

BY SENATORS BUTROVICH,  
JENSEN AND YERNER.

*William Jensen*  
*BY John Butrovich*

IN THE SENATE

SENATE BILL NO. 56

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-SECOND SESSION

A BILL

For an Act entitled: "An Act to repeal the Alaska Employment Security Law, as amended (Title 51, Chapter 5, ACLA 1949, as amended and expanded), in its entirety, and to substitute therefor a new law on employment security, repealing all acts and parts of acts inconsistent herewith," ~~and declaring an emergency.~~

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

ARTICLE I. PREAMBLE

Section 101. SHORT TITLE. This Act shall be known as and may be cited as the Alaska Employment Security Law of 1965.

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

Economic insecurity due to involuntary unemployment is a serious menace to the health, morals and welfare of the people of this Territory. Involuntary unemployment is, therefore, a subject of general interest and concern which requires appropriate action by the Legislature to prevent its spread and to lighten its burden. <sup>and to provide for the recovery of funds and the effect on stabilizing</sup> This can be accomplished by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment, from which benefits may be paid for periods of involuntary unemployment. The Legislature, therefore, declares that, in its considered judgment,

*John Butrovich*

the public good and the general welfare of the citizens of this Territory require the enactment of this measure, under the police power of the Territory, for the operation of public employment service offices and the establishment of an insurance program to provide ~~a~~ subsistence-level income to those individuals who are attached to the labor force but find themselves jobless for reasons beyond their control.

ARTICLE II. DEFINITIONS.

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

Section 202. "Base Period" means the last calendar year preceding the first day of the benefit year.

Section 203. "Benefits" means the money payments payable to an individual, as provided in this Act, with respect to his unemployment.

Section 204. "Benefit ratio" means the quotient obtained by the formula set out in Section 503 (d) of this Act.

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

Section 206. "Board" means the Alaska Employment Security Board established by this Act.

Section 207. "Contributions" means the money payments to the Alaska Unemployment Compensation Fund required by this Act.

Section 208. "Calendar quarter" means the period of three consecutive calendar months ending March 31, June 30, September 30, or December 31, or the equivalent thereof as the Director

1855  
Admission to Alaska Employment Security Board

may, by regulations, prescribe.

Section 209. "Director" means the Director of Employment Security established by this Act, or any person to whom this Director may delegate his powers and duties.

Section 210. "Employing unit" means any individual or type of organization, including the Territory of Alaska and political subdivisions of the Territory of Alaska, any partnership, association, trust, estate, joint-stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has, or subsequent to January 1, 1937, had in its employ one or more individuals performing services for it within this Territory. All individuals performing services within this Territory for any employing unit which maintains two or more separate establishments within this Territory shall be deemed to be employed by a single employing unit for all the purposes of this Act.

Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this Act, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit has actual or constructive knowledge of the work.

Section 211. "Employer" means:

(a) Any employing unit which on and after July 1, 1945, for some portion of a day, has or had in employment one or more individuals; and

(b) For the effective period of its election pursuant to

Section 531 herein, any other employing unit, otherwise excluded from the Act, which has elected to become subject to this Act.

Section 212. "Employment", subject to the other provisions of Sections 213 to <sup>231</sup> 216, inclusive, means service, including service in interstate commerce and service as an officer of a corporation, performed for wages or under any contract of hire, written or oral, express or implied.

Section 213. The term "employment" shall include an individual's entire service, performed within or both within and without this Territory if --

(a) the service is localized in this Territory, or

(b) the service is not localized in any State or Territory but some of the service is performed in this Territory and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this Territory; or (2) the base of operations or place from which such service is directed or controlled is not in any State or Territory in which some part of the service is performed but the individual's residence is in this Territory.

Section 214. Services not covered under Section 213 herein, and performed entirely without this Territory, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other State, Territory, or of the Federal Government, shall be deemed to be employment subject to this Act if the individual performing such services is a resident of this Territory and the Director approves the election of the employing unit for whom such services are performed that the entire services of such individual shall be deemed to be employment subject to this Act.

1           Section 215. Service shall be deemed to be localized within  
2 a State or Territory if --

3           (a) the service is performed entirely within the State or  
4 Territory; or

5           (b) the service is performed both within and without such  
6 State or Territory, but the service performed without such State  
7 or Territory is incidental to the individual's service within  
8 such State or Territory, for example, is temporary or transitory  
9 in nature or consists of isolated transactions.

10          Section 216. Services performed by an individual for wages  
11 or under any contract of hire shall be deemed to be employment-  
12 subject to this Act unless and until it is shown to the satis-  
13 faction of the Director that --

14           (a) such individual has been and will continue to be free  
15 from control or direction over the performance of such services,  
16 both under his contract of service and in fact; and

17           (b) such service is either outside the usual course of the  
18 business for which such service is performed or that such service  
19 is performed outside of all the places of business of the enter-  
20 prise for which such service is performed; and

21           (c) such individual is customarily engaged in an independ-  
22 ently established trade, occupation, profession or business.

23          Section 217. Notwithstanding any of the other provisions  
24 of Article II herein, services performed after July 1, 1946,  
25 shall be deemed to be in employment if with respect to such  
26 service a tax is required to be paid under any Federal law impos-  
27 ing a tax against which credit may be taken for contributions  
28 required to be paid into a State unemployment compensation fund.

29          Section 218. Notwithstanding any provisions of this Act to

1 the contrary, the term "employment" shall not include service per-  
2 formed by any elected public official *(Insert)*

3 Section 219. The term "employment" shall not include agri-  
4 cultural labor.

5 Section 220. The term "employment" shall not include domes-  
6 tic service in a private home.

7 Section 221. The term "employment" shall not include service  
8 performed as an officer or member of the crew of a vessel, not  
9 an American vessel, and services on or in connection with an  
10 American vessel under a contract of service which is not entered  
11 into within the United States and during the performance of which  
12 the vessel does not touch at a port of the United States;  
13 Provided, however, That notwithstanding the foregoing provisions,  
14 the term "employment" shall include an individual's entire service  
15 as an officer or member of a crew of an American vessel wherever  
16 performed and whether in intrastate or interstate or foreign  
17 commerce, if the employer maintains within the Territory of Alaska,  
18 at the beginning of the pay period, an operating office from which  
19 the operations of the vessel are ordinarily and regularly super-  
20 vised, managed, directed and controlled.

21 Section 222. "American vessel" means any vessel documented  
22 or numbered under the laws of the United States and includes any  
23 vessel which is neither documented<sup>?</sup> or numbered under the laws of  
24 the United States nor documented under the laws of any foreign  
25 country, if its crew is employed solely by one or more citizens  
26 or residents of the United States or corporations organized  
27 under the laws of the United States or of any State.

28 Section 223. The term "employment" shall not include services  
29 performed by an individual in the employ of his son, daughter, or

1 spouse, and services performed by a child under the age of twenty-  
2 one in the employ of his father or mother.

3 Section 224. The term "employment" shall not include ser-  
4 vices performed in the employ of the United States Government  
5 or an instrumentality of the United States exempt under the  
6 Constitution of the United States from the contributions imposed  
7 by this Act, except that to the extent that the Congress of the  
8 United States shall permit States to require any instrumentality  
9 of the United States to make payments into an unemployment fund  
10 under a State unemployment compensation law, all of the provisions  
11 of this Act shall be applicable to such instrumentalities, and to  
12 services performed for such instrumentalities, in the same manner,  
13 to the same extent, and on the same terms as to all other employ-  
14 ers, employing units, individuals and services; Provided, That  
15 if this Territory shall not be certified for any year by the  
16 Secretary of Labor under Section 3304 (c) of the Federal Internal  
17 Revenue Code of 1954, the payments required of such instrumenta-  
18 lities with respect to such year shall be refunded by the Director  
19 in the same manner and within the same period as is provided in  
20 Section 518 herein, with respect to contributions erroneously  
21 collected.

22 Section 225. The term "employment" shall not include ser-  
23 vices performed in the employ of any state excepting Alaska or  
24 of any political subdivision of any state excepting Alaska, or  
25 of any instrumentality of such state or political subdivision  
26 wholly owned by such state or political subdivision; and any  
27 service performed in the employ of any instrumentality of such  
28 state or political subdivision to the extent that the instrumen-  
29 tality is, with respect to such service, exempt under the

1 Constitution of the United States from the tax imposed by Section  
2 3301 of the Internal Revenue Code of 1954; *Insert*

3 Section 226. The term "employment" shall not include ser-  
4 vices performed in the employ of a corporation, community chest,  
5 fund, or foundation, organized and operated exclusively for  
6 religious, charitable, scientific, literary, or educational pur-  
7 poses, or for the prevention of cruelty to children or animals,  
8 no part of the net earnings of which inures to the benefit of any  
9 private shareholder or individual.

10 Section 227. The term "employment" shall not include ser-  
11 vices with respect to which unemployment compensation is payable  
12 under an unemployment compensation system established by an Act  
13 of Congress.

14 Section 228. INCLUDED AND EXCLUDED SERVICES. If the services  
15 performed during one-half or more of any pay period by an individ-  
16 ual for the person employing him constitutes employment, all the  
17 services of such individual for such period shall be deemed to  
18 be employment but if the services performed during more than  
19 one-half of any such pay period by an individual for the person  
20 employing him do not constitute employment, then none of the  
21 services of such individual for such period shall be deemed to be  
22 employment.

23 As used in this section, the term "pay period" means a period  
24 (of not more than thirty-one consecutive days) for which payment  
25 of remuneration is ordinarily made to the individual by the person  
26 employing him.

27 This section shall not be applicable with respect to services  
28 performed in a pay period by an individual for the person employ-  
29 ing him where any such service is excepted by Section 227 herein.

1 Section 229. The term "employment" shall not include casual  
2 labor not in the course of an employer's trade or business (labor  
3 which does not promote or advance the trade or business of the  
4 employer). Temporary labor in the usual course of an employer's  
5 trade or business shall not be deemed to be casual labor.

6 Section 230. The term "employment" shall not include news-  
7 boys' services in selling or distributing newspapers on the street  
8 or from house to house.

9 Section 231. SPECIALLY EXEMPTED SERVICES. The term "employ-  
10 ment" shall not include services performed in any calendar quarter  
11 in the employ of any of the following organizations:

12 Fraternal beneficiary societies, orders, or associations  
13 (a) operating under the lodge system or for the exclusive benefit  
14 of the members of a fraternity itself operating under the lodge  
15 system; and (b) providing for the payment of life, sickness,  
16 accident or other benefits to the members of such society, order  
17 or association or their dependents;

18 Business leagues, chambers of commerce, real estate boards,  
19 or boards of trade not organized for profit and no part of the  
20 net earnings of which inures to the benefit of any private share-  
21 holder or individual;

22 Civic leagues or organizations not organized for profit but  
23 operated exclusively for the promotion of social welfare;

24 Clubs organized and operated exclusively for pleasure,  
25 recreation, and other non-profitable purposes no part of which  
26 inures to the benefit of any private shareholder or individual.

27 If: (a) the remuneration for such service does not exceed  
28 one hundred sixty (\$160.00) dollars; or,

29 (b) such service is in connection with the collection of

1 dues or premiums for a fraternal benefit society, order or associ-  
2 ation and is performed away from the home office or is a ritual-  
3 istic service in connection with any such society, order or  
4 association; or

5 (c) such service is performed by a student who is enrolled  
6 and who is regularly attending classes at a school, college or  
7 university.

8 Section 232. CONTRIBUTIONS ON EARNINGS OF FISHERMEN.

9 Notwithstanding any other provision of this Act, no contributions  
10 shall be required on the earnings of fishermen, unless such  
11 earnings would be subject to the <sup>employment security</sup> tax levied by the Internal  
12 Revenue Code of the United States.

13 Section 233. "Employment office" means a free public employ-  
14 ment office or branch thereof, operated by this Territory or  
15 maintained as a part of a State controlled system of public employ-  
16 ment offices.

17 Section 234. "Fund" means the unemployment compensation  
18 fund established by this Act.

19 Section 235. "State" includes, in addition to the States  
20 of the United States, Alaska, Hawaii, and the District of Colum-  
21 bia.

22 Section 236. "Unemployed Individual". An individual shall  
23 be deemed to be "unemployed" in any week during which he performs  
24 no services and with respect to which no remuneration is payable  
25 to him or in any week of less than full-time work if the remunera-  
26 tion payable to him with respect to such week is less than his  
27 weekly benefit amount plus ten dollars.

28 Section 237. "Wages" means the first three thousand dollars  
29 of remuneration payable by one employer to an individual worker

1 for employment during one calendar year; Provided, That if the  
2 definition of the term "wages" as contained in the Federal  
3 Unemployment Tax Act is amended to include remuneration in excess  
4 of \$3,000 paid to an individual by an employer under the Federal  
5 Act during any calendar year, wages for the purposes of this law  
6 shall include remuneration paid in a calendar year to an individ-  
7 ual by an employer subject to this Act with respect to employment  
8 during any calendar year up to an amount equal to the dollar  
9 limitation specified in the Federal Unemployment Tax Act.

10 Section 238. "Remuneration" means all compensation payable  
11 for personal services, including commission and bonuses and the  
12 cash value of all compensation payable in any medium other than  
13 cash. The reasonable cash value of compensation payable in any  
14 medium other than cash shall be estimated and determined in  
15 accordance with rules prescribed by the Director.

16 Section 239. The term "wages" shall not include the amount  
17 of any payment with respect to services performed after January  
18 1, 1941, to or on behalf of, an individual in its employ under  
19 a plan or system established by an employing unit which makes  
20 provision for individuals in its employ generally or for a class  
21 or classes of such individuals (including any amount paid by an  
22 employing unit for insurance or annuities, or into a fund, to  
23 provide for such payment) on account of (a) retirement or (b)  
24 sickness or accident disability or (c) medical and hospitalization  
25 expenses in connection with sickness or accident disability, or  
26 (d) death, ~~provided the individual in its employ (1) has not the~~  
27 ~~option to receive, instead of provision for such death benefits,~~  
28 ~~any part of such payment, or, if such death benefit is insured,~~  
29 ~~any part of the premiums (or contributions to premiums) paid by~~

1 his employing unit, and (2) has not the right under the provisions  
2 of the plan or system or policy of insurance providing for such  
3 benefit, to assign such benefit, or to receive cash consideration  
4 in lieu of such benefit either upon his withdrawal from the plan  
5 or system providing for such benefit or upon termination of such  
6 plan or system or policy of insurance or of his services with  
7 such employing unit.

8  
9 Section 240. The term "wages" shall not include the payment  
10 of an employing unit (without deduction from the remuneration of  
11 the individual in its employ) of the tax imposed upon an indivi-  
12 dual in its employ under Section 3101 of the Federal Internal  
13 Revenue Code of 1954 with respect to services performed after  
14 January 1, 1941.

15 Section 241. "Week" means such period of seven consecutive  
16 days as the Director may by regulation prescribe.

### 17 ARTICLE III.

#### 18 ORGANIZATION AND ADMINISTRATION

##### 19 DIRECTOR

20 *See Insert*  
21 Section 301. APPOINTMENT; QUALIFICATIONS, SALARY. The  
22 Alaska Employment Security Law of 1955 shall be administered by  
23 a Director, who shall be appointed by the Governor and may be re-  
24 moved at the pleasure of the Governor. No person shall be  
25 appointed Director unless he is a citizen of the United States,  
26 a resident of this Territory and has been a resident at least  
27 five years immediately preceding his appointment. Compensation  
28 of the Director shall be \_\_\_\_\_ per annum, payable in  
29 equal monthly installments.

##### 30 EMPLOYMENT SECURITY BOARD

31 Section 310. APPOINTMENT OF MEMBERS. There is hereby

1 created a Board to be known as the Alaska Employment Security  
2 Board. The Board shall consist of <sup>five</sup> ~~three~~ members, who shall be  
3 appointed by the Governor, by and with the consent of the Legis-  
4 lature, in joint session of both houses, as soon as possible  
5 after passage and approval of this Act. Members of the Board  
6 shall be residents of the Territory of Alaska and citizens of  
7 the United States, over the age of twenty-one years. Not more  
8 than <sup>three</sup> ~~two~~ members of the Board shall be of the same political  
9 party. ~~(One member shall be representative of industry or  
10 management and one shall be representative of labor and one  
11 shall represent the public.)~~ Each member shall hold office for  
12 a term of six years except that:

13 Section 311. VACANCY ON BOARD. Any member appointed to  
14 fill a vacancy occurring prior to the expiration of the term  
15 for which his predecessor was appointed, shall be appointed for  
16 the remainder of that term; and if a vacancy occurs at a time  
17 when the Legislature is not in session, through death, resigna-  
18 tion, removal or disqualification, under this Act, a new member  
19 shall be appointed by the Governor to fill the vacancy who  
20 shall have the qualifications herein prescribed and who shall  
21 hold office for the remainder of the term for which his  
22 predecessor was appointed.

23 Section 312. TERMS OF OFFICE. <sup>See insert</sup> ~~(The terms of office of the~~  
24 ~~members first taking office under this Act shall be as follows: one shall~~  
25 ~~expire, one on February 1, 1958, one on February 1, 1960, and~~  
26 ~~one on February 1, 1962.)~~ The members of the Board shall be  
27 Territorial officers, and before entering upon the discharge  
28 of their duties, shall take such oaths of office as are pre-

1 scribed for Territorial officers. The Governor may, at any time,  
2 after notice and hearing, remove any member of the Board for  
3 gross inefficiency, neglect of duty, malfeasance in office, or  
4 commission of a crime.

5 Upon the expiration of the term of a member, the Governor  
6 shall submit the name of a successor for confirmation by the  
7 Legislature then in session; if the Governor does not submit such  
8 name, the incumbent shall continue to hold office and to perform  
9 the duties thereof until his successor shall be appointed and  
10 confirmed by the Legislature, as provided herein, and no recess  
11 or interim appointments shall be made in such cases.

12 Section 313. CHAIRMAN; REIMBURSEMENT OF MEMBERS. One of  
13 the members of the Board so appointed shall be chosen by all  
14 members as Chairman of the Board. Members of the Board shall be  
15 reimbursed for actual travel expenses and shall receive a per  
16 diem allowance for each day that they are away from home in  
17 connection with their official duties in carrying out the purpose  
18 of this Act. The reimbursement of all members of the Board shall  
19 be from the Employment Security Administration Fund.

20 Section 314. QUORUM. Any <sup>Three</sup> ~~two~~ members of the Board shall  
21 constitute a quorum, and no vacancy shall impair the rights of  
22 the remaining members to exercise all the powers of the Board.

23 Section 315. DUTIES OF BOARD. The Board shall meet at  
24 least once during each quarter to aid the Director in formulating  
25 policies and meeting problems relating to the administration of  
26 this Act, and to hear and decide appeals from the decisions of  
27 the appeals tribunals, *(see insert)*

#### 28 ADMINISTRATION

29 Section 321. DUTIES AND POWERS OF THE DIRECTOR. It shall be

1 the duty of the Director to administer the Act; and he shall have  
2 power and authority to adopt, amend, or rescind such rules and  
3 regulations, to employ such persons, make such expenditures, re-  
4 quire such reports, make such investigations, and take such other  
5 action as he deems necessary or suitable to that end. Such rules  
6 and regulations shall be effective upon publication in the manner  
7 not inconsistent with the provisions of this Act, which the  
8 Director shall prescribe.

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

12 Not later than the thirty-first day of July of each year,  
13 the Director shall submit to the Governor a report covering the  
14 administration and operation of this Act during the preceding  
15 twelve months and shall make such recommendations for amendments  
16 to this Act as the Director deems proper. Such report shall  
17 include a balance sheet of the moneys in the fund in which there  
18 shall be provided, if possible, a reserve against the liability  
19 in future years to pay benefits in excess of the then current  
20 contributions, which reserve shall be set up by the Director in  
21 accordance with the accepted and actuarial principles on the basis  
22 of statistics of employment, business activity, and other relevant  
23 factors for the longest possible period.

24 Section 322. REGULATIONS; GENERAL AND SPECIAL RULES.

25 General and special rules may be adopted, amended, or rescinded  
26 by the Director only after public hearing or opportunity to be  
27 heard thereon, of which proper notice has been given. General  
28 rules shall become effective thirty days after filing with the  
29 Secretary of the Territory and publication in one newspaper

1 of general circulation in each of the four judicial divisions  
2 of the Territory for such period as the Director may prescribe.  
3 Special rules become effective thirty days after notification to  
4 or mailing to the last known address of the individuals or con-  
5 cerns affected thereby. Regulations may be adopted, amended,  
6 or rescinded by the Director and shall become effective in the  
7 manner and at the time prescribed by the Director.

8 Section 323. PUBLICATIONS. The Director shall cause to be  
9 printed for distribution to the public the text or explanation  
10 of this Act, the Director's regulations and general rules, his  
11 annual reports to the Governor, and any other material the Dir-  
12 ector deems relevant and suitable and shall furnish the same to  
13 any person upon application therefor.

14 Section 324. PERSONNEL. Subject to the other provisions  
15 of this Act, the Director is authorized to appoint, fix the  
16 compensation, and prescribe the duties and powers of such officers,  
17 accountants, attorneys, experts and other persons as may be neces-  
18 sary in the performance of his duties. The Director may delegate  
19 to any such person so appointed such power and authority as he  
20 deems reasonable and proper for the effective administration of  
21 this Act, and may in his discretion bond any person handling  
22 moneys or signing checks hereunder.

23 The Director is authorized and directed to provide for a  
24 merit system covering all persons employed in the administration  
25 of this Act and shall have authority, by regulation, to provide  
26 for all matters which are appropriate to the establishment and  
27 maintenance of such system on the basis of efficiency and fitness.  
28 The Director is authorized to adopt such regulations as may be  
29 necessary to meet personnel standards promulgated by the Social  
30

1 Security Act, as amended, and the Acts of Congress entitled  
2 "An Act to provide for the establishment of a national employment  
3 system and for cooperation with the States in the promotion of  
4 such system, and for other purposes," approved June 6, 1933  
5 (29 USC Section 49 et seq.), as amended, and to provide for the  
6 maintenance of the merit system required under this section in  
7 conjunction with any merit system applicable to any other State  
8 agency or agencies which meets the personnel standards promul-  
9 gated by the Secretary of Labor.

10 Section 325. EMPLOYMENT STABILIZATION. The Director, with  
11 the advice and aid of the Board, and through the appropriate  
12 divisions, shall take all appropriate steps to reduce and prevent  
13 unemployment; and to promote the re-employment of unemployed  
14 workers throughout the Territory in every way that may be feasible.

15 Section 326. RECORDS AND REPORTS. Each employing unit shall  
16 keep true and accurate work records, containing such information  
17 as the Director may prescribe. Such records shall be open to  
18 inspection and be subject to being copied by the Director or his  
19 authorized representatives at any reasonable time and as often as  
20 may be necessary. The Director, the Board, and the chairman of  
21 any appeal tribunal may require from any employing unit any  
22 sworn or unsworn reports, with respect to persons employed by it,  
23 which they deem necessary for the effective administration of this  
24 Act.

25 Section 327. OATHS AND WITNESSES. In the discharge of the  
26 duties imposed by this Act the Director, the members of the  
27 Board and any duly authorized representative of either shall have  
28 power to administer oaths and affirmations, take depositions,  
29 certify to official acts, and issue subpoenas to compel the

attendance of witnesses and production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with a disputed claim or the administration of this Act.

Section 328. SUBPOENAS. In case of contumacy by, or refusal to obey a subpoena issued to any person, the United States District Court of this Territory, upon application by the Director, the Board, or any duly authorized representative of either, shall have jurisdiction to issue to such person an order requiring such person to appear before the Director, the Board or any duly authorized representative of either, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the Court may be punished by said Court as a contempt thereof. Any person who shall without just cause fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if it is in his power so to do, in obedience to a subpoena of the Director, the Board, or any duly authorized representative of either, shall be punished by a fine of not more than two hundred (\$200.00) dollars or by imprisonment for not longer than sixty days, or by both such fine and imprisonment.

Section 329. PROTECTION AGAINST SELF-INCRIMINATION. No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the Director, the Board, or any duly authorized representative of either, or in obedience to the subpoena of any of them in any cause or proceeding before the Board, or an appeal tribunal, on the ground that the testimony or evidence, documen-

tary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

Section 330. FEDERAL-TERRITORIAL COOPERATION. In the administration of this Act the Director shall cooperate, to the fullest extent consistent with the provisions of this Act, with the Secretary of Labor, and is authorized and directed to take such action, through the adoption of appropriate rules, regulations, administration methods and standards, as may be necessary to secure to this Territory and its citizens all advantages available under the provisions of the Social Security Act, under the provisions of <sup>See Draft</sup> ~~Section 1602 and 1603 (26 USC Sections 1602, 1603) of the Federal Unemployment Tax Act~~ and under the provisions of the Act of Congress entitled "An Act to provide for the establishment of a national employment system, and for other purposes," approved June 6, 1933 (29 USC Section 49 et seq.), as amended. The Director shall comply with the regulations of the Secretary of Labor relating to the receipt or expenditure by this Territory of such moneys granted under any of such acts and shall make such reports, in such form and containing such information, as the Secretary of Labor shall from time to time require, and shall comply with such provisions as the Secretary of Labor may from time to time find necessary to assure the correctness and

1 verification of such reports. The Director may afford reasonable  
2 cooperation with every agency of the United States charged with  
3 the administration of any unemployment insurance law.

4 Section 331. CONFIDENTIAL INFORMATION. Except as herein-  
5 after otherwise provided, information obtained from any employing  
6 unit or individual pursuant to the administration of this Act,  
7 and determinations as to the benefit rights of any individual  
8 shall be held confidential and shall not be disclosed or be open  
9 to public inspection in any manner revealing the individual's or  
10 employing unit's identity. Any claimant (or his legal representa-  
11 tive) shall be supplied with information from the records of the  
12 Director to the extent necessary for the proper presentation of  
13 his claim in any proceeding under this Act with respect thereto.  
14 Subject to such restrictions as the Director may by regulation  
15 prescribe, such information may be made available to any agency  
16 of this Territory or any State, or Federal agency, charged with  
17 the administration of an unemployment compensation law or the  
18 maintenance of a system of public employment offices, or the  
19 Bureau of Internal Revenue of the United States Department of  
20 the Treasury, and information obtained in connection with the  
21 administration of the employment service may be made available  
22 to persons or agencies for purposes appropriate to the operation  
23 of a public employment service.

24 Upon request therefor the Director shall furnish to any  
25 agency of the United States charged with the administration of  
26 public works or assistance through public employment, and may  
27 furnish to any State agency similarly charged, the name, address,  
28 ordinary occupation, and employment status of each recipient of  
29 benefits and such recipient's rights to further benefits under

1 this Act.

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

10 Section 332. ACQUISITION OF LAND AND BUILDINGS.

11 (a) The Director is authorized to acquire for and in the  
12 name of the Territory by term purchase agreements based on com-  
13 petitive bids, such land and buildings upon such terms and condi-  
14 tions as may be approved by the Bureau of Employment Security of  
15 the United States, or such other Federal agency as shall hereafter  
16 perform its functions, for the purpose of providing office space  
17 for the Director at such place as the Director shall find neces-  
18 sary and suitable.

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

26 (c) All moneys received from the United States for the  
27 payments authorized herein for such lands and buildings shall be  
28 deposited in the Employment Security Administration Fund in the  
29 Territorial Treasury and are hereby appropriated therefrom for

1 purposes of this Act.

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

13 Section 333. ARRANGEMENTS WITH STATES OR FEDERAL GOVERNMENT.

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

29 Section 334. EXCHANGE OF SERVICES, FACILITIES AND INFORMA-

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

13 Section 341. TERRITORIAL EMPLOYMENT SERVICE. The Alaska  
14 Territorial Employment Service is hereby established under the  
15 Director. The Director, in the conduct of such service, shall  
16 establish and maintain free public employment offices in such  
17 number and in such places as may be necessary for the proper  
18 administration of this Act and for the purposes of performing  
19 such functions as are within the purview of the Act of Congress  
20 entitled "An Act to provide for the establishment of a national  
21 employment system and for cooperation with the States in the  
22 promotion of such system, and for other purposes," approved June  
23 6, 1933 (48 Stat. 113; USC title 29, Section 40 (c)), as amended,  
24 herein referred to as the "Wagner-Peyser Act". The provisions  
25 of said Act of Congress are hereby accepted by this Territory,  
26 and the Director is hereby designated and constituted the agency  
27 of this Territory for the purposes of said Act. All moneys re-  
28 ceived by this Territory under the said Act of Congress shall be  
29 paid into the Employment Security Administration Fund and shall

1 be expended solely for the maintenance of the Territorial system  
2 of public employment offices.

3 ARTICLE IV. FUNDS

4 UNEMPLOYMENT COMPENSATION FUND

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

10 (a) all contributions collected under this Act, together  
11 with any interest thereon collected pursuant to Section 511 herein;

12 (b) interest earned upon any moneys in the fund;

13 (c) all fines and penalties collected pursuant to the pro-  
14 visions of this Act;

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

17 (e) all earnings of such property or securities.

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

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

25 (a) a Clearing Account.

26 (b) an Unemployment Trust Fund Account, and

27 (c) a Benefit Account.

28 All moneys payable to the fund, upon receipt thereof by the  
29 Director, shall be forwarded to the Treasurer who shall immediately

1 deposit them in the Clearing Account. Refunds payable pursuant  
2 to Sections 224 and 518 herein may be paid from the Clearing  
3 Account upon warrants issued by the Treasurer under the direction  
4 of the Director. After clearance thereof, all of the moneys in  
5 the Clearing Account shall be immediately deposited with the  
6 Secretary of the Treasury of the United States of America to the  
7 credit of the account of this Territory in the Unemployment Trust  
8 Fund, established and maintained pursuant to Section 904 of the  
9 Social Security Act, as amended, any provision of law in this  
10 Territory relating to the deposit, administration, release, or  
11 disbursement of moneys in the possession or custody of this Terri-  
12 tory to the contrary notwithstanding.

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

1 therein.

2 Section 403. WITHDRAWALS. In accordance with regulations  
3 prescribed by the Director, moneys shall be requisitioned from  
4 this Territory's account in the Unemployment Trust Fund solely  
5 for the payment of benefits and refunds.

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

14 (b) Refund Payments. If, at any time, moneys in the Clear-  
15 ing Account are not sufficient to provide for refunds payable  
16 pursuant to Sections 224 and 518 herein, the Director shall with-  
17 draw from the Unemployment Trust Fund such amounts, not exceeding  
18 the amount standing to this Territory's account therein, as are  
19 necessary for the payment of such refunds. Upon receipt thereof  
20 the Treasurer shall deposit such moneys in the Clearing Account  
21 and shall issue warrants for the payment of such refunds from  
22 such account.

23 Expenditures of such moneys in the Benefit Account and re-  
24 funds from the Clearing Account shall not be subject to any pro-  
25 visions of law requiring specific appropriations or other formal  
26 release by Territorial officers of money in their custody. All  
27 warrants issued by the Treasurer for the payment of benefits and  
28 refunds shall bear the signature of the Treasurer and counter-  
29 signature of the Director or his duly authorized agent for that

1 purpose. Any balance of moneys requisitioned from the Unemploy-  
2 ment Trust Fund which remains unclaimed or unpaid in the Benefit  
3 Account after the expiration of the period for which such sums  
4 were requisitioned shall either be deducted from estimates for,  
5 and may be utilized for the payment of, benefits during suc-  
6 ceeding periods, or, in the discretion of the Director, shall be  
7 redeposited with the Secretary of the Treasury of the United  
8 States of America, to the credit of this Territory's account in  
9 the Unemployment Trust Fund, as provided in Section 402 herein.

10 Section 404. MANAGEMENT OF FUNDS UPON DISCONTINUANCE OF  
11 UNEMPLOYMENT TRUST FUND. The provisions of Sections 401, 402  
12 and 403 herein, to the extent that they relate to the Unemploy-  
13 ment Trust Fund shall be operative only so long as such  
14 Unemployment Trust Fund continues to exist and so long as the  
15 Secretary of the Treasury of the United States of America  
16 continues to maintain for this Territory a separate book account  
17 of all funds deposited therein by this Territory for the benefit  
18 purposes, together with this Territory's proportionate share of  
19 the earnings of such Unemployment Trust Fund, from which no other  
20 State is permitted to make withdrawals. If and when such Unemploy-  
21 ment Trust Fund ceases to exist, or such separate book account  
22 is no longer maintained, all moneys, properties, or securities  
23 therein, belonging to the Unemployment Compensation Fund of this  
24 Territory, shall be transferred to the Treasurer of the Unemploy-  
25 ment Compensation Fund, who shall hold, invest, transfer, sell,  
26 deposit, and release such moneys, properties, or securities in  
27 a manner approved by the Director in accordance with the pro-  
28 visions of this Act; Provided, That such moneys shall be invested  
29 in the following readily marketable classes of securities:

1 Bonds, or other interest-bearing obligations of the United States  
2 of America; Provided further, That such investments shall be at  
3 all times so made that all the assets of the fund shall always be  
4 readily convertible into cash when needed for the payment of  
5 benefits. The Treasurer shall dispose of securities or other  
6 properties belonging to the Unemployment Compensation Fund only  
7 under the direction of the Director.

#### 8 EMPLOYMENT SECURITY ADMINISTRATION FUND

9 Section 411. SPECIAL FUND. There is hereby created in the  
10 Territorial Treasury a special fund to be known as the Employment  
11 Security Administration Fund. All moneys which are deposited or  
12 paid into this fund shall be continuously available to the  
13 Director for expenditure in accordance with the provisions of  
14 this Act, and shall not lapse at any time or be transferred to  
15 any other fund. All moneys in this fund which are received from  
16 the Federal government or any agency thereof, or which are  
17 appropriated by this Territory for the purposes described in  
18 Section 341 herein, shall be expended solely for the purposes  
19 and in the amounts found necessary by the Secretary of Labor  
20 for the proper and efficient administration of this Act. The  
21 fund shall consist of all moneys appropriated by this Territory,  
22 all moneys received from the United States of America, or any  
23 agency thereof, including the Department of Labor, and all moneys  
24 received from any other source for such purpose, and shall also  
25 include any moneys received from any agency of the United States  
26 or any other State as compensation for services or facilities  
27 supplied to such agency, any amounts received pursuant to any  
28 surety bond or insurance policy or from other sources for losses  
29 sustained by the Employment Security Administration Fund or by

1 reason of damage to equipment or supplies purchased from moneys  
2 in such fund, and any proceeds realized from the sale or disposi-  
3 tion of any such equipment or supplies which may no longer be  
4 necessary for the proper administration of this Act. All moneys  
5 in this fund shall be deposited, administered, and disbursed, in  
6 the same manner and under the same conditions and requirements as  
7 is provided by law for other special funds in the Territorial  
8 Treasury. The Territorial Treasurer shall be liable on his  
9 official bond for the faithful performance of his duties in  
10 connection with the Employment Security Administration Fund pro-  
11 vided for under this Act. Such liability on the official bond  
12 shall be effective immediately upon the enactment of this <sup>see insert</sup> ~~pro-~~  
13 ~~vision, or which may be given in the future.~~ All sums recovered  
14 on any surety bond for losses sustained by the Employment Security  
15 Administration Fund shall be deposited in said fund.

16 Section 412. REIMBURSEMENT OF FUND. If any moneys received  
17 after June 30, 1941, from the Department of Labor under Title III  
18 of the Social Security Act, or any unencumbered balances in the  
19 Employment Security Administration Fund as of that date, or any  
20 moneys granted after that date to this Territory pursuant to the  
21 provisions of the Wagner-Peyser Act, or any moneys made available  
22 by this Territory or its political subdivisions and matched by  
23 such moneys granted to this Territory pursuant to the provisions  
24 of the Wagner-Peyser Act, are found by the Secretary of Labor,  
25 because of any action or contingency, to have been lost or been  
26 expended for purposes other than, or in amounts in excess of,  
27 those found necessary by the Secretary of Labor for the proper  
28 administration of this Act, it is the policy of this Territory  
29 that such moneys shall be replaced by moneys appropriated for

1 such purpose from the general funds of this Territory by the  
2 Employment Security Administration Fund for expenditures as  
3 provided for in Section 411 herein. Upon receipt of notice of  
4 such finding by the Secretary of Labor, the Director shall  
5 promptly report the amount required for such replacement to the  
6 Governor and the Governor shall at the earliest opportunity sub-  
7 mit to the Legislature a request for the appropriation of such  
8 amount. This section shall not be construed to relieve this  
9 Territory of its obligation with respect to funds received prior  
10 to July 1, 1941, pursuant to the provisions of Title III of the  
11 Social Security Act.

#### 12 ARTICLE V.

#### 13 EMPLOYERS' CONTRIBUTIONS AND COVERAGE

14 Section 501. PAYMENT OF CONTRIBUTIONS. Contributions shall  
15 accrue and become payable by each employer for each calendar year  
16 in which he is subject to this Act, with respect to wages payable  
17 for employment occurring during such calendar year. Such con-  
18 tributions shall become due and be paid by each employer to the  
19 Director in accordance with such regulations as the Director may  
20 prescribe, and shall not be deducted, in whole or in part, from  
21 the wages of individuals in such employer's employ.

22 In the payment of any contributions a fractional part of a  
23 cent shall be disregarded unless it amounts to one-half cent or  
24 more, in which case it shall be increased to one cent.

25 Section 502. RATE OF CONTRIBUTIONS. Each employer shall  
26 pay contributions equal to 2.7 per centum of wages payable by  
27 him with respect to employment for the calendar years 1955, 1956,  
28 1957 and 1958, and for each calendar year thereafter, except as  
29 otherwise prescribed in sections 503, 504, 505 and 506 of this Act.

Section 503. FUTURE RATES BASED ON BENEFIT EXPERIENCE.

(a) For the calendar years 1955, 1956, 1957 and 1958 and for each calendar year thereafter separate accounts shall be maintained for each employer.

(b) Benefits paid to an eligible individual for any week of unemployment commencing on or after July 3, 1955 shall be charged to the account of his base period employer; Provided, That when an individual has been employed by two or more employers during his base period each such employer's account shall be charged an amount which bears the same ratio to the total benefits paid to the individual as the amount of wages payable by each such employer bears to total wages payable by all employers during the individual's base period.

(c) Notwithstanding the provisions of the preceding paragraph (b),

(1) If such benefits are based on wages paid prior to the date of any act for which an individual is disqualified under Section 841 of this Act, said benefits shall not be chargeable to any employer directly involved in such disqualifying act.

(2) If such benefits subsequently are determined to have been paid through error, said benefits shall not be chargeable to any employer's account.

(d) The Director shall, for the calendar year 1959, and for each calendar year thereafter compute a benefit ratio for each employer. Such benefit ratio shall be the quotient obtained by dividing the total benefits chargeable to his account which were paid during the 36-month period ending on June 30 of the preceding calendar year by his total taxable payroll for the same 36-month period, excluding any portion of such wages with

respect to which contributions have not been paid on or before July 31 of the preceding calendar year. Such benefit ratio shall be computed to the fourth decimal point, beyond which all fractions shall be disregarded.

(e) All employers for whom benefit ratios have been computed as provided for in the preceding paragraph (d) shall be grouped into classes A, B, C, D, E, F, G, H, J and K. Beginning with the employer whose benefit ratio is the lowest, all employers having benefit ratios of .0000 through .0010 shall be placed in Class A; employers having benefit ratios of .0011 through .0050 shall be placed in Class B; employers having benefit ratios of .0051 through .0060 shall be placed in Class C; employers having benefit ratios of .0061 through .0090 shall be placed in Class D; employers having benefit ratios of .0091 through .0120 shall be placed in Class E; employers having benefit ratios of .0121 through .0150 shall be placed in Class F; employers having benefit ratios of .0151 through .0180 shall be placed in Class G; employers having benefit ratios of .0181 through .0210 shall be placed in Class H; employers having benefit ratios of .0211 through .0240 shall be placed in Class J; and employers having benefit ratios in excess of .0240 shall be placed in Class K.

(f) The contribution rates for such classified employers for the year 1959 and for each calendar year thereafter shall be the rate in column (Y) on the line with and directly opposite his group classification appearing in column (W) of the Employer Classification and Contribution Rate Schedule in the following paragraph (g);

(g) Employer Classification and Contribution Rate Schedule

(W)

(Y)

(Z)

1	A	.1	.6
2	B	.3	.9
3	C	.6	1.2
4	D	.9	1.5
5	E	1.2	1.8
6	F	1.5	2.1
7	G	1.8	2.4
8	H	2.1	2.7
9	J	2.4	2.7
10	K	2.7	2.7

11 (h) Notwithstanding the provisions of the preceding para-  
 12 graph (f), if the Unemployment Compensation Fund on July 31,  
 13 1958 or July 31 of any year thereafter, excluding contributions  
 14 due but not yet paid on said July 31, is less than one and five-  
 15 tenths (1.5%) per centum of the aggregate taxable payrolls  
 16 throughout the 60 consecutive month period ending June 30 of the  
 17 same year, the contribution rates for the next calendar year for  
 18 such classified employers shall be the rate in column (Z) on the  
 19 line with and directly opposite his group classification appear-  
 20 ing in column (W) of the Employer Classification and Contribution  
 21 Schedule in paragraph (g) above.

22 Section 504. NOTICE TO EMPLOYERS. The Director shall:

23 (a) Notify employers of benefits paid and charged to their  
 24 accounts and the status of their accounts as hereinafter provided:

25 (1) Each employer shall be notified of the total  
 26 charges to his account within a reasonable time after July 31,  
 27 1958 and each July 31 thereafter.

28 (2) Each base period employer shall be promptly  
 29 notified of the filing of all initial claims which may result in

1 a charge to his account.

2 (b) Promptly notify each employer of his rate of contri-  
3 butions as determined for any calendar year. Such determination  
4 shall become conclusive and binding upon the employer unless,  
5 within 30 days after the mailing of notice thereof to his last  
6 known address, the employer files an application for review and  
7 redetermination, setting forth his reasons therefor. If the  
8 Director grants such review, the employer shall be promptly  
9 notified thereof and shall be granted an opportunity for a fair  
10 hearing, but no employer shall have standing, in any proceeding  
11 involving his rate of contributions or contributions liability,  
12 to contest the chargeability to his account of any benefits paid  
13 in accordance with a determination, redetermination or decision  
14 pursuant to this Act except upon the ground that he was not a  
15 party to such determination, redetermination or decision or to  
16 any other proceedings under this Act in which the character of  
17 such services was determined.

18 (c) Promptly notify the employer of the Director's denial  
19 of his application for review, or of the Director's redetermin-  
20 ation, either of which shall become final unless, within 30 days  
21 after the mailing of notice thereof to his last known address,  
22 a petition for judicial review is filed in the District Court.  
23 In any proceeding under this paragraph the findings of the  
24 Director as to the facts, if supported by substantial evidence  
25 and in the absence of fraud, shall be conclusive and the juris-  
26 diction of said court shall be confined to questions of law.  
27 No additional evidence shall be received by the court but the  
28 court may order additional evidence to be taken before the  
29 Director and the Director may, after hearing such additional

1 evidence, modify his determination and file such modified deter-  
2 mination, together with a transcript of the additional record,  
3 with the court. Such proceedings shall be heard in a summary  
4 manner.

5 Section 505. RIGHT OF SUCCESSOR TO BENEFIT RATIO OF  
6 PREDECESSOR. On and after January 1, 1959, any employing unit  
7 which acquires the trade, organization, business or substantially  
8 all the assets thereof, of an employer subject to this Act, shall  
9 assume such employer's separate account, benefit ratio and con-  
10 tribution rate; Provided that, If the acquiring employment unit  
11 is an employer subject to this Act, such employer shall continue  
12 to contribute to the Alaska Unemployment Compensation Fund on all  
13 wages payable by such employer for employment after such acquisi-  
14 tion and to the end of the current calendar year at the contri-  
15 bution rate in effect for such acquiring employer prior to the  
16 date of such acquisition and the Director shall consolidate and  
17 combine their separate accounts and benefit ratios and shall  
18 determine, pursuant to other provisions of this Article, the  
19 contribution rate of the acquiring employer for the calendar  
20 year subsequent to the year in which the acquisition of the trade,  
21 organization or business of the transferring employer occurred.

22 Section 506. JOINT ADVENTURE. As to any joint adventure  
23 entered into after January 1, 1959 and composed of two or more  
24 employers, the Director shall, pursuant to the provisions of this  
25 Act, upon receipt of a written application within the four-month  
26 period from the date of the formation of such joint adventure,  
27 assign to such new employer a contribution rate based upon the  
28 benefit ratio computed upon the consolidation of the separate  
29 accounts and benefit experiences of such employers with respect

1 to the 36-month period ending on June 30 of the preceding  
2 calendar year; Provided that, The contribution rate for each  
3 calendar year shall, in the manner prescribed in this Section,  
4 be determined and assigned by the Director to such joint adven-  
5 ture only until such joint adventure's separate account and  
6 benefit experience, as of June 30 of any calendar year, has  
7 covered a 36-month period.

8 Section 511. INTEREST ON PAST DUE CONTRIBUTIONS. If con-  
9 tributions are not paid on the date on which they are due and  
10 payable as prescribed by the Director, the whole or part thereof  
11 remaining unpaid shall bear interest at the rate of six per cent  
12 per annum from and after such date until payment plus accrued  
13 interest is received by the Director. Interest collected pur-  
14 suant to this section shall be paid into the Unemployment Com-  
15 pensation Fund. Interest shall not accrue on contributions from  
16 any estate in the hands of a receiver, executor, administrator,  
17 trustee in bankruptcy, common law assignee or other liquidating  
18 officer subsequent to the date when such receiver, executor,  
19 administrator, trustee in bankruptcy, common law assignee or  
20 other liquidating officer qualifies as such, but contributions  
21 accruing with respect to employment of persons by any receiver,  
22 executor, administrator, trustee in bankruptcy, common law  
23 assignee or other liquidating officer shall be come due and  
24 shall draw interest in the same manner as contributions due  
25 from other employers. Payments of contributions erroneously  
26 paid to an unemployment compensation fund of another State which  
27 should have been paid to this Territory and which thereafter  
28 shall be refunded by such other State and paid by the employer  
29 to this Territory, shall be deemed to have been paid to this

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30

Territory at the date of payment to such other State.

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

Section 513. PENALTY FOR NONPAYMENT OF CONTRIBUTIONS. If the contributions are unpaid after ten (10) days from the date of the mailing or personal delivery by the Director or his authorized representative, of a written demand for payment, there shall attach to the contribution, to be assessed and collected in the same manner as contributions due hereunder, a penalty equal to ten (10%) per cent of the contributions due; Provided, That in no event shall such penalty be less than one (\$1.00) dollar; and, provided further, that no such penalty shall attach if within <sup>38</sup> ten (10) days after such mailing or personal delivery, arrangements for payments have been made with the Director or his authorized representative, and payment is made in accordance with such arrangements. Penalties collected in accordance with

1 this section shall be paid into the Unemployment Compensation  
2 Fund.

3 Section 514. LIEN. The claim of the Director for any  
4 contributions, including interest and penalties, not paid when  
5 due shall be a lien in favor of the Territory against all the  
6 real and personal property of the employer, and also upon all  
7 the real and personal property used with the permission of the  
8 owner thereof in prosecuting the business of the employer. Said  
9 lien shall date from the commencement of the period with respect  
10 to which said delinquent contributions are due, and shall be  
11 prior to all other liens, except tax liens. In order to avail  
12 itself of the lien hereby created, the Director shall file notice  
13 thereof with the U. S. Commissioner (Recording Officer) of the  
14 Division in which said property shall then be situated, or, with  
15 respect to motor vehicles, in the office of the Commissioner of  
16 Taxation of the Territory of Alaska. The lien hereby created  
17 is expressly exempt from the provisions of the Alaska Motor  
18 Vehicle Act.

19 When any such notice of lien has been so filed, the Director  
20 may release the same by filing at the appropriate office a Certi-  
21 ficate of Release when it shall appear that the amount of contri-  
22 butions, including interest, and penalties and costs, has been  
23 paid, or when such assurance of payment shall be made as the  
24 Director deems adequate.

25 Section 515. NOTICE OF ASSESSMENT; DISTRAINT, SEIZURE AND  
26 SALE. At any time after the Director shall find that any contri-  
27 bution, including interest or penalty thereon, has become delin-  
28 quent, the Director may issue a notice of Assessment specifying  
29 the amount due, which notice of assessment shall be served on the

1 delinquent employer by the Marshal of the Judicial Division where-  
2 in service is made, or by his deputy, or by any duly authorized  
3 representative of the Director; or by mail. In case of service  
4 by mail the notice must be deposited in the post office, addressed  
5 to the delinquent employer at his last known address, and the  
6 postage paid. The service shall be deemed to be made on the day  
7 of such deposit in the post office. If the amount so assessed  
8 is not paid within ten days after such personal service or mailing  
9 of said notice, the Director or his duly authorized representative  
10 may collect the amount stated in the assessment by the distraint,  
11 seizure and sale of the property, goods, chattels and effects of  
12 said delinquent employer except as is provided in Section 517 of  
13 this Act. There shall be exempt from distraint and sales under  
14 this section such goods and property as are exempt from execution  
15 under the laws of this Territory.

16 Section 516. INVENTORY AND SALE. The Director upon making  
17 a distraint, shall seize the property and shall make an inventory  
18 of the property distrained, a copy of which shall be mailed to  
19 the owner of such property or personally delivered to him, and  
20 shall specify the time and place when said property shall be sold.  
21 A notice specifying the property to be sold and the time and  
22 place of sale shall be posted in at least two public places in  
23 the recording district of the judicial division wherein the  
24 seizure has been made. The time of sale shall be not less than  
25 thirty nor more than forty days from the date of posting such  
26 notices. Said sale may be adjourned from time to time at the  
27 discretion of the Director but not for a time to exceed in all  
28 ninety days. Said sale shall be conducted by the Director or  
29 his authorized representative who shall proceed to sell such

1 property by parcel or by lot at a public auction, and may set a  
2 minimum price to include the expenses of making a levy and of  
3 advertising the sale, and if the amount bid for such property  
4 at the sale is not equal to the minimum price so fixed, the  
5 Director or his representative may declare such property to be  
6 purchased by the Director for such a minimum price. The delin-  
7 quent account shall be credited with the amount at which the  
8 property shall be sold. Property acquired by the Director as  
9 herein prescribed may be sold by the Director at public or pri-  
10 vate sale, and the amount realized shall be placed in the Unem-  
11 ployment Compensation Fund.

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

24 Section 517. PETITION FOR HEARING. When any notice of  
25 assessment has been delivered or mailed to a delinquent employer,  
26 as heretofore provided, such employer may within thirty days there-  
27 after file a petition in writing with the Director, stating that  
28 such assessment is unjust or incorrect and requesting a hearing  
29 thereon. Such petition shall set forth the reasons why the

1 assessment is objected to and the amount of contributions, if  
2 any, which said employer admits to be due the Director. If no  
3 such petition is filed with the Director within said thirty days,  
4 said assessment shall be prima facie (~~deemed to be~~) just and  
5 correct; Provided, That in such cases the Director may properly  
6 entertain a subsequent application for refund, and hearing thereon  
7 if denied, in accordance with Section 518 herein. The filing of  
8 a petition on a disputed assessment with the Director shall stay  
9 the sale provided for in Section 516 herein until a final decision  
10 thereon shall have been made, but the filing of such petition  
11 shall not affect the right of the Director to perfect a lien,  
12 as provided in Section 514 herein, upon the property of the em-  
13 ployer. The issues raised by such petition shall be heard by  
14 the District Court.

15 Section 518. ADJUSTMENTS OR REFUNDS. No later than two  
16 years after the date when any contributions or interest have  
17 been paid, an employer who has paid such contributions or interest  
18 may file with the Director a petition in writing for an adjust-  
19 ment thereof in connection with subsequent contribution payments,  
20 or for a refund thereof when such adjustment cannot be made. If  
21 the Director upon ex parte consideration shall determine that such  
22 contributions or interest, or portion thereof, were erroneously  
23 collected, he shall allow such employer to make an adjustment  
24 thereof without interest in connection with subsequent contribu-  
25 tion payments by him, or if such adjustment cannot be made the  
26 Director shall refund said amount without interest from the fund.  
27 For like causes and within the same period, adjustment or refund  
28 may be made on the Director's own initiative.

29 If the Director finds that upon ex parte consideration he

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

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

21 Section 520. JEOPARDY ASSESSMENT. If the Director shall  
22 have reason to believe that an employer is insolvent or if any  
23 reason exists why the collection of any contributions accrue will  
24 be jeopardized by delaying collection, he may make an immediate  
25 assessment thereof and may proceed to enforce collection on said  
26 assessment immediately, but interest shall not begin to accrue  
27 upon any contributions until the date when such contributions  
28 would normally have become delinquent.

29 Section 521. LIEN FORECLOSURE; CIVIL ACTION. If after due  
30

1 notice any employer defaults in any payment of contributions or  
2 interest thereon the amount due may be collected by civil action  
3 in the name of the Territory of Alaska, and the employer adjudged  
4 in default shall pay the cost of such action. Any lien created  
5 by this Act may be foreclosed by decree of the court in any such  
6 action. Civil actions brought under this section to collect  
7 contributions or interest thereon from an employer shall be heard  
8 by the court at the earliest possible date and shall be entitled  
9 to preference upon the calendar of the court over all other civil  
10 actions except petitions for judicial review under this Act and  
11 cases arising under the Workmen's Compensation Laws of this Ter-  
12 ritory. (Insert)

13 Section 522. REMEDIES CUMULATIVE. Remedies given to the  
14 Territory under this Act for the collection of contributions and  
15 interest shall be cumulative and no action taken by the Director  
16 or his duly authorized representative, the Attorney General, or  
17 any other officer shall be construed to be an election on the  
18 part of the Territory or any of its officers to pursue any remedy  
19 to the exclusion of any other.

20 Section 523. LIEN UPON DISTRIBUTION OR ASSIGNMENT OF ASSETS.  
21 In the event of any distribution of any employer's assets pur-  
22 suant to an order of any court, including any receivership, probate,  
23 legal dissolution, or similar proceedings, or in case of any  
24 assignment for the benefit of creditors, composition, or similar  
25 proceedings, contributions then or thereafter due shall be a  
26 lien upon all the assets of such employer. Said lien will be  
27 prior to all other liens or claims except prior tax liens, liens  
28 filed under Section 514 herein, and claims for remuneration for  
29 services of not more than \$250.00 to each claimant, earned within

1 six months of the commencement of the proceeding. The mere  
2 existence of a condition of insolvency or the institution of any  
3 judicial proceeding for legal dissolution or of any proceeding  
4 for distribution of assets shall cause such a lien to attach  
5 without action on behalf of the Director or the Territory. In  
6 the event of an employer's adjudication in bankruptcy, judicially-  
7 confirmed extension proposal, or composition, under the Federal  
8 Bankruptcy Act of 1898, as amended (11 USC 1 et seq.), contri-  
9 butions then or thereafter due shall be entitled to such priority  
10 as provided in that Act, as amended.

11 Section 524. COMPROMISE OF CONTRIBUTIONS. The Director may  
12 compromise any claim for contributions, interest or penalties  
13 existing or arising under this Act in any case where collection  
14 of the full claim would result in the insolvency of the employ-  
15 ing unit or individual from whom such contributions, interest  
16 or penalties are claimed.

17 Whenever a compromise is made by the Director in any case,  
18 there shall be placed on file in the office of the Director a  
19 statement of the amount of contributions, interest and penalties  
20 imposed by law and claimed due, a complete record of the com-  
21 promise agreement and the amount actually paid in accordance with  
22 the terms of the compromise agreement.

23 Any person who, in connection with any compromise or  
24 offer of such compromise, wilfully conceals from any officer or  
25 employee of the Territory any property belonging to an employing  
26 unit or individual liable in respect to contributions, interest  
27 or penalties, or receives, destroys, mutilates, or falsifies any  
28 book, document or record, or makes under oath any false statement  
29 relating to the financial condition of the employing unit or

1 individual liable in respect to the contributions, shall upon  
2 conviction thereof be fined not more than \$5,000.00 or be  
3 imprisoned for not more than one year, or both.

4 If any such compromise is accepted by the Director, within  
5 such time as may be stated in the compromise or agreed to, such  
6 compromise shall be final and conclusive and, except upon showing  
7 of fraud or malfeasance or misrepresentation of a material fact,  
8 or failure to meet the terms of the compromise, the case shall  
9 not be reopened as to the matters agreed upon.

10 Section 525. LIABILITY OF SUCCESSOR-EMPLOYER. The contri-  
11 butions required by this Act shall be a lien upon the property  
12 of an employer subject to its provisions who shall sell out his  
13 business or stock of goods, or who shall quit business, or whose  
14 property used or acquired in the business, shall be sold under  
15 voluntary conveyance or under foreclosure, execution or attach-  
16 ment, distraint or other judicial proceedings, and such employer  
17 shall be required to file such reports as the Director shall  
18 prescribe and to pay the contributions required by this Act with  
19 respect to wages payable for employment up to the date of the  
20 happening of each contingency, and the purchaser or successor  
21 in business shall withhold sufficient of the purchase money to  
22 cover the amount of contributions due and unpaid until such time  
23 as such employer shall produce a receipt from the Director show-  
24 ing that the contributions have been paid, or a certificate that  
25 no contributions are due. If such purchaser or successor shall  
26 fail to withhold purchase money as provided, and the contributions  
27 shall not be paid within ten days, such purchaser or successor  
28 shall be personally liable for the payment of the contributions  
29 accrued and unpaid on account of the operation of the business

by the former owner.

Section 531. PERIOD, ELECTION AND TERMINATION OF EMPLOYER'S  
COVERAGE.

(a) Except as provided in subsection (b) herein, any  
employing unit shall cease to be an employer subject to this  
Act only if he files with the Director a written statement  
attached to the final return giving the date on which he last had  
employees in employment.

(b) Any employing unit whose services are excluded from  
employment as defined in this Act, may file with the Director  
a written election that all such services performed by individuals  
in its employ in one or more distinct establishments or places  
of business shall be deemed to constitute employment by an  
employer for all purposes of this Act for not less than two cal-  
endar years. Upon the written approval of such election by the  
Director, such services shall be deemed to constitute employment  
subject to this Act from and after the date stated in such approv-  
al. Such services shall cease to be deemed employment subject  
hereto as of January 1 of any calendar year subsequent to such  
two calendar years, only if during January of such year such  
employing unit has filed with the Director a written notice to  
that effect.

ARTICLE VI. BENEFIT ENTITLEMENT

CLAIMS FOR BENEFITS

Section 601. FILING. Claims for benefits shall be made in  
accordance with such regulations as the Director may prescribe.  
Each employer shall post and maintain in places readily acces-  
sible to individuals in his service printed statements concerning  
such regulations or such other matters, as the Director may by

1 regulation prescribes. Each employer shall supply such indivi-  
2 duals copies of such printed statements or materials relating to  
3 claims for benefits as the Director may by regulation prescribe.  
4 Such printed statements shall be supplied by the Director to each  
5 employer without cost to him.

6 Section 602. INITIAL DETERMINATION. An examiner designated  
7 by the Director shall take the claim. An initial determination  
8 thereon shall be made promptly and shall include a determination  
9 with respect to whether or not benefits are payable, the week  
10 with respect to which benefits shall commence, the weekly benefit  
11 amount payable, and the maximum duration of benefits. In any  
12 case in which the payment or denial of benefits will be deter-  
13 mined by the provisions of Section 641 (b) herein, the examiner  
14 shall promptly transmit all the evidence with respect to that  
15 section to the Director. The Director, or such representative  
16 as he may designate for such purpose, shall, on the basis of  
17 the evidence so submitted and such additional evidence as he may  
18 require, make an initial determination with respect thereto.

19 An initial determination may for good cause be reconsidered.

20 The claimant and any other parties to the determination  
21 shall be promptly notified of the initial determination (or of  
22 any amended initial determination) and the reasons therefor.

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

26 The claimant or any party to the determination may file an  
27 appeal from such initial determination within ten days after  
28 notification thereof, or after the date such notice was mailed  
29 to his last known address. If upon such initial determination,

benefits are allowed, but the record of the case indicates a disqualification has been alleged or may exist, benefits shall not be paid prior to the expiration of the period for appeal as hereinbefore provided.

If an appeal is duly filed with respect to a matter other than the weekly benefit amount or maximum duration of benefits payable, benefits with respect to the period prior to the final decision of the Director shall be paid only after such decision; Provided, That if an appeal tribunal affirms an initial determination allowing benefits, such benefits shall be paid regardless of any appeal which may thereafter be taken, and, Provided further, that if benefits are paid pursuant to a decision which is finally reversed in subsequent proceedings with respect thereto, the employer's account shall be charged with benefits so paid.

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

#### BENEFIT PAYMENT FORMULA

Section 611. PAYMENT OF BENEFITS. All benefits provided herein shall be payable from the fund. All benefits shall be paid through employment offices in accordance with such regulations as the Director may prescribe.

Section 612. AMOUNT OF BENEFITS. Subject to the other provisions of this Act, benefits shall be payable to any eligible,

1 unemployed individual during the benefit year in accordance with  
 2 the following Benefit Schedule. The individual's weekly benefit  
 3 amount shall be the amount in Column B of the Benefit Schedule of  
 4 this section on the line on which in Column A there appears his  
 5 total wages paid for employment in that quarter of his base period  
 6 in which his wages were highest (designated in the Benefit Schedule  
 7 as "High Quarter Wages"); Provided, however, That to qualify for  
 8 benefits an individual must have been paid wages for employment in  
 9 his base period totaling not less than the amount in Column C of  
 10 the Benefit Schedule which appears opposite his high-quarter wages;  
 11 Provided further, That if the Director finds that the Unemployment  
 12 Compensation Fund balance is less than two per cent of the preced-  
 13 ing year's taxable payroll he shall declare an emergency and  
 14 recommend to the Governor that funds be borrowed under Public Law  
 15 587, 83rd Congress. If, however, the Governor does not within ten  
 16 days approve the Director's recommendation to borrow funds, the  
 17 Director shall adjust the benefits either in their weekly amount  
 18 or in the maximum benefits potentially payable, or both, until  
 19 such time as the fund balance is restored to substantially more  
 20 than two per cent of the preceding year's taxable payroll. In  
 21 exercising the power hereby granted, the Director shall not de-  
 22 crease any weekly benefit amount below 50% of the amounts shown  
 23 in Column B of the Benefit Schedule for corresponding high-quarter  
 24 wages, and shall not decrease the maximum benefits potentially  
 25 payable to any individual below two hundred dollars.

BENEFIT SCHEDULE

High Quarter Wages (Column A)	Weekly Benefit Amount (Column B)	Minimum Qualifying Wages (Column C)	Maximum Bene- fits Potenti- ally Payable (Column D)
----------------------------------	-------------------------------------	--	--

1	\$ 300.00 - 324.99	\$ 12.00	\$ 450.00	\$ 312.00
2	325.00 - 349.99	13.00	490.00	338.00
3	350.00 - 374.99	14.00	530.00	364.00
4	375.00 - 399.99	15.00	570.00	390.00
5	400.00 - 424.99	16.00	600.00	416.00
6	425.00 - 449.99	17.00	640.00	442.00
7	450.00 - 474.99	18.00	680.00	468.00
8	475.00 - 499.99	19.00	720.00	494.00
9	500.00 - 524.99	20.00	750.00	520.00
10	525.00 - 549.99	21.00	790.00	546.00
11	550.00 - 574.99	22.00	830.00	572.00
12	575.00 - 599.99	23.00	870.00	598.00
13	600.00 - 624.99	24.00	900.00	624.00
14	625.00 - 649.99	25.00	940.00	650.00
15	650.00 - 674.99	26.00	980.00	676.00
16	675.00 - 699.99	27.00	1020.00	702.00
17	700.00 - 724.99	28.00	1050.00	728.00
18	725.00 - 749.99	29.00	1090.00	754.00
19	750.00 - 774.99	30.00	1130.00	780.00
20	775.00 - 799.99	31.00	1170.00	806.00
21	800.00 - 824.99	32.00	1200.00	832.00
22	825.00 - 849.99	33.00	1240.00	858.00
23	850.00 - 874.99	34.00	1280.00	884.00
24	875.00 - 949.99	35.00	1350.00	910.00
25	950.00 - 1049.99	38.00	1500.00	988.00
26	1050.00 - 1199.99	40.00	1700.00	1040.00
27	1200.00 - 1399.99	45.00	2000.00	1170.00
28	1400.00 - 1599.99	50.00	2300.00	1300.00
29	1600.00 - 1799.99	55.00	2600.00	1430.00

1800.00 - 1999.99	60.00	2900.00	1560.00
2000.00 - 2199.99	65.00	3200.00	1690.00
2200.00 and up	70.00	3600.00	1820.00

Section 613. Each eligible individual who is "unemployed" in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of the remuneration payable to him with respect to such week which is in excess of ten dollars. Such benefit, if not a multiple of one dollar, shall be computed to the next higher multiple of one dollar. *(See insert)*

**BENEFITS DUE DECEASED CLAIMANTS.**

Section 621. **CONDITIONS FOR PAYMENT.** In the event of death of any person to whom benefits are due under this Act, but which benefits remain unpaid in whole or in part, such benefits may be paid to any person or persons designated by the Director in the following order:

Surviving widow or widower; a surviving child or children, including the adopted child or children; mother or father of the deceased.

**BENEFIT ELIGIBILITY CONDITIONS.**

Section 631. An unemployed individual shall be eligible to receive benefits with respect to any week only if the Director finds that:

(a) He has registered for work at and thereafter has continued to report at an employment office in accordance with such regulations as the Director may prescribe and is seeking work; Provided, however, the requirements that the individual must register for work and must seek work may be waived by the Director if the individual is laid off and the employer who laid him off

1 notifies the Director in writing that the layoff is temporary  
2 and that work is expected to be available for the individual  
3 within a declared number of days, not to exceed 30 calendar days  
4 following the last day the individual worked. However, this  
5 proviso shall not be effective unless the notification from the  
6 employer has been received by the Director before the individual  
7 has completed his waiting week or first compensable week follow-  
8 ing his layoff as the case may be. If the individual is not  
9 recalled within the specified period, this proviso shall cease  
10 to be operative with respect to such layoff.

11 (b) He has made a claim for benefits in accordance with the  
12 provisions of Section 601 herein.

13 (c) He is able <sup>and</sup> ~~and available to perform full-time work of~~  
14 ~~a character which he is qualified to perform by past experience~~  
15 ~~or training, and of a character generally similar to work for~~  
16 ~~which he has previously received wages, and he is available for~~  
17 ~~such work, full-time, either at a locality at which he earned~~  
18 ~~wages for employment during his base period or at a locality~~  
19 ~~where it is found by the Director that such work is available.)~~

20 (d) He has been unemployed for a waiting period of one  
21 week. No week shall be counted as a week of unemployment for  
22 the purpose of this section:

23 (1) Unless it occurs within the benefit year which  
24 includes the week with respect to which he claims payment of  
25 benefits; Provided, That this requirement shall not interrupt  
26 the payment of benefits for consecutive weeks of unemployment.

27 (2) If benefits have been paid with respect thereto.

28 (3) Unless the individual was eligible for benefits  
29 in all respects, except for the requirements of this section,  
30

Section 512, and Section 541 herein.

(e) He has within the base period earned wages of not less than the minimum amount now or hereafter fixed by law as the minimum amount to be earned in order to allow the individual to receive unemployment benefits.

(f) He has <sup>had employment (see insert)</sup> ~~earned wages~~ during the corresponding month of his base period.

#### DISQUALIFICATION FOR BENEFITS.

Section 541. An individual shall be disqualified for benefits:

(a) If the Director finds that such individual has, from the beginning of his base period to the time of filing of any valid claim, left work voluntarily without good cause, or been discharged for misconduct connected with his work, or failed without good cause either to apply for available suitable work when so referred by the Director or to accept suitable work when offered him.

Such disqualification shall be not less than 1 nor more than 20 consecutive weeks (in addition to the waiting period), beginning with the week in which the disqualifying act occurred as determined by the Director in each case according to the circumstances or seriousness of the act or offense and such disqualified individual's total benefit amount shall be reduced in a sum equal to the number of weeks of disqualification multiplied by his weekly benefit amount; Provided, That such disqualification shall not be imposed more than once upon an individual for failure to apply for or to accept the same or a similar position with the same employer, unless the Director finds that the offer of re-employment is bona fide.

(1) In determining whether or not any work is suitable

1 for an individual, and in determining the existence of good cause  
2 for voluntarily leaving his work under sub-section (a) of this  
3 section, the Director shall consider among other factors, the  
4 degree of risk involved to his health, safety and morals, his  
5 physical fitness and prior training, his experience and prior  
6 earnings, his length of unemployment and prospect for securing  
7 local work in his customary occupation, and the distance of  
8 available work from his residence. *Insert*

9 (2) Notwithstanding any other provisions of this Act,  
10 no work shall be deemed suitable and benefits shall not be denied  
11 under this Act to any otherwise eligible individual for refusing  
12 to accept new work under any of the following conditions:

13 (A) If the position offered is vacant due directly  
14 to a strike, lockout, or other labor dispute;

15 (B) If the wages, hours, or other conditions of the  
16 work offered are substantially less favorable to the individual  
17 than those prevailing for similar work in the locality;

18 (C) If as a condition of being employed the  
19 individual would be required to join a company union or to resign  
20 from or refrain from joining any bona fide labor organization.

21 (b) For any week with respect to which the Director finds  
22 that his total or partial unemployment is due to a labor dispute  
23 at the factory, establishment or other premises at which he is or  
24 was last employed; and, Provided further, That this sub-section  
25 shall not apply if it is shown to the satisfaction of the Director  
26 that:

27 (1) He is not participating in or directly interested  
28 in the labor dispute which caused his unemployment; and

29 (2) He does not belong to a grade or class of workers

1 of which, immediately before the commencement of the dispute,  
2 there were members employed at the premises at which the dispute  
3 occurs, any of whom are participating in the dispute:

4            Provided, That if in any case separate branches of work  
5 which are commonly conducted as separate businesses in separate  
6 premises, are conducted in separate departments of the same  
7 premises, each such department shall, for the purposes of this  
8 subsection, be deemed to be a separate factory, establishment, or  
9 other premises.

10           (c) For any week with respect to which he is receiving or  
11 has received or is seeking payment in the form of:

12           (1) Wages in lieu of notice;

13           (2) Separation or termination allowance. Termination  
14 allowance shall be considered payment with respect to the period,  
15 subsequent to separation, for which accumulated annual or vaca-  
16 tion leave is paid.

17           (3) Compensation for temporary or total disability  
18 under the workman's compensation law of this, or any state or  
19 under a similar law of the United States.

20           (4) Benefits under the railroad unemployment insurance  
21 act or any state unemployment compensation act or similar laws of  
22 any state or of the United States.

23           (d) For any week wherein claimant leaves her most recent  
24 work to change her place of residence in order to remain with her  
25 husband or family. Such disqualification shall continue until  
26 such time as subsequent to such week claimant earns additional  
27 wages.

28           (e) For any week wherein claimant leaves her most recent  
29 work to be married. Such disqualification shall continue until

1 such time as subsequent to such week claimant earns additional  
2 wages.

3 (f) For any week wherein claimant's unemployment is found  
4 to be due to pregnancy.

5 (g) For any week in which the Director finds that the in-  
6 dividual has made a false statement or representation of a  
7 material fact, knowing it to be false or knowingly failed to  
8 disclose a material fact, with intent to defraud by obtaining  
9 any benefits not due under this Act within the twenty-four calen-  
10 dar months immediately preceding such week and such disqualifica-  
11 tion shall continue for the twenty-six weeks immediately follow-  
12 ing the week in which such determination was made.

#### 13 RECOVERY OF BENEFIT PAYMENTS

14 Section 851. Except as provided in this section, any in-  
15 dividual who has received any sum as benefits from the Unemploy-  
16 ment Compensation Fund, when not entitled thereto under the  
17 provisions of this Act, shall be liable to the fund for the sum  
18 improperly paid to him.

19 As soon as the Director has knowledge of payments of  
20 benefits to an individual under the circumstances mentioned in  
21 this section, he shall promptly prepare and deliver or mail to  
22 the individual at his last known address a notice of determina-  
23 tion of liability declaring that the individual has been  
24 determined liable to refund the amount of benefits paid under  
25 the circumstances mentioned in this section. Such amount, if not  
26 previously collected, shall be deducted from any future benefits  
27 payable to the individual; Provided, however, That when the  
28 Director determines that an individual has acted in good faith  
29 in claiming and receiving benefits that he was not entitled to,

1 and that great hardship would result from charging said indivi-  
2 dual with repayment of said benefits, the Director may, in his  
3 discretion, absolve said individual from liability to the fund  
4 for repayment of said benefits.

5 For similar cause and in like manner, claims by other  
6 States for the recovery of sums paid as benefits under an employ-  
7 ment security law of such other State to claimants shall be re-  
8 coverable under the provisions of this Act provided such sums  
9 were fraudulently obtained; Provided, That such other State has  
10 a comparable provision in its employment security law for recov-  
11 ery of such sums on behalf of the Territory of Alaska.

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

#### 24 PROTECTION OF RIGHTS AND BENEFITS.

25 Section 661. WAIVER OF RIGHTS VOID. Any agreement by an  
26 individual to waive, release or commute his rights to benefits  
27 or any other rights under this Act shall be void. Any agreement  
28 by any individual in the employ of any person or concern to pay  
29 all or any portion of an employer's contributions, required under

6 this Act from such employer, shall be void. No employer shall  
7 directly or indirectly make or require or accept any deduction  
8 from wages to finance the employer's contributions required from  
9 him, or require or accept any waiver of any right hereunder by  
10 any individual in his employ. Any employer or officer or agent  
11 of any employer who violates any provision of this section shall,  
12 for each offense, be fined not more than one thousand (\$1,000.00)  
13 dollars or be imprisoned for not more than six months, or both.

14 Section 662. LIMITATION OF FEES. No individual claiming  
15 benefits shall be charged fees of any kind in any proceeding  
16 under this Act by the Director or his representatives or by the  
17 Board, or by any court or any officer thereof. Any individual  
18 claiming benefits in any proceeding before the Director or his  
19 representatives or the Board or a court may be represented by  
20 counsel or other duly authorized agent; but no such counsel or  
21 agent shall either charge or receive for such services more than  
22 an amount approved by the Director, the Board, or the Court. Any  
23 person who violates any provision of this section shall, for each  
24 offense, be fined not more than five hundred (\$500.00) dollars,  
25 or imprisoned for not more than six months, or both.

26 Section 663. EXEMPTION OF BENEFITS. Any assignment, pledge,  
27 or encumbrance of any rights to benefits which are or may become  
28 due or payable under this Act shall be void; and such rights to  
29 benefits shall be exempt from levy, execution, attachment, or  
30 any other remedy whatsoever provided for the collection of debt;  
31 and benefits received by any individual, so long as they are not  
32 mingled with other funds of the recipient, shall be exempt from  
33 any remedy whatsoever for the collection of all debts except  
34 debts incurred for necessities furnished to such individual or

1 his spouse or dependents during the time when such individual was  
2 unemployed. Any waiver of any exemption provided for in this sec-  
3 tion shall be void.

4 **ARTICLE VII. REVIEWS, HEARINGS, AND APPEALS.**

5 **Section 701. APPEAL TRIBUNALS.** To hear and decide disputed  
6 claims, the Director shall appoint one or more impartial appeal  
7 tribunals consisting in each case of a referee, selected in accord-  
8 ance with Section 324 herein. No person shall participate on  
9 behalf of the Director in any case in which he is an interested  
10 party.

11 **Section 702. APPEALS, FIRST STAGE.** An appeal tribunal,  
12 after affording the parties reasonable opportunity for fair hear-  
13 ing, shall unless an appeal is withdrawn affirm or modify the  
14 findings of fact and initial determination of benefit right.  
15 The parties shall be duly notified of such tribunal's decision,  
16 together with its reasons therefor, which shall be final, unless  
17 within ten days after the date of notification or mailing of such  
18 decision, further appeal is initiated pursuant to Section 703  
19 herein.

20 **Section 703. APPEALS, SECOND STAGE.** The Director or any  
21 party to a hearing before an appeal tribunal may appeal the de-  
22 cision of the tribunal by lodging a notice of appeal with the  
23 Board within ten days of notification or mailing of such deci-  
24 sion. Any appeal before the Board shall be heard by a quorum  
25 thereof.

26 **Section 704. PROCEDURE.** The conduct of hearings and appeals  
27 shall be in accordance with regulations prescribed by the Board  
28 for determining the rights of the parties, whether or not such  
29 regulations conform to common law or statutory rules of evidence

1 and other technical rules of procedure. A full and complete  
2 record shall be kept of all proceedings in connection with a  
3 disputed claim. All testimony at any hearing upon a disputed  
4 claim shall be recorded unless a written stipulation to the  
5 contrary is signed by both parties and filed with the examiner,  
6 but need not be transcribed unless the disputed claim is further  
7 appealed.

8 Section 705. WITNESS FEES. Witnesses subpoenaed pursuant  
9 to this Article shall be allowed fees at a rate fixed by the  
10 Board. Such fees shall be deemed a part of the expense of  
11 administering this Act.

12 Section 706. APPEAL TO COURTS. Any decision of the Board  
13 in the absence of an appeal therefrom as herein provided shall  
14 become final thirty days after the date of notification or  
15 mailing thereof, and judicial review thereof shall be permitted  
16 only after any party claiming to be aggrieved thereby has  
17 exhausted his administrative remedies as provided by this Act.  
18 The Director shall be deemed to be a party to any judicial action  
19 involving any such decision, and may be represented in any such  
20 judicial action by any qualified attorney employed by the Dir-  
21 ector and designated by him for that purpose, or at the Director's  
22 request by the Attorney General.

23 Section 707. COURT REVIEW. Within thirty days after the  
24 decision of the Board has become final, any party aggrieved  
25 thereby may secure judicial review thereof by commencing an  
26 action in the United States District Court for the review of such  
27 decision, in which action any party to the proceeding before the  
28 Board shall be made a defendant. In such action, a petition which  
29 need not be verified, but which shall state the grounds upon which

1 a review is sought, shall be served upon the Board, or upon such  
2 person as the Board may designate, and such service shall be  
3 deemed completed service on all parties, but there shall be left  
4 with the party so served as many copies of the petition as there  
5 are defendants and the Board shall forthwith mail one such copy  
6 to each such defendant. The Board shall certify and file with  
7 said Court all documents and papers and a transcript of all  
8 testimony taken in the matter, together with the Board's findings  
9 of fact and decision therein. The Board may also, in its dis-  
10 cretion, certify to such court questions of law involved in any  
11 decision. In any judicial proceeding under this section, the  
12 findings of the Board as to the facts, if supported by evidence  
13 and in the absence of fraud, shall be conclusive, and the juris-  
14 diction of said Court shall be confined to questions of law.  
15 Such actions, and the questions so certified, shall be heard in  
16 a summary manner and shall be given precedence over all other  
17 civil cases except cases arising under the Workman's Compensation  
18 Laws of this Territory. An appeal may be taken from the deci-  
19 sion of the United States District Court as is provided in civil  
20 cases. A petition for judicial review shall not act as a  
21 supersedeas or stay unless the Director shall so order.

22 REPRESENTATION IN COURT.

23 Section 711. CIVIL ACTIONS. In any civil action to enforce  
24 the provisions of this Act the Director and the Territory may  
25 be represented by any qualified attorney who is employed by the  
26 Director and is designated by him for this purpose or at the  
27 Director's request by the Attorney General.

28 Section 712. 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 the  
2 Director be prosecuted by the Attorney General of the Territory  
3 or United States District Attorney.

4 ARTICLE VIII. PENALTIES

5 Section 801. FALSE STATEMENT TO SECURE BENEFITS. Whoever  
6 makes a false statement or misrepresentation knowing it to be  
7 false or knowingly fails to disclose a material fact, to obtain  
8 or increase any benefit or other payment under this Act or under  
9 an employment security law of any State, of the Federal Government,  
10 or of a foreign government, either for himself or for any other  
11 person, shall be punished by a fine of not more than two hundred  
12 (\$200.00) dollars, or by imprisonment for not longer than sixty  
13 days, or by both such fine and imprisonment; and each such false  
14 statement or misrepresentation or failure to disclose a material  
15 fact shall constitute a separate offense.

16 Section 802. FALSE STATEMENTS BY EMPLOYER; REFUSAL TO PAY,  
17 ETC. Any employing unit or any officer or agent of an employing  
18 unit or any other person who makes a false statement or represen-  
19 tation knowing it to be false, or who knowingly fails to disclose  
20 a material fact, to prevent or reduce the payment of benefits  
21 to any individual entitled thereto, or to avoid or reduce any  
22 contribution or other payment required from an employing unit  
23 under this Act, or who willfully fails or refuses to make any such  
24 contributions or other payment, or to furnish any reports re-  
25 quired by this Act or by authority granted in this Act, or to  
26 produce or permit the inspection or copying of records as re-  
27 quired hereunder, shall be punished by a fine of not more than  
28 two hundred (\$200.00) dollars, or by imprisonment for not longer  
29 than sixty days, or by both such fine and imprisonment.

1 Section 803. VIOLATIONS GENERALLY. Any person who shall  
2 willfully violate any provision of this Act or any order, rule,  
3 or regulation thereunder, the violation of which is made unlawful  
4 or the observance of which is required under the terms of this  
5 Act, and for which a penalty is neither prescribed herein nor  
6 provided by any other applicable statute, shall be punished by  
7 a fine of not more than two hundred (\$200.00) dollars, or by  
8 imprisonment for not longer than sixty days, or by both such  
9 fine and imprisonment.

10 ARTICLE IX. MISCELLANEOUS PROVISIONS.

11 Section 901. NON-LIABILITY OF TERRITORY. Benefits shall  
12 be deemed to be due and payable under this Act only to the extent  
13 provided in this Act and to the extent that moneys are available  
14 therefor to the credit of the Unemployment Compensation Fund,  
15 and neither the Territory nor the Director shall be liable for  
16 any amount in excess of such sums.

17 Section 902. AMENDMENT OR REPEAL. The Legislature reserves  
18 the right to amend or repeal all or any part of this Act at any  
19 time; and there shall be no vested right of any kind against such  
20 amendment or repeal. All the rights, privileges, or immunities  
21 conferred by this Act or by acts pursuant thereto, shall exist  
22 subject to the power of the Legislature to amend or repeal this  
23 Act at any time.

24 Section 903. SEPARABILITY CLAUSE. If any provision of this  
25 Act, or the application thereof to any person or circumstance,  
26 is held invalid, the remainder of this Act, and the application  
27 of such provision to other persons or circumstances, shall not  
28 be affected thereby.

29 Section 904. TERMINATION. If at any time the Federal

Unemployment Tax Act shall be amended or repealed by Congress or held unconstitutional by the Supreme Court of the United States, with the result that no portion of the contributions required under this Act may be credited against the tax imposed by said Act, in any such event the operation of the provisions of this Act requiring the payment of contributions and benefits shall immediately cease; the Director shall thereupon requisition from the Unemployment Trust Fund all moneys therein standing to its credit, and such money, together with any other moneys in the Unemployment Compensation Fund shall be refunded, without interest and under regulations prescribed by the Director, to each employer by whom contributions have been paid, proportionately to his pro rata share of the total contributions paid under this Act. Any interest or earnings of the fund shall be available to the Director to pay for the cost of making such refunds. When the Director shall have executed the duties prescribed in this section and performed such other acts as are incidental to the termination of his duties under this Act, the provisions of this Act, in their entirety, shall cease to be operative.

#### CONTINUITY OF OPERATIONS.

(b) Section 911. CONTINUATION OF REGULATIONS, AGREEMENTS, ACCOUNTS, ETC. All rules, regulations, procedures, policies, funds, contracts, agreements, employees' positions, accounts, assets and liabilities, whether vested or contingent, established in any manner under the authority of the Alaska Employment Security Law, are hereby continued, except where inconsistent with the provisions of this Act.

Section 912. ASSUMPTION OF RIGHTS AND LIABILITIES OF

1 COMMISSION. Upon his appointment under this Act, the Director  
2 shall assume, and is hereby granted, all rights, liabilities,  
3 powers and duties of the Alaska Employment Security Commission,  
4 except where inconsistent with the provisions of this Act.

5 Section 913. CONTINUATION OF COMMISSION AND DIRECTOR.  
6 Notwithstanding any provisions of this Act to the contrary, the  
7 Alaska Employment Security Commission shall continue with full  
8 power and authority heretofore granted, until such time as a  
9 Director of Employment Security is appointed by the Governor  
10 under the provisions of this Act, and each successive Director  
11 appointed hereunder shall continue in office until his successor  
12 has been appointed.

13 REPEALER.

14 Section 921. CONFLICTING ACTS. Title 51, Chapter 5, ACLA  
15 1949, as amended and expanded by Chapters 25, 53, and 112 SLA  
16 1949, Chapters 10, 11, and 98 SLA 1951, Chapters 82, 83, 99, 113  
17 and 125 SLA 1953, is hereby repealed and all acts and parts of  
18 acts in conflict with the provisions of this Act are hereby re-  
19 pealed to the extent of such conflict.

20 ~~EFFECTIVE DATE.~~

21 ~~Section 931. EMERGENCY CLAUSE. An emergency is hereby de-~~  
22 ~~clared to exist and this Act shall be in full force and effect~~  
23 ~~immediately upon its passage and approval.~~