manner as contributions due hereunder, a penalty  
18 equal to ten (10%) per cent of the contributions due; Provided,  
19 that in no event shall such penalty be less than one (\$1.00)  
20 dollar; and, provided further, that no such penalty shall attach  
21 if within ten (10) days after such mailing or personal delivery,  
22 arrangements for payments have been made with the commission,  
23 or its authorized representative, and payment is made in accord-  
24 ance with such arrangements. Penalties collected in accordance  
25 with this section shall be paid into the Unemployment Compensa-  
26 tion Fund.

27       Sec. 4. Collection by Suit. (a) If any employer defaults  
28 in any payment of contributions of interest thereon, the amount  
29 due may (in addition to or alternatively to any other method of

1 collection prescribed in this Act) be collected by civil action  
2 in the name of the commission and the employer adjudged in default  
3 shall pay the cost of such action. Civil actions brought under  
4 this section to collect contributions or interest thereon from  
5 an employer shall be heard by the court at the earliest possible  
6 date and shall be entitled to preference upon the calendar of the  
7 court over all other civil actions except petitions for judicial  
8 review under Article VI and cases arising under the workmen's  
9 compensation law of this Territory.

10 (b) Any employing unit which is not a resident of this  
11 Territory and which exercises the privilege of having one or more  
12 individuals perform service for it within this Territory, and  
13 any resident employing unit which exercises that privilege and  
14 thereafter removes from this Territory, shall be deemed thereby  
15 to appoint the secretary of (state) as its agent and attorney  
16 for the acceptance of process in any civil action under this  
17 section. In instituting such an action against any such employing  
18 unit the commission shall cause such process or notice to be filed  
19 with the secretary of (state) and such service shall be sufficient  
20 service upon such employing unit, and shall be of the same force  
21 and validity as if served upon it personally within this Terri-  
22 tory: Provided, That the commission shall forthwith send notice  
23 of the service of such process or notice, together with a copy  
24 thereof, by registered mail, return receipt requested, to such  
25 employing unit as its last known address and such return receipt,  
26 the commission's affidavit of compliance with the provisions of  
27 this article, and a copy of the notice of service shall be  
28 appended to the original of the process filed in the court in  
29 which such civil action is pending.

1 (c) The courts of this Territory shall in the manner  
2 provided in section 4(a) and (b) entertain actions to collect  
3 contributions or interest thereon for which liability has accrued  
4 under the employment security law of any other State or of the  
5 Federal Government.

6 (d) No suit (including an action for a declaratory  
7 judgment) shall be maintained and no writ or process shall be  
8 issued by any court of this Territory which has the purpose or  
9 effect of restraining, delaying, or forestalling the collection  
10 of any contributions under this Act or substituting any collection  
11 procedure for those proscribed by this Act,

12 Sec. 5. Priorities under Dissolution or Distributions.

13 (a) In any distribution of an employer's assets, judicially ordered  
14 or otherwise, including dissolution, reorganization, receiver-  
15 ship, assignment for the benefit of creditors, administration of  
16 estates of decedents, compositions, or any similar situation,  
17 any claims for contributions and interest thereon due or accrued  
18 under this Act which have not been reduced to a lien in accordance  
19 with the provisions of section \_\_\_\_\_ shall be paid in full,  
20 prior to all other claims which have not been reduced to liens,  
21 including claims for taxes or other debts due this Territory;

22 Provided, That, where both a claim for contributions and a claim  
23 for wages, neither of which has been reduced to a lien, are  
24 owned by such employer, the order of priority as between such  
25 claims and other claims which have not been reduced to a lien  
26 shall, notwithstanding any other provisions of the law of this  
27 Territory to the contrary, be as follows:

28 1. such claims for wages, other than the remun-  
29 eration of officers of corporations, in the amount of \$250.00

1 to each worker, earned within 6 months of the commencement of the  
2 proceeding, or of the date of adoption of an arrangement not  
3 judicially ordered, for the distribution of an employer's assets;

4 2. such claims for contributions and interest  
5 thereon due or accrued under this Act; and

6 3. other claims in the order of priority provided  
7 by other provisions of law.

8 (b) Notwithstanding the provisions of section 5 or any  
9 other provisions of the laws of this Territory, if such employer  
10 is indebted to the Federal Government for taxes due or accrued  
11 under the Federal Unemployment Tax Act (or under any other  
12 Federal law hereafter enacted imposing a tax against which credit  
13 may be taken for contributions required to be paid under a State  
14 employment security law) and a claim for such taxes as well as  
15 a claim for contributions due or accrued under this Act has  
16 been duly filed, the order of priority, as between such claim  
17 for contributions and other claims, including claims which have  
18 been reduced to a lien either before or after the date of the  
19 enactment of this provision, shall be as follows:

20 1. claims for contributions due or accrued,  
21 whether or not reduced to a lien, to the extent that the payment  
22 of such claim will result in a credit against such claim for  
23 Federal taxes and will not prejudice the holders of any other  
24 claims;

25 2. in the order of priority provided by other  
26 provisions of the law of this Territory, all lien claims subordin-  
27 ate to such claim for Federal taxes, including Territory tax  
28 liens, whether such liens attached prior to or after the date  
29 of enactment of this provision, and claims for wages, other than

1 the remuneration of officers of corporations, in the amount of  
2 \$250.00 to each worker, earned within six months of the commence-  
3 ment of the proceeding, or of the date of adoption of an arrange-  
4 ment not judicially ordered, for the distribution of the employer's  
5 assets;

6 3. to the extent that they are not included in  
7 (1), claims for contributions and interest due or accrued under  
8 this Act, which have not been reduced to a lien;

9 4. other claims in the order of priority, provided  
10 by other provisions of law. In the event of an employer's  
11 adjudication in bankruptcy, judicially confirmed extension  
12 proposal, or composition, under the Federal Bankruptcy Act of  
13 1898, as amended, (11 USC 1 et seq.) claims for contributions  
14 and interest due or accrued under this Act, which have not been  
15 reduced to a lien, shall be entitled to such priority as is  
16 provided in said Bankruptcy Act for taxes due any State or  
17 Territory of the United States.

18 Sec. 6. Refunds. (a) If any individual or organization  
19 makes application for refund or credit of any amount paid as  
20 contributions or interest under this Act and the commission  
21 determines that such amount or any portion thereof was  
22 erroneously collected, the commission may, in its discretion,  
23 allow a credit therefor, without interest, in connection with  
24 subsequent contribution payments, or refund from the fund, with-  
25 out interest, the amount erroneously paid. No refund or credit  
26 shall be allowed with respect to a payment as contributions or  
27 interest unless an application therefor shall be made on or  
28 before whichever of the following dates is later:

29 1. one year from the date on which such payment was

1 made; or  
2 2. three years from the last day of the period with-  
3 respect to such payment was made. For a like cause and without  
4 the same period a refund may be made, or a credit allowed, on  
5 the motion of the commission. If the commission determines  
6 that contributions of interest were erroneously paid to this  
7 Territory on wages insured under the employment security law of  
8 some other State or of the Federal Government, refund or adjust-  
9 ment thereof may be made without interest, irrespective of the  
10 time limits provided in this section, on satisfactory proof that  
11 contributions of interest on such wages have been paid to such  
12 other State or to the Federal Government. Nothing in this Act,  
13 or any part thereof, shall be construed to authorize any refund  
14 or credit of money due and payable under the law and regulations  
15 in effect at the time such money was paid.

16 (b) In the event that any application for refund or  
17 credit is rejected, a written notice of rejection shall be for-  
18 warded to the applicant. Within thirty days after the mailing  
19 of such notice to the applicant's last known address, or, in  
20 the absence of such mailing, within thirty days after delivery,  
21 of such notice, the applicant may appeal to the commission,  
22 setting forth the grounds for such appeal. Proceedings on such  
23 appeal shall be in accordance with the provisions of section 8.

24 Sec. 7. Assessments. (a) If any employer files reports  
25 for the purpose of determining the amount of contributions due  
26 but fails to pay any part of the contributions or interest due  
27 thereon, or fails to file such reports when due, or files an  
28 incorrect or insufficient report, the commission may assess  
29 the contributions of interest due on the basis of the information

1 submitted by the employer or on the basis of an estimate as to  
2 the amount due and shall give written notice of such assessment  
3 to such employer. Within ten days after such notice was mailed  
4 to the employer's last known address, or otherwise delivered to  
5 him, the employer may appeal to the commission, setting forth the  
6 grounds for such appeal. Proceedings on such appeal shall be  
7 had in accordance with the provisions of this article for hearings.

8 (b) If the commission determines that the collection of  
9 any contributions or interest under the provisions of this Act  
10 will be jeopardized by delay, it may, whether or not the time  
11 prescribed by this Act or any regulations issued pursuant thereto  
12 for making reports and paying such contributions has expired,  
13 immediately assess such contributions, together with interest,  
14 and shall give written notice of such assessment to the employer.  
15 In such cases the right of appeal to the Commission shall be  
16 conditioned upon payment of the contributions and interest so  
17 assessed or upon giving appropriate security to the commission  
18 for the payment thereof.

19 (c) If an employer fails to pay the amount assessed pursuant  
20 to this section, the commission may file with the clerk of the  
21 United States District Court of the division wherein the employer  
22 has his principal place of business, or if he is not a resident  
23 of the Territory with the United States District Court in Juneau,  
24 and a copy thereof with the United States Commission (Recording  
25 Officer) of the division in which such employer may have real  
26 or personal property, a certificate under his official seal,  
27 stating: the name of the employer, his address, the amount of  
28 the contributions and interest assessed and in default, and  
29 that the time in which a judicial review is permitted, pursuant

1 to section 9 has expired without such appeal having been taken  
2 (or that delay will jeopardize collection), and thereupon such  
3 clerk shall enter into the judgment docket of the court the  
4 name of the employer mentioned in the certificate, the amount  
5 of such contributions and interest assessed and in default,  
6 and the date such certificate is filed. When such certificate  
7 is duly filed and recorded, the amount of the assessment shall  
8 be a lien upon the entire interest of the employer, legal or  
9 equitable, in any property, real or personal, tangible or  
10 intangible, situated in the division where the certificate or  
11 a copy thereof was filed. The priority of said liens shall  
12 be governed by the same rules as apply to that of a lien for  
13 taxes under the law of this Territory. No lien for contributions  
14 or interest shall be valid against one who purchases personal  
15 property from the employer in the usual course of his business  
16 in good faith and without actual notice of such lien. Such  
17 lien may be enforced against any real or personal property in  
18 the same manner as a judgment of the United States District  
19 Court duly docketed.

20 (c) Notice of Assessment; Distraint, Seizure and Sale.  
21 If the amount assessed is not paid within ten days after such  
22 service or mailing of said notice, the commission or its duly  
23 authorized representative may collect the amount stated in the  
24 assessment by the distraint, seizure and sale of the property,  
25 goods chattels and effects of said delinquent employer except  
26 as is provided in section \_\_\_\_\_ herein. There shall be exempt  
27 from distraint and sale under this section such goods and  
28 property as are exempt from execution under the laws of this  
29 Territory.

1           (e) Inventory and Sale. The commission, upon making  
2 a distraint, shall seize the property and shall make an inventory  
3 of the property distrained, and copy of which shall be mailed  
4 to the owner of such property or personally delivered to him,  
5 and shall specify the time and place when said property shall be  
6 sold. A notice specifying the property to be sold and the time  
7 and place of sale shall be posted in at least two public places  
8 in the recording district of the judicial division wherein  
9 the seizure has been made. The time of sale shall be not less  
10 than twenty nor more than thirty days from the date of posting  
11 such notices. Said sale may be adjourned from time to time  
12 at the discretion of the commission but not for a time to exceed  
13 in all ninety days. Said sale shall be conducted by the commis-  
14 sion or its authorized representative who shall proceed to sell  
15 such property by parcel or by lot at a public auction, and may  
16 set a minimum price to include the expenses of making a levy  
17 and of advertising the sale, and if the amount bid for such  
18 property at the sale is not equal to the minimum price so fixed,  
19 the commission or its representatives may declare such property  
20 to be purchased by the commission for such a minimum price.  
21 The delinquent account shall be credited with the amount at  
22 which the property shall be sold. Property acquired by the  
23 commission as herein prescribed may be sold by the commission  
24 at public or private sale, and the amount realized shall be  
25 placed in the Unemployment Compensation Fund.

26           (f) The foregoing remedies shall be in addition  
27 to all other remedies.

28           Sec. 8. Hearings before the Commission. Upon appeal from  
29 an assessment or from a denial of a claim for refund or credit

1 and after affording the appellant and the commission a reason-  
2 able opportunity for a fair hearing; the commission shall make  
3 findings of fact and conclusions of law and on the basis thereof  
4 affirm, modify, or reverse the action of the commission; The  
5 conduct of such hearings shall be consistent with the provisions  
6 of Article 6, section 6;

7       Sec. 9: Judicial review. The commission's decision shall  
8 be final unless within thirty days after the notice was mailed  
9 to the last known address of a party, or otherwise delivered  
10 to it, that party initiates a proceeding for judicial review  
11 in accordance with Article 6, section 9:

12       Sec. 10. Conclusiveness of Determination; Any determina-  
13 tion or decision duly made in proceedings under section 4, 7,  
14 8 or 9, which has become final; shall be binding in proceedings  
15 under section 6, 8, or 9 relating to applications for refund  
16 of credit, insofar as such determination or decision necessarily  
17 involves the issue of whether an employing unit constitutes  
18 an employer or whether service performed for, or in connection  
19 with, the business of such employing unit constitutes employment:

20       Sec. 11. Liability of Successor: The contributions  
21 required by this act subject to its provisions, should be a  
22 lien upon the property of an employer who shall sell out his  
23 business or stock of goods, or who shall quit business, or  
24 whose property, used or acquired in the business, is sold under  
25 voluntary conveyance or under foreclosure, execution or attach-  
26 ment, distraint or other judicial proceedings; Such employer  
27 shall be required to file such reports as the commission shall  
28 prescribe and to pay the contributions required by this Act  
29 with respect to wages payable for employment up to the date of

1 the happening of each contingency, and the purchaser or successor  
2 in business shall withhold sufficient of the purchase money to  
3 cover the amount of contributions due and unpaid until such time  
4 as such employer shall produce a receipt from the commission  
5 showing that the contributions have been paid, or a certificate  
6 that no contributions are due. If such purchaser or successor  
7 shall fail to withhold purchase money as provided, and the  
8 contributions shall not be paid within ten days, such purchaser  
9 or successor, including any individual or organization (including  
10 the types of organizations described in Article II of this Act),  
11 whether or not an employing unit, which acquires the organization,  
12 trade, or business or a substantial part of the assets thereof,  
13 from an employer, shall be liable, in an amount not to exceed  
14 the reasonable value of the organization, trade, business or  
15 assets acquired for any contributions or interest due or accrued  
16 and unpaid by such employer, and the amount of such liability  
17 shall, in addition, be a lien against the property or assets so  
18 acquired which shall be prior to all other liens: Provided,  
19 That the lien shall not be valid as against one who acquires  
20 from the successor any interest in the property or assets  
21 in good faith, for value and without notice of the lien. On  
22 written request made after the acquisition is completed, the  
23 commission shall furnish the successor with a written statement  
24 of the amount of contributions and interest due or accrued and  
25 unpaid by the employer as of the date of such acquisition, and  
26 the amount of the liability of the successor or the amount of  
27 the lien shall in no event exceed the liability disclosed by  
28 such statement. The foregoing remedies shall be in addition  
29 to all other existing remedies against the employer or his

1 successor.

2       Sec. 12. Contributions Paid in Error to Another State.

3 Contributions due under this Act with respect to wages for  
4 insured work shall for the purpose of this section be deemed  
5 to have been paid to the fund as of the date payment was made  
6 as contributions therefor under another State or Federal  
7 employment security law if payment into the fund of such  
8 contributions is made on such terms as the commission finds  
9 will be fair and reasonable as to all affected interests.  
10 Payments to the fund under this section shall be deemed to  
11 be contributions for purposes of Article VIII.

12       Sec. 13. Remedies Cumulative. Remedies given to the  
13 Territory under this Act for the collection of contributions  
14 and interest shall be cumulative and no action taken by the  
15 commission or its duly authorized representative, the Attorney  
16 General, or any other officer shall be construed to be an  
17 election on the part of the Territory or any of its officers  
18 to pursue any remedy to the exclusion of any other.

19       Sec. 14. Compromise of Contributions. The commission  
20 may compromise any claim for contributions, interest or penalties  
21 existing or arising under this Act in any case where collection  
22 of the full claim would result in the insolvency of the employ-  
23 ing unit or individual from whom such contributions, interest  
24 or penalties are claimed.

25       Whenever a compromise is made by the commission in any  
26 case, there shall be placed on file in the office of the Employ-  
27 ment Security Commission a statement of the amount of contri-  
28 butions, interest and penalties imposed by law and claimed due,  
29 a complete record of the compromise agreement and the amount

1 actually paid in accordance with the terms of the compromise  
2 agreement.

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

13 If any such compromise is accepted by the commission,  
14 within such time as may be stated in the compromise or agreed  
15 to, such compromise shall be final and conclusive and, except  
16 upon showing of fraud or malfeasance or misrepresentation of  
17 a material fact, the case shall not be reopened as to the  
18 matters agreed upon. In any suit, action or proceeding, such  
19 agreement or any determination, collection, payment, adjustment,  
20 refund or credit made in accordance therewith, shall not be  
21 annulled, modified, set aside or disregarded,

#### 22 Article X

#### 23 UNEMPLOYMENT FUND

24 Section 1. Establishment and Control. There is hereby  
25 established as a special fund, separate and apart from all public  
26 moneys or funds of this Territory, an unemployment fund, which  
27 shall be administered by the commission exclusively for the  
28 purposes of this Act. This fund shall consist of:

29 (a) all contributions collected under this Act, together

1 with any interest thereon collected pursuant to section \_\_\_\_\_  
2 herein;

3 (b) all fines and penalties collected pursuant to  
4 the provisions of this Act;

5 (c) interest earned upon any moneys in the fund;

6 (d) any property or securities acquired through  
7 the use of moneys belonging to the fund; and

8 (e) all earnings of such property or securities,

9 All moneys in the fund shall be mingled and undivided.

10 Sec. 2. Accounts and Deposit. The Territorial Treasurer  
11 shall be ex-officio the treasurer and custodian of the fund  
12 and shall administer such funds in accordance with the directions  
13 of the commission and shall issue his warrants upon it in  
14 accordance with such regulations as the commission shall prescribe.  
15 He shall maintain within the fund three separate accounts;

16 (a) a Clearing Account,

17 (b) an Unemployment Trust Fund Account, and

18 (c) a Benefit Account.

19 All moneys payable to the fund, upon receipt thereof by the  
20 commission, shall be forwarded to the Treasurer who shall im-  
21 mediately deposit them in the Clearing Account. Refunds pay-  
22 able pursuant to Article II and VI herein may be paid from  
23 the Clearing Account upon warrants issued by the Treasurer  
24 under the direction of the commission. After clearance thereof,  
25 all of the moneys in the Clearing Account shall be immediately  
26 deposited with the Secretary of the Treasury of the United  
27 States of America to the credit of the account of this Terri-  
28 tory in the Unemployment Trust Fund, established and main-  
29 tained pursuant to section 904 of the Social Security Act, as

1 amended, any provision of law in this Territory relating to  
2 the deposit, administration, release, or disbursement of moneys  
3 in the possession or custody of this Territory to the contrary  
4 notwithstanding the Benefit Account shall consist of moneys  
5 requisitioned from this Territory's account in the Unemployment  
6 Trust Fund for the purpose of paying benefits. Except as herein  
7 otherwise provided, moneys in the Clearing and Benefit Accounts  
8 may be deposited by the Treasurer, under the direction of the  
9 commission, in any bank or public depository in which general  
10 funds of the Territory may be deposited, but no public deposit  
11 insurance charge or premium shall be paid out of the fund.  
12 Moneys in the Clearing and Benefit Accounts shall not be com-  
13 mingled with other Territorial funds, but shall be maintained in  
14 separate accounts on the books of the depository bank. Such  
15 money shall be secured by the depository law of this Territory;  
16 and collateral pledged for this purpose shall be kept separate  
17 and distinct from any collateral pledged to secure other funds  
18 of the Territory. The Treasurer shall be liable on his official  
19 bond for the faithful performance of his duties in connection  
20 with the fund. All sums recovered for losses sustained by the  
21 fund shall be deposited therein.

22       Sec. 3. Advances from the Federal Unemployment Account.

23 Whenever, in accordance with Title XII of the Social Security  
24 Act, as Amended, the balance in the Unemployment Fund reaches  
25 a point where the Governor of the Territory must apply for an  
26 advance in order to secure to this Territory and its citizens  
27 the advantages available under the provisions of such Title,  
28 the commission is authorized and directed to so notify the  
29 Governor and to take such action as may be appropriate to

1 obtain such advance to the Unemployment Trust Fund and its  
2 repayment in accordance with the conditions specified in Title  
3 XII of the Social Security Act, as amended.

4       Sec. 4. Withdrawals. In accordance with regulations  
5 prescribed by the commission, moneys shall be requisitioned  
6- from this Territory's account in the Unemployment Trust Fund  
7 solely for the payment of benefits and refunds.

8       (a) Benefit Payments. The commission shall from  
9 time to time requisition from the Unemployment Trust Fund such  
10 amounts, not exceeding the amount standing to this Territory's  
11 account therein, as it deems necessary for the payment of  
12 benefits for a reasonable future period. Upon receipt thereof  
13 the Treasurer shall deposit such moneys in the Benefit Account  
14 and shall issue warrants for the payment of benefits solely from  
15 such Benefit Account.

16       (b) Refund Payments. If, at any time, moneys in the  
17 Clearing Account are not sufficient to provide for refunds pay-  
18 able pursuant to Article II and VI herein, the commission shall  
19 withdraw from the Unemployment Trust Fund such amounts, not  
20 exceeding the amount standing to this Territory's account there-  
21 in, as are necessary for the payment of such refunds. Upon  
22 receipt thereof the Treasurer shall deposit such moneys in the  
23 Clearing Account and shall issue warrants for the payment of  
24 such refunds from such account.

25       Expenditures of such moneys in the Benefit Account and  
26 refunds from the Clearing Account shall not be subject to any  
27 provisions of law requiring specific appropriations or other  
28 formal release by Territorial officers of money in their custody.  
29 All warrants issued by the Treasurer for the payment of benefits,

1 and refunds shall bear the signature of the Treasurer and counter-  
2 signature of the commission or its duly authorized agent for that  
3 purpose. Any balance of moneys requisitioned from the Unemploy-  
4 ment Trust Fund which remains unclaimed or unpaid in the Benefit  
5 Account after the expiration of the period for which such sums,  
6 were requisitioned shall either be deducted from estimates for,  
7 and may be utilized for the payment of, benefits during succeed-  
8 ing periods, or in the discretion of the commission, shall be  
9 redeposited with the Secretary of the Treasury of the United  
10 States of America, to the credit of this Territory's account in  
11 the Unemployment Trust Fund, as provided in section \_\_\_\_\_.

12       Sec. 5. Management of Funds upon Discontinuance of the  
13 Unemployment Trust Fund. The provisions of sections 1, 2 and  
14 4 herein, to the extent that they relate to the Unemployment  
15 Trust Fund shall be operative only so long as such Unemployment  
16 Trust Fund continues to exist and so long as the Secretary of  
17 the Treasury of the United States of America continues to main-  
18 tain for this Territory a separate book account of all funds  
19 deposited therein by this Territory for the benefit purposes,  
20 together with this Territory's proportionate share of the  
21 earnings of such Unemployment Trust Fund, from which no other  
22 State is permitted to make withdrawals. If and when such Unemploy-  
23 ment Trust Fund ceases to exist, or such separate book account  
24 is no longer maintained, all moneys, properties, or securities  
25 therein, belonging to the Unemployment Compensation Fund of  
26 this Territory, shall be transferred to the Treasurer of the  
27 Unemployment Compensation Fund, who shall hold, invest, transfer,  
28 sell, deposit, and release such moneys, properties, or securities  
29 in a manner approved by the commission in accordance with the

1 provisions of this Act: Provided: That such moneys shall be  
2 invested in the following readily marketable classes of securities:  
3 Bonds, or other interest-bearing obligations of the United States  
4 of America: Provided further, That such investments shall be at  
5 all times so made that all the assets of the fund shall always  
6 be readily convertible into cash when needed for the payment of  
7 benefits. The Treasurer shall dispose of securities or other  
8 properties belonging to the Unemployment Compensation Fund only  
9 under the direction of the commission.

10 Article XI

11 EMPLOYMENT SECURITY ADMINISTRATION FUND

12 Section 1. Establishment of Administration Fund. There is  
13 hereby created in the Territorial Treasury a special fund to be  
14 known as the Employment Security Administration Fund. All  
15 moneys which are deposited or paid into this fund shall be  
16 continuously available to the commission for expenditure in  
17 accordance with the provisions of this Act, and shall not lapse  
18 at any time or be transferred to any other fund. All moneys  
19 in this fund which are received from the Federal government  
20 or any agency thereof, or which are appropriated by this  
21 Territory shall be expended solely for the purpose and in the  
22 amounts found necessary by the Secretary of Labor for the  
23 proper and efficient administration of this Act. The fund shall  
24 consist of all moneys appropriated by this Territory, all moneys  
25 received from the United States of America, or any agency  
26 thereof, including the Department of Labor, and all moneys re-  
27 ceived from any other source for such purpose, and shall also  
28 include any moneys received from any agency of the United States  
29 or any other State as compensation for services or facilities

1 supplied to such agency, any amounts received pursuant to any  
2 surety bond or insurance policy or from other sources for  
3 losses sustained by the Employment Security Administration  
4 Fund or by reason of damage to equipment or supplies purchased  
5 from moneys in such fund, and any proceeds realized from the  
6 sale or disposition of any such equipment or supplies which  
7 may no longer be necessary for the proper administration of  
8 this Act.

9       Sec. 2. All moneys in this fund shall be deposited,  
10 administered, and disbursed, in the same manner and under the  
11 same conditions and requirements as is provided by law for  
12 other special funds in the Territorial Treasury. The Terri-  
13 torial Treasurer shall be liable on his official bond for the  
14 faithful performance of his duties in connection with the  
15 Employment Security Administration Fund provided for under this  
16 Act. Such liability on the official bond shall be effective  
17 immediately upon the enactment of this provision, or which may  
18 be given in the future. All sums recovered on any surety bond  
19 for losses sustained by the Employment Security Administration  
20 Fund shall be deposited in said fund.

21       Sec. 3. Reimbursement of the Fund. If any moneys received  
22 after June 30, 1941, from the Department of Labor under Title III  
23 of the Social Security Act, or any unencumbered balances in  
24 the Unemployment Compensation Administration Fund as of that  
25 date, or any moneys granted after that date to this Territory  
26 pursuant to the provisions of the Wagner-Peyser Act, or any  
27 moneys made available by this Territory or its political sub-  
28 divisions and matched by such moneys granted to this Territory  
29 pursuant to the provisions of the Wagner-Peyser Act, are found

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

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1 Article XII

2 ADMINISTRATION AND ORGANIZATION

3 Section 1. Appointment of Members. There is hereby created  
4 within the Territorial Department of Labor a Commission to be  
5 known as the Employment Security Commission of Alaska which shall  
6 administer the Employment Security Act. The Commission shall  
7 consist of five (5) members, four (4) of whom shall be appointed  
8 by the Governor by and with the consent of the Legislature in  
9 joint session of both houses. The fifth member and Chairman shall  
10 be ex-officio the Territorial Commissioner of Labor. Of the four  
11 appointive members, two shall represent labor and two shall represent  
12 management and no more than two shall be members of the same  
13 political party. Members of the Commission shall be residents  
14 of the Territory of Alaska and citizens of the United States over  
15 the age of twenty-one years.

16 Sec. 2. Vacancy on Commission. If a vacancy in the membership  
17 of the Commission occurs at any time through death, resignation,  
18 removal or disqualification under this Act, prior to the end of the  
19 term of any member, or upon expiration of the term of a member as  
20 provided in this Act, a successor member shall, within 30 days  
21 after the occurrence of the vacancy, be appointed by the Governor  
22 by and with the consent of the Legislature in joint session of  
23 both houses.

24 Sec. 3. Terms of Office The terms of office of the four (4)  
25 members first taking office pursuant to the provision of this Act,  
26 as enacted by Laws of 1953, ch. 83, shall continue to the  
27 expiration dates set for such terms, that is, one on February 1,  
28 1955, one on February 1, 1957, one on February 1, 1959, and one on  
29 February 1, 1961. Any appointed member of the Commission may be

1 removed for inefficiency, neglect of duty, repeated failure to at-  
2 tend meetings of the Commission, malfeasance or commission of a  
3 crime after such member has been given notice of the charges against  
4 him and an opportunity for a public hearing thereon before the  
5 Governor.

6       Sec. 4. Reimbursement for Duties and Expenses. The four (4)  
7 appointed members of the Commission shall receive compensation at  
8 the rate of \$25.00 per day while in attendance at official meetings  
9 of the Commission or while engaged in necessary travel thereto and  
10 therefor, but in no instance shall such compensation exceed  
11 the sum of \$200. per month. In addition, members of the Commission  
12 shall receive necessary travel expenses as provided for by regula-  
13 tions adopted by the Commission and approved by the Secretary of  
14 Labor or his designated representatives. The Commission shall meet  
15 regularly not less frequently than once each month at Juneau upon  
16 call of the Chairman, provided nothing herein shall prevent the  
17 Commission from meeting at such other places and at such times as  
18 may be necessary to perform the duties and responsibilities with  
19 which it is charged by this Act. A quorum shall consist of three,  
20 four or five members of the Commission provided that representatives  
21 of labor and management are present in equal numbers. Decisions,  
22 reached by the quorum shall be considered the decisions of the  
23 Commission.

24       Sec. 5. Duties and Powers of the Commission. Subject to the  
25 provisions of Section 8 (b) of this Article, the Chairman shall  
26 appoint an Executive Director whose duty it shall be to administer  
27 the provisions of this Act under such authority of the Commission  
28 as may be delegated to him by the Commission, with the exception:  
29 that the Commission may not delegate the appellate powers conferred

1 upon it by this Act, the power to adopt, amend or rescind rules  
2 and regulations, or the power to fix the compensation and prescribe  
3 the duties and powers of such officers, accountants, attorneys,  
4 experts and other persons as may be necessary to carry out the  
5 purposes of this Act. The Commission itself shall also prescribe  
6 the divisions, sub-divisions and units of the organization to be  
7 directed by the Executive Director to carry out the purposes of  
8 this Act. It may require bond of any person handling money or  
9 signing checks. It shall have an official seal which shall be  
10 judicially noticed. Not later than the first day of October of  
11 each year, the Commission shall submit to the Governor a report  
12 covering the administration and operation of this Act during the  
13 preceding fiscal year ended June 30 and shall make such recommenda-  
14 tions for amendments to this Act as the Commission deems proper.  
15 Such report shall include a balance sheet of the moneys in the fund  
16 in which there shall be provided, if possible a reserve against  
17 the liability in future years to pay benefits in excess of the then  
18 current contributions, which reserve shall be set up by the Commis-  
19 sion in accordance with accepted actuarial principles on the basis  
20 of statistics of employment, business activity, and other relevant  
21 factors for the longest possible period. Whenever the Commission  
22 believes that a change on contribution or benefit rates will become  
23 necessary to protect the solvency of the fund, it shall promptly  
24 so inform the Governor and the Legislature, and make recommendations  
25 with respect thereto.

26       Sec. 6. Regulations and General and Special Rules. General  
27 and special rules may be adopted, amended, or rescinded by the  
28 Commission only after public hearing or opportunity to be heard  
29 thereon, of which proper notice has been given. General rules

1 shall become effective ten (10) days after filing with the  
2 Secretary of (State) and publication in one or more newspapers  
3 of general circulation in this Territory. Special rules shall  
4 become effective ten (10) days after notification to or mailing  
5 to the last known address of the individuals or concerns affected  
6 thereby. Regulations may be adopted, amended, or rescinded by the  
7 Commission and shall become effective in the manner and at the  
8 time prescribed by the Commission.

9       Sec. 7. Research and Publication. The Commission shall study  
10 and make recommendations on the most effective methods of providing  
11 economic security through unemployment insurance, employment service  
12 and related programs and shall take appropriate steps to promote  
13 the reemployment of unemployed workers throughout the Territory in  
14 every way that may be feasible; and to these ends shall carry on  
15 and publish the results of investigation and research studies.

16       The Commission shall cause to be printed for distribution to  
17 the public the text of this Act, the Commission's regulations and  
18 general rules, its annual reports to the Governor, and any other  
19 material the Commission deems relevant and suitable and shall  
20 furnish the same to any person upon application therefor.

21       Sec. 8. Personnel.(a) Subject to other provisions of this Act,  
22 the Commission is authorized to appoint, fix the compensation, and  
23 prescribe the duties and powers of such officers, accountants,  
24 attorneys, experts, and other persons as may be necessary in the  
25 performance of its duties. The Commission shall not employ or pay  
26 any person who is an officer or committee member of any political  
27 party organization.

28       (b) The Commission is authorized and directed to provide  
29 for a merit system covering all persons employed in the administra-

1 tion of this Act and shall have authority, by regulation, to  
2 provide for all matters which are appropriate to the establish-  
3 ment and maintenance of such system on the basis of efficiency and  
4 fitness. The Commission is authorized to adopt such regulations  
5 as may be necessary to meet personnel standards promulgated by  
6 the Social Security Act, as amended, and the Acts of Congress  
7 entitled "An Act to provide for the establishment of a national em-  
8 ployment system and for cooperation with the States in the promotio:  
9 of such system, and for other purposes," approved June 6, 1933,  
10 (29 USC section 49 et seq.), as amended, and to provide for the  
11 maintenance of the merit system required under this section in  
12 conjunction with any merit system applicable to any other State  
13 agency or agencies which meets the personnel standards promulgated  
14 by the Secretary of Labor.

15 (c) Notwithstanding any provision of law to the contrary,  
16 the Commission shall have authority to dismiss without notice any  
17 person employed in the administration of this Act upon receipt  
18 of notice of a determination by the United States Civil Service  
19 Commission that such person has violated the provisions of the  
20 Act of Congress entitled "An Act to prevent pernicious political  
21 activities," as amended (United States Code, title 18, section 61  
22 (a) and that such violation warrants the removal of such person  
23 from his employment.

24 Sec. 9. Advisory Councils. The Commission shall appoint a  
25 Territorial Advisory Council composed in each case of men and women,  
26 including an equal number of employer representatives and employee  
27 representatives who may fairly be regarded as representative because  
28 of their vocation, employment, or affiliations, and of such members  
29 representing the general public as the Commission may designate.

1 Such Council shall aid the commission in formulating policies  
2 and discussing problems relating to the administration of this  
3 Act and in assuring impartiality and freedom from political  
4 influence in the solution of such problems. Such Advisory  
5 Councils shall serve without compensation, but shall be reim-  
6 bursed for any necessary expense. The advisory council shall  
7 meet as frequently as the commission deems necessary but not  
8 less than twice each year. The advisory council shall make  
9 reports of its meetings; such reports shall include a record of  
10 its discussions and its recommendations. The commission shall  
11 make such reports available to any interested persons or groups;

12       Sec. 10. Federal-Territorial Cooperation. (a) The provi-  
13 sions of the Wagner-Peyser Act, as amended, are hereby accepted  
14 by this Territory and the Employment Security Commission of  
15 Alaska is hereby designated and constituted the agency of this  
16 Territory for the purposes of said Act. The commission shall  
17 establish and maintain free public employment offices in such  
18 number and in such places as may be necessary for the proper  
19 administration of this Act and for the purposes of performing  
20 such functions as are within the purview of the Wagner-Peyser  
21 Act.

22       (b) In the administration of this Act the commission  
23 shall cooperate, to the fullest extent consistent with the provi-  
24 sions of this Act, with the Secretary of Labor, and is author-  
25 ized and directed to take such action, through the adoption of  
26 appropriate rules, regulations, administrative methods and  
27 standards, as may be necessary to secure to this Territory and  
28 its citizens all advantages available under the provisions of  
29 the Social Security Act, under the provisions of sections 1602

1 and 1603 (26 USC secs. 1602, 1603) of the Federal Unemployment  
2 Tax Act, and under the provisions of the Act of Congress entitled  
3 "An Act to provide for the establishment of a national employ-  
4 ment system, and for other purposes," approved June 6, 1933  
5 (29 USC 49 et seq.) as amended referred to in this Act as the  
6 Wagner-Reyser Act.

7 (c) The commission shall comply with the regulations  
8 of the Secretary of Labor relating to the receipt or expenditure  
9 by this Territory of such moneys granted under any of such acts  
10 and shall make such reports, in such form and containing such  
11 information, as the Secretary of Labor shall from time to time  
12 require, and shall comply with such provisions as the Secretary  
13 of Labor may from time to time find necessary to assure the  
14 correctness and verification of such reports. The commission  
15 shall afford reasonable cooperation with every agency of the  
16 United States charged with the administration of any unemploy-  
17 ment insurance law.

18 (d) The commission is authorized to make such investi-  
19 gations, obtain and transmit such information, make available such  
20 services and facilities, and exercise such of the other powers  
21 provided herein with respect to the administration of this Act  
22 as he deems necessary or appropriate to facilitate the adminis-  
23 tration of any State or Federal unemployment insurance or public  
24 employment service law and in like manner, to accept and utilize  
25 information, services, and facilities made available to the  
26 Territory by the agency charged with the administration of any  
27 such other unemployment insurance or public employment service  
28 law.

29 Sec. 11. Acquisition of Land and Buildings. (a) The

1 commission is authorized to acquire for and in the name of the  
2 Territory by term purchase agreements based on competitive bids,  
3 over land and buildings upon such terms and conditions as may be  
4 approved by the Bureau of Employment Security of the United  
5 States, or such other Federal Agency as shall hereafter perform  
6 its functions, for the purpose of providing office space for the  
7 commission at such place as the commission shall find necessary  
8 and suitable.

9 (b) Any agreement made for the purchase of said  
10 premises shall be subject to the approval of the Attorney General  
11 and shall not subject the Territory to any liability for the  
12 payment of such purchase price, or any part or portion thereof,  
13 except from such moneys as may be allocated to the Territory  
14 by the Bureau of Employment Security, or successor thereto,  
15 for the administration of the Alaska Employment Security Law.

16 (c) No agreement under the terms of this section  
17 herein shall be valid without the prior authorization of a  
18 majority vote of the commission.

19 (d) All moneys received from the United States for  
20 the payments authorized herein for such lands and buildings  
21 shall be deposited in the Employment Security Administration  
22 Fund in the Territorial Treasury and are hereby appropriated  
23 therefrom for purposes of this Act.

24 (e) It is declared to be the policy of this Territory  
25 that in the event such premises are purchased pursuant to this  
26 Act, the Employment Security Commission, or such other department  
27 of the Territory as may hereafter perform its functions, shall  
28 be housed therein without further payment therefor by the  
29 United States, except for general maintenance, utilities and

1 janitorial services; or if, in the future, it may be desirable  
2 to have said Employment Security Commission, other suitable  
3 similar space will be furnished by the Territory to said  
4 commission without further payment therefor by the United  
5 States, except for general maintenance, utilities and janitorial  
6 services.

7       Sec. 12. Records and Reports. Each employing unit shall  
8 keep true and accurate work records, containing such information  
9 as the commission may prescribe. Such records shall be open  
10 to inspection and be subject to being copied by the commission  
11 or its authorized representatives at any reasonable time and  
12 as often as may be necessary. The commission and the chairman  
13 of any appeal tribunal may require from any employing unit any  
14 sworn or unsworn reports, with respect to persons employed by  
15 it, which they deem necessary for the effective administration  
16 of this Act.

17       Sec. 13. Authority to Administer Oaths and Issue Subpoenas.

18 (a) In the discharge of the duties imposed by this Act the  
19 members of the commission, any duly authorized representative  
20 of it, and any appeal tribunal shall have power to administer  
21 oaths and affirmations, take depositions, certify to official  
22 acts, and issue subpoenas to compel the attendance of witnesses  
23 and the production of books, papers, correspondence, memoranda,  
24 and other records deemed necessary as evidence in connection  
25 with a disputed claim or the administration of this Act.

26 (b) In case of contumacy by, or refusal to obey a  
27 subpoena issued to any person, the United States District  
28 Court of this Territory, upon application by the commission  
29 or any duly authorized representative thereof, shall have

1 jurisdiction to issue to such person an order requiring such  
2 person to appear before the commission or any duly authorized  
3 representative of any of them, there to produce evidence if  
4 so ordered, or there to give testimony touching the matter  
5 under investigation or in question; and any failure to obey  
6 such order of the Court may be punished by said Court as a  
7 contempt thereof.

8       Sec. 14. Protection Against Self-Incrimination. No  
9 person shall be excused from attending and testifying or from  
10 producing books, papers, correspondence, memoranda, and other  
11 records before the commission or any duly authorized representa-  
12 tive of any of them, or in obedience to the subpoena of any  
13 of them in any cause or proceeding before the commission, or  
14 on appeal tribunal, on the ground that the testimony or evidence,  
15 documentary or otherwise, required of him may tend to incrim-  
16 inate him or subject him to a penalty or forfeiture; but no  
17 individual shall be prosecuted or subjected to any penalty  
18 or forfeiture for or on account of any transaction, matter,  
19 or thing concerning which he is compelled, after having  
20 claimed his privilege against self-incrimination, to testify  
21 or produce evidence, documentary or otherwise, except that  
22 such individual so testifying shall not be exempt from pro-  
23 secution and punishment for perjury committed in so testifying.

24       Sec. 15. Confidential Information. Except as herein-  
25 after otherwise provided, information obtained from any employing  
26 unit or individual pursuant to the administration of this Act,  
27 and determinations as to the benefit rights of any individual  
28 shall be held confidential and shall not be disclosed or be  
29 open to public inspection in any manner revealing the

1 individual's or employing unit's identity. Any claimant (or  
2 his legal representative) shall be supplied with information  
3 from the records of the division to the extent necessary for  
4 the proper presentation of his claim in any proceeding under  
5 this Act with respect thereto. Subject to such restrictions  
6 as the commission may by regulation prescribe, such information  
7 may be made available to any agency of this Territory or  
8 any State, or Federal agency, charged with the administration  
9 of an unemployment compensation law or the maintenance of  
10 a system of public employment offices, or for the purposes  
11 of the Federal Unemployment Tax Act to the Bureau of Internal  
12 Revenue of the United States Department of the Treasury, and  
13 information obtained in connection with the administration  
14 of the employment service may be made available to persons  
15 or agencies for purposes appropriate to the operation of a  
16 public employment service.

17       Upon request therefor the commission shall furnish to  
18 any agency of the United States charged with the administra-  
19 tion of public works or assistance through public employment,  
20 and may furnish to any State agency similarly charged, the  
21 name, address, ordinary occupation, and employment status  
22 of each recipient of benefits and such recipient's rights to  
23 further benefits under this Act.

24       The commission may request the Comptroller of the Currency  
25 of the United States to cause an examination of the correct-  
26 ness of any return or report of any national banking associa-  
27 tion rendered pursuant to the provisions of this Act, and may  
28 in connection with such request transmit any such report or  
29 return to the Comptroller of the Currency of the United States

1 as provided in section 1606 (c) of the Federal Unemployment  
2 Tax Act (26 USC 1606 (c)).

3       Sec. 16. Preservation and Destruction of Agency Records.

4 (a) The commission may cause to be made such summaries,  
5 compilations, photographs, duplications, or reproductions  
6 of any records, reports, or transcripts thereof as he may deem  
7 advisable for the effective and economical preservation of  
8 the information contained therein, and such summaries, com-  
9 pilations, photographs, duplications, or reproductions, duly  
10 authenticated, shall be admissible in any proceedings under  
11 this Act if the original record or records would have been  
12 admissible therein.

13       (b) The Commission may provide by regulation for the  
14 destruction, after reasonable periods, of any records, reports,  
15 transcripts, other papers in his custody, or reproductions  
16 thereof, the preservation of which is no longer necessary for  
17 the establishment of contribution liability or of benefit  
18 rights or for any other purpose necessary to the proper ad-  
19 ministration of this Act, including any required audit thereof.

20       Sec. 17. Representation in Court. (a) Civil Actions.

21 In any civil action to enforce the provisions of this Act  
22 the commission and the Territory may be represented by any  
23 qualified attorney who is employed by the commission and  
24 is designated by it for this purpose or at the commission's  
25 request by the Attorney General, or if the action is brought  
26 in the Courts of any other State, by any attorney qualified  
27 to appear in the courts of that State.

28       (b) Criminal Actions. All criminal actions for  
29 violations of any provisions of this Act, or of any rules or

1 regulations issued pursuant thereto, shall at the request of  
2 the commission be prosecuted by the Attorney General of the  
3 Territory or United States District Attorney.

4 Article XIII

5 PENALTIES

6 Section 1. Misrepresentation to Obtain Benefits. Any  
7 person who makes a false statement or representation of a  
8 material fact knowing it to be false or knowingly fails to  
9 disclose a material fact with intent to defraud by obtaining  
10 or increasing any benefit under this Act or under an employ-  
11 ment security law of any other State, of the Federal Govern-  
12 ment, or of a foreign government, either for himself or for  
13 any other person, shall be fined not more than \$200, or im-  
14 prisoned for not longer than sixty days, or both; and each such  
15 false statement or representation or failure to disclose a  
16 material fact shall constitute a separate offense; Provided  
17 however, That no such fine or imprisonment shall be imposed  
18 in any case in which disqualification has been determined  
19 under Article IV, section 2(g).

20 Sec. 2. Misrepresentation by Employing Unit. Any employing  
21 unit or any officer or agent of an employing unit or any other  
22 person who makes a false statement or representation knowing  
23 it to be false, or who knowingly fails to disclose a material  
24 fact, to defraud an individual by preventing or reducing the  
25 payment of benefits to which such individual would otherwise  
26 be entitled, or to avoid becoming or remaining a subject employer,  
27 or to avoid or reduce any contribution or other payment re-  
28 quired from an employing unit under this Act or under the  
29 employment security law of any other State, or Territory, of

1 the Federal Government or of a foreign government, or who  
2 wilfully fails or refuses to make any such contributions or  
3 other payment or to furnish any reports required hereunder or  
4 to produce or permit the inspection or copying of records as  
5 required hereunder, shall be fined not more than \$200, or  
6 imprisoned for not longer than sixty days, or both; and each  
7 such false statement or representation or failure to disclose  
8 a material fact, and each day such failure or refusal continues  
9 shall constitute a separate offense.

10       Sec. 3. Noncompliance with Subpoena of Agency. Any  
11 person who, without just cause, fails or refuses to attend and  
12 testify or to answer any lawful inquiry or to produce books,  
13 papers, correspondence, memoranda and other records, if it is  
14 in his power so to do, in obedience to a subpoena of the  
15 commission, an appeal tribunal, or any duly authorized repre-  
16 sentative of any of them, shall be fined not more than \$200  
17 or imprisoned for not longer than sixty days, or both; and  
18 each day such failure or refusal continues shall constitute  
19 a separate offense.

20       Sec. 4. Violation of Law, Rules or Regulations. Any  
21 person who wilfully violates any provision of this Act or any  
22 order, rule, or regulation thereunder, the violation of which  
23 is made unlawful or the observance of which is required under  
24 the terms of this Act, and for which a penalty is neither  
25 prescribed in this Act nor provided by any other applicable  
26 statute, shall be fined not more than \$200 or imprisoned for  
27 not longer than sixty days, or both; and each day such violation  
28 continues shall constitute a separate offense.

29       Sec. 5. Unauthorized Disclosure of Information. If the

1 commission or any employee of the commission or any member of  
2 the commission, in violation of the provisions of Article XII,  
3 section 15, makes any disclosure of information obtained from  
4 any employing unit or individual in the administration of this  
5 Act, or if any person who has obtained any list of applicants  
6 for work or of claimants or recipients of benefits under this  
7 Act uses or permits the use of such list for any purpose not  
8 authorized by Article XII, section 15, he shall be fined not  
9 more than \$200 or imprisoned for not longer than ninety days,  
10 or both.

11 Article XIV

12 RECIPROCAL ARRANGEMENTS

13 Section 1. Interstate Benefit Payments. The commission  
14 is hereby authorized to enter into reciprocal arrangements  
15 with appropriate and duly authorized agencies of other States  
16 or of the Federal Government, or both, whereby potential rights  
17 to benefits under this Act may constitute the basis for payment  
18 of benefits by another State or by the Federal Government and  
19 potential rights to benefits accumulated under the law of  
20 another State or of the Federal Government may constitute  
21 the basis for the payment of benefits by this Territory.  
22 Such benefits shall be paid under such provisions of this Act  
23 or under the provisions of the law of such State or of the  
24 Federal Government or under such combination of the provisions  
25 of both laws as may be agreed upon as being fair and reason-  
26 able to all affected interests. No such arrangements shall  
27 be entered into unless it contains provision for reimbursement  
28 to the fund for such benefits as are paid on the basis of  
29 wages and service subject to the law of another Territory or

1 of the Federal Government, and provision for reimbursement  
2 from the fund for such benefits as are paid by another State  
3 or by the Federal Government on the basis of wages and service  
4 subject to this Act. Reimbursements paid from the fund pursuant  
5 to this section shall be deemed to be benefits for the purposes  
6 of this Act.

7       Sec. 2. Combining Wage Credits. The commission is here-  
8 by authorized to enter into reciprocal arrangements with  
9 appropriate and duly authorized agencies of other States or  
10 of the Federal Government, or both, whereby wages, upon the  
11 basis of which an individual may become entitled to benefits  
12 under an employment security law of another State or of the  
13 Federal Government, shall be deemed to be wages for insured  
14 work for the purpose of determining his benefits under this  
15 Act; and wages for insured work, on the basis of which an  
16 individual may become entitled to benefits under this Act  
17 shall be deemed to be wages on the basis of which unemployment  
18 insurance is payable under such law of another State or of the  
19 Federal Government. No such arrangement shall be entered into  
20 unless it contains provision for reimbursement to the fund  
21 for such of the benefits paid under this Act on the basis  
22 of such wages and provision for reimbursement from the fund  
23 for such benefits paid under such other law on the basis of  
24 wages for insured work, as the commission finds will be fair  
25 and reasonable to all affected interests. Reimbursements  
26 paid from the fund pursuant to this section shall be deemed  
27 to be benefits for the purposes of this Act.

28       Sec. 3. Reciprocal Coverage. The commission is hereby  
29 authorized to enter into reciprocal arrangements with appropriate

1 and duly authorized agencies of other States or of the Federal  
2 Government, or both, whereby, notwithstanding the provisions  
3 of Article V, section 11. Service performed by an individual  
4 for a single employing unit for which service is customarily  
5 performed by such individual in more than one State shall  
6 be deemed to be service performed entirely within any one of  
7 the States in which (1) any part of such individual's service  
8 is performed, or (2) such individual has his residence, or  
9 (3) the employing unit maintains a place of business: Provided,  
10 That there is in effect, as to such service, an approved  
11 election by an employing unit with the acquiescence of such  
12 individual, pursuant to which service performed by such  
13 individual for such employing unit is deemed to be performed  
14 entirely within such State.

15       Sec. 4. Reexamination of Reciprocal Arrangements. If  
16 after entering into an arrangement provided by this Article,  
17 the commission finds that the employment security law of  
18 any State or of the Federal Government participating in such  
19 arrangement has been changed in a material respect, the  
20 commission shall make a new finding as to whether such arrange-  
21 ment shall be continued with such State or with the Federal  
22 Government.

23       Sec. 5. Cooperation with Agencies of Foreign Governments.  
24 To the extent permissible under the laws and Constitution of  
25 the United States, the commission is authorized to enter into  
26 or cooperate in arrangements whereby facilities and services  
27 provided under this Act, and facilities and services provided  
28 under the employment security law of any foreign government  
29 may be utilized for the taking of claims and the payment of



1           Sec. 2. Amendment or Repeal. The Legislature reserves  
2 the right to amend or repeal all or any part of this Act at  
3 any time; and there shall be no vested right of any kind against  
4 such amendment or repeal. All the rights, privileges, or  
5 immunities conferred by this Act or by acts pursuant thereto,  
6 shall exist subject to the power of the Legislature to amend  
7 or repeal this Act at any time.

8           Sec. 3. Separability Clause. If any provisions of this  
9 Act, or the application thereof to any person or circumstance,  
10 is held invalid, the remainder of this Act, and the application  
11 of such provision to other persons or circumstances, shall not  
12 be affected thereby.

13           Sec. 4. Termination. If at any time the Federal Unemploy-  
14 ment Tax Act shall be amended or repealed by Congress or held  
15 unconstitutional by the Supreme Court of the United States,  
16 with the result that no portion of the contributions required  
17 under this Act may be credited against the tax imposed by said  
18 Federal Act, in any such event, the commission shall send  
19 immediate notice of such facts to the Governor of this Terri-  
20 tory who shall, because of the danger of the welfare of the  
21 people of this Territory, ask for immediate consideration,  
22 if necessary in a special session, by the Legislature of  
23 measures designed either to effectuate the purpose of this  
24 Act or terminate its operations. Pending such determination  
25 by the Legislature, the commission shall requisition from the  
26 Unemployment Trust Fund all monies therein standing to its  
27 credit, which, together with any other monies in the Unemploy-  
28 ment Compensation Fund, so long as such monies are available  
29 shall be used for the payment of benefits in accordance with

1 the provisions of this Act.

2 Sec. 5. Repealer. Chapter 5 of Title 51 (being sections  
3 51-5-1 through 51-5-20, as amended) Alaska Compiled Laws  
4 Annotated, 1949, as amended, is hereby repealed; and all other  
5 acts or parts of acts in conflict with this act are hereby  
6 repealed to the extent of such conflict.

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