

1 IN THE SENATE

BY COMMITTEE ON COMMERCE AND LABOR

2 SENATE BILL NO. 91

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Employment Security; add-
7 ing new Secs. 234.2, 234.3 and 249.1 to Art.
8 II, Ch. 5, ESLA 1955 as amended by Ch. 169,
9 SLA 1957; a new Sec. 325.1 to Art. III, Ch. 5
10 as amended by Ch. 75 and Ch. 169, SLA 1957;
11 new Secs. 528 and 529 to Art. V, Ch. 5, ESLA
12 1955 as amended by Ch. 169, SLA 1957; adding
13 a new Art. V (a) establishing variable tax
14 rates; amending Secs. 213, 214, 217, 229 and
15 252 of Art. II, Ch. 5, ESLA 1955; amending
16 Sec. 325 of Art. III, Ch. 5, ESLA 1955;
17 amending subsec. (b) of Sec. 501, Art. V, Ch.
18 5, ESLA 1955 as amended by Ch. 169, SLA
19 1957; amending Sec. 502, Art. V, Ch. 5,
20 ESLA 1955 as amended by Ch. 169, SLA 1957;
21 amending Sec. 503, Art. V. Ch. 5, ESLA
22 1955 as amended by Ch. 169, SLA 1957; amend-
23 ing subsec. (a) of Sec. 604, Art. VI,
24 Ch. 5, ESLA 1955; amending subsec. (a) and
25 (e) of Sec. 712, Art. VII, ESLA 1955, as
26 amended by Ch. 169, SLA 1957; amending
27 subsecs. (a) and (f) of Sec. 741, Art. VII,
28 Ch. 5, ESLA 1955 as amended by Ch. 62 and
29 Ch. 169, SLA 1957; repealing subsec. (h),

SB #91 Engrossed as amended

1 (b) Notwithstanding Section 215 all service per-
2 formed after December 31, 1954, by an officer or member of
3 the crew of an American vessel on or in connection with such
4 vessel, if the operating office, from which the operations
5 of such vessel operating on navigable waters within, or
6 within and without, the United States are ordinarily and
7 regularly supervised, managed, directed and controlled, is
8 within this state ~~/TERRITORY/~~; ~~/AND/~~

9 (c) Notwithstanding any other provisions of this
10 Article, service with respect to which a tax is required to
11 be paid under any Federal law imposing a tax against which
12 credit may be taken for contributions required to be paid
13 into a state unemployment fund; and

14 (d) Service performed after January 1, 1960, by
15 an individual for this state or any instrumentality of
16 this state which is wholly owned by the state.

17 Sec. 3. Sec. 217 of Art. II, Ch. 5, ESLA 1955 is hereby
18 amended to read as follows:

19 Sec. 217. The term "employment" shall, during the
20 effective period of the election, include service covered by
21 an election pursuant to Section 604 and service covered by
22 an election duly approved by the agency charged with the
23 administration of any other state, Federal or foreign govern-
24 ment employment security law, in accordance with an arrange-
25 ment pursuant to Section 325.1 (a) of this Act during the
26 effective period of such election ~~/~~, SERVICE COVERED BY AN
27 ELECTION DULY APPROVED BY THE COMMISSION IN ACCORDANCE WITH
28 AN ARRANGEMENT PURSUANT TO SECTION 325, AND SERVICE NOT
29 OTHERWISE COVERED UNDER THIS ACT, PERFORMED ENTIRELY WITHOUT

1 THIS TERRITORY, WITH RESPECT TO NO PART OF WHICH CONTRIBU-
2 TIONS ARE REQUIRED AND PAID UNDER THE UNEMPLOYMENT COMPENSA-
3 TION LAW OF ANY OTHER STATE OR TERRITORY, IF THE INDIVIDUAL
4 PERFORMING SUCH SERVICE IS A RESIDENT OF THIS TERRITORY AND
5 THE COMMISSION APPROVES THE ELECTION FILED BY THE EMPLOYING
6 UNIT FOR WHOM THE SERVICES ARE PERFORMED IN THE SAME MANNER
7 AS FOR ELECTIONS FILED UNDER SECTION 6047.

8 Sec. 4. Sec. 229 of Art. II, Ch. 5, ESLA 1955, as amended
9 by Ch. 169, SLA 1957 is hereby amended to read as follows:

10 Sec. 229. The term "employment" shall not include
11 service performed in the employ of THE TERRITORY OF ALASKA
12 OR municipalities or other political subdivisions of Alaska,
13 except as provided in Section 604 of this Act.

14 Sec. 5. Article II, Ch. 5, ESLA 1955, as amended by Ch. 169,
15 SLA 1957, is hereby amended by adding two new sections to read
16 as follows:

17 Sec. 234.2 The term "employment" shall not include
18 service performed on an unemployment work relief project
19 undertaken by this state or any subdivision thereof.

20 Sec. 234.3. The term "employment" shall not include
21 teachers and other school-year employees employed by the
22 state or any of its political subdivisions.

23 Sec. 6. Article II, Ch. 5, ESLA 1955, as amended by Ch. 169,
24 SLA 1957, is hereby amended by adding a new section to read as
25 follows:

26 Sec. 249.1 Notwithstanding the provisions of Sections
27 240 and 242, neither the term "remuneration" nor the term
28 "wages" shall include the amount of any payment (including
29 any amount paid by an employer into a fund to provide for

1 any such payment) made to, or on behalf of, an employee under
2 plan or system established by an employer which makes pro-
3 vision for his employees generally, or for a class or group
4 of his employees, for the purpose of supplementing
5 unemployment benefits.

6 Sec. 7. Sec. 252 of Art. II, Ch. 5, ESLA 1955, is hereby
7 amended to read as follows:

8 Sec. 252. "Waiting week" means (a) for an unemployed
9 individual with total base period wages of less than
10 \$7,000.00: the first week of unemployment occurring in a
11 benefit year.

12 (b) for an unemployed individual with total base
13 period wages of \$7,000.00 to \$8,000.00: each of the first
14 two weeks of unemployment occurring in a benefit year.

15 (c) for an unemployed individual with total base
16 period wages of \$8,000.00 to \$9,000.00: each of the first
17 three weeks of unemployment occurring in a benefit year.

18 (d) for an unemployed individual with total base
19 period wages of \$9,000.00 to \$10,000.00: each of the first
20 four weeks of unemployment occurring in a benefit year.

21 (e) for an unemployed individual with total base
22 period wages of \$10,000.00 to \$11,000.00: each of the first
23 five weeks of unemployment occurring in a benefit year.

24 (f) for an unemployed individual with total base
25 period wages of \$11,000.00 or over: each of the first six
26 weeks of unemployment occurring in a benefit year.

27 Sec. 8. Sec. 325 of Article III, Ch. 5, ESLA 1955 is hereby
28 amended to read as follows:

29 Sec. 325 INTERSTATE ARRANGEMENTS / ARRANGEMENTS WITH

30 #1 Expressed as amended

1 STATES OR FEDERAL GOVERNMENT⁷. The Commission is authorized
2 to enter into arrangements whereby the facilities and ser-
3 vices provided under this Act, and the facilities and ser-
4 vices provided under the employment security law of any other
5 state may be utilized for the making of claims and the pay-
6 ment of benefits under this Act or under the employment
7 security act of such state. /THE COMMISSION IS HEREBY
8 AUTHORIZED TO ENTER INTO ARRANGEMENTS WITH THE APPROPRIATE
9 AGENCIES OF OTHER STATES OR THE FEDERAL GOVERNMENT WHEREBY
10 INDIVIDUALS PERFORMING SERVICES IN THIS TERRITORY AND OTHER
11 STATES FOR A SINGLE EMPLOYING UNIT UNDER CIRCUMSTANCES NOT
12 SPECIFICALLY PROVIDED FOR IN SECTIONS 214 TO 218 HEREIN, OR
13 UNDER SIMILAR PROVISIONS IN THE UNEMPLOYMENT COMPENSATION
14 LAWS OF SUCH OTHER STATES, SHALL BE DEEMED TO BE ENGAGED IN
15 EMPLOYMENT PERFORMED ENTIRELY WITHIN THIS TERRITORY OR WITH-
16 IN ONE OF SUCH OTHER STATES AND WHEREBY POTENTIAL RIGHTS TO
17 BENEFITS ACCUMULATED UNDER THE UNEMPLOYMENT COMPENSATION LAWS
18 OF ONE OR MORE STATES OR UNDER SUCH A LAW OF THE FEDERAL
19 GOVERNMENT, OR BOTH, MAY CONSTITUTE THE BASIS FOR THE PAY-
20 MENT OF BENEFITS THROUGH A SINGLE APPROPRIATE AGENCY UNDER
21 TERMS WHICH THE COMMISSION FINDS TO BE FAIR AND REASONABLE
22 AS TO ALL AFFECTED INTERESTS AND WILL NOT RESULT IN ANY SUB-
23 STANTIAL LOSS TO THE FUND. /

24 Sec. 9. Article III, Ch. 5, ESLA 1955, as amended by Ch. 75
25 and Ch. 169, SLA 1957, is hereby amended by adding a new section
26 to read as follows:

27 N Sec. 325.1 (a) RECIPROCAL COVERAGE. The Commission is
28 E hereby authorized to enter into reciprocal arrangements with
29 W appropriate and duly authorized agencies of other states or

1 of the Federal government, or both, whereby, notwithstanding
2 the provisions of Section 761:

3 M (1) Service performed by an individual for a
4 A single employing unit for which service is customarily per-
5 T formed by such individual in more than one state shall be
6 T deemed to be service performed entirely within any one of the
7 E states in which (A) any part of such individual's service is
8 R performed, or (B) such individual has his residence, or (C)
9 the employing unit maintains a place of business: Provided,
10 that there is in effect, as to such service, an approved
11 election by an employing unit with the acquiescence of such
12 individual, pursuant to which service performed by such
13 N individual for such employing unit is deemed to be performed
14 E entirely within such state; and

15 W (2) Service performed by not more than three
16 individuals, or any portion of a day but not necessarily
17 simultaneously, for a single employing unit which customarily
18 operates in more than one state shall be deemed to be service
19 performed entirely within the state in which such employing
20 M unit maintains the headquarters of its business: Provided,
21 A that there is in effect, as to such service, an approved
22 T election by an employing unit with the affirmative consent of
23 T each such individual, pursuant to which service performed by
24 E such individual for such employing unit is deemed to be per-
25 R formed entirely within such state.

26 (b) COOPERATION WITH AGENCIES OF FOREIGN GOVERNMENTS.

27 To the extent permissible under the laws and Constitution of
28 the United States, the Commission is authorized to enter into
29 arrangements of the character provided in this section with

1 the agency of a foreign government administering an employ-
2 ment security law.

3 Sec.10. Subsec. (b) of Sec. 501, Art. V, Ch. 5, ESLA 1955
4 as amended by Ch. 169, SLA 1957 is hereby amended to read as
5 follows:

6 (b) Contributions with respect to wages paid on or
7 after January 1, 1959 /1955/ for employment shall accrue and
8 become payable until such time as contributions shall be
9 terminated pursuant to Section 502 of this Article, by each
10 individual who performs service in employment for each cal-
11 endar year in which such services are subject to this Act.

12 The contributions required by each such individual, in
13 accordance with regulations prescribed by the Commission,
14 shall become payable, be deducted from his wages by his
15 employer, and be held in trust by the employer for the Com-
16 mission until such time as such employee contributions are
17 required by regulation to be deposited with the Commission.
18 Such funds shall not be subject to garnishment or attachment
19 in any fashion, and in the event of lien, judgment or bank-
20 ruptcy proceedings shall not be considered as assets of the
21 employer. Any employer who shall fail to make such deductions
22 from the wages of his employees shall himself be liable to
23 the Commission for the payment of such required contributions,
24 which shall be collected from him in the same manner as is
25 provided for the collection of employer contributions.

26 If any employer shall convert to his own use or other-
27 wise misappropriate any funds so held in trust, he shall be
28 required to pay to the Commission for deposit in the Clearing
29 Account the amount so converted or misappropriated, together

1 with a penalty equal to five times that amount but not less
2 than \$25.00. In addition, if such conversion or misapprop-
3 priation is willful, he shall be guilty of a misdemeanor and,
4 upon conviction thereof, shall be fined not more than \$200.00,
5 or imprisoned for not more than 60 days, or both.

6 Each employer shall maintain a record of the amount so
7 deducted from the wages of each of his employees, and shall
8 furnish a statement of such deductions to each employee at
9 such times and in such manner as the Commission shall pre-
10 scribe by regulation. No such deduction shall be made from
11 those wages in excess of the first \$5,400.00 ~~/\$4,200.00/~~
12 of wages paid to an employee during any calendar year. In
13 the event that an employee earns wages totaling in excess of
14 \$5,400.00 ~~/\$4,200.00/~~ in one calendar year in the employ of
15 two or more employers, or in the event that any one employer
16 through error shall have made such deductions from his wages
17 in excess of \$5,400.00 ~~/\$4,200.00/~~ during any one calendar
18 year, the amount of such deductions in excess of those re-
19 quired by this Act shall be refunded to the employee by the
20 Commission upon application therefor in accordance with
21 regulations prescribed by the Commission, provided, that
22 such application is made during the calendar year immediately
23 following the calendar year in which such deductions were
24 made. Provided, however, that if contributions paid into
25 the unemployment compensation fund during the period July 1,
26 1959 through June 30, 1960 do not exceed benefits paid from
27 the fund during the same period by \$1,000,000 or more, the
28 figure \$5,400.00 as used in this section shall automatically
29 change to \$6,600.00 effective January 1, 1961 and thereafter.

1 Sec. 11. Sec. 502 of Art. V, Ch. 5, ESLA 1955 as amended
2 by Ch. 169, SLA 1957, is hereby amended to read as follows:

3 Sec. 502. RATE OF CONTRIBUTIONS. Each employer shall
4 pay contributions equal to 2.9 [~~2.7~~] percent of wages paid
5 by him during the calendar year with respect to employment
6 during calendar year 1959 [~~COMMENCING JANUARY 1, 1955~~]
7 except as otherwise provided in Section 503. Each individual
8 performing services in employment for such employer during
9 calendar year 1959 [~~COMMENCING JANUARY 1, 1957~~] shall pay
10 contributions equal to six-tenths [~~ONE-HALF~~] of one percent
11 of wages paid to him during the calendar year with respect
12 to employment. [~~UNTIL JULY 1, 1961~~]

13 Each employer shall pay contributions equal to 3.2 per-
14 cent of wages paid by him during the calendar year with
15 respect to employment commencing January 1, 1960 except as
16 otherwise provided in Article V(a). Each individual per-
17 forming services in employment for such employer, commencing
18 January 1, 1960, shall pay contributions equal to eight-
19 tenths of one percent of wages paid to him during the cal-
20 endar year with respect to employment except as otherwise
21 provided in Article V(a).

22 [~~IN THE PAYMENT OF ANY CONTRIBUTIONS A FRACTIONAL PART~~
23 ~~OF A CENT SHALL BE DISREGARDED UNLESS IT AMOUNTS TO ONE-~~
24 ~~HALF CENT OR MORE, IN WHICH CASE IT SHALL BE INCREASED TO~~
25 ~~ONE CENT.~~]

26 Sec. 12. Sec. 503 of Art. V, Ch. 5, ESLA 1955 as amended by
27 Ch. 169, SLA 1957, is hereby amended to read as follows:

28 Sec. 503. BASE OF CONTRIBUTIONS. For the purposes of
29 Sections 501 and 502 of this Article and subsequent to

1 December 31, 1958 [1956], wages shall not include that part
2 of remuneration which after remuneration equal to \$5,400.00
3 [\$4,200.00] has been paid in a calendar year to an individ-
4 ual by an employer or his predecessor with respect to
5 employment during any calendar year is paid to such individ-
6 ual by such employer during such calendar year unless that
7 part of the remuneration is subject to a tax under a
8 Federal law imposing a tax against which credit may be taken
9 for contributions required to be paid into a State unemploy-
10 ment fund. For the purposes of this section, the term
11 "employment" shall include service constituting employment
12 under any employment security law of another State or of
13 the Federal Government. Provided, that if contributions
14 paid into the unemployment compensation fund during the
15 period July 1, 1959 through June 30, 1960 do not exceed
16 benefits paid from the fund during the same period by
17 \$1,000,000.00 or more, the figure \$5,400.00 as used in this
18 section shall automatically change to \$6,600.00 effective
19 January 1, 1961 and thereafter.

20 Sec. 13. Art. V, Ch. 5, ESLA 1955, as amended by Ch. 169,
21 SLA 1957, is hereby amended by adding a new section to read as
22 follows:

23 Sec. 528. SERVICE OF PROCESS. Process for assessment
24 and collection of contributions may be served both within
25 and without this state, and in addition to any other method
26 of service provided for in this Act, service may be made by
27 certified or registered mail.

28 Sec. 14. Art. V, Ch. 5, ESLA 1955, as amended by Ch. 169,
29 SLA 1957, is hereby amended by adding a new section to read as
30 #11 Enacted as amended

1 follows:

2 N Sec. 529. STATE PAYMENTS TO THE FUND. Notwithstanding
3 E the provisions of Secs. 501 through 527 of this Act, and any
4 W amendments thereto, the State of Alaska, in lieu of employer
5 and employee contributions required by this Act, shall pay
6 to the Commission for the unemployment compensation fund an
7 amount equivalent to the amount of benefits paid out to
8 claimants who during the applicable base period were paid
9 wages by the state. If a claimant during such base period
10 was employed by both the state and other employers subject to
11 the provisions of this Act, the amount to be paid into the
12 M fund by the state, with respect to such claimant, shall be
13 A an amount equal to the additional cost of benefit payments
14 T made from the fund which would not have been incurred by for
15 T the inclusion of earnings from state employment in the indi-
16 E vidual's determination of benefit rights. The amount of
17 R payments required under this section to be made into the
18 N fund shall be ascertained by the Commission as soon as prac-
19 ticable after the end of each calendar month and shall be
20 E payable from the general fund of the state, except as pro-
21 vided hereafter. If a claimant to whom benefits were paid
22 W was paid wages by the state during the base period from a
23 special or administrative fund provided by law, the payments
24 to the Commission for the unemployment compensation fund shall
25 be made from such special or administrative fund. If the
26 M base period wages of an individual include both wages for
27 state employment paid from the general fund of the state and
28 A wages for state employment paid from special or administrati
29 funds, the amount to be paid into the unemployment compensa-

1 N tion fund under this section with respect to the benefits
2 E paid such individuals shall be prorated among the state funds
3 W in proportion to the wages paid to such individual from each
4 such fund during the base period. The payment by the state
5 N into the unemployment compensation fund shall be made at
6 E such times and in such manner as the Commission may prescribe
7 W by regulation.

8 Sec. 15. Ch. 5, ESLA 1955, is hereby amended by adding a new
9 article to read as follows:

10 N ARTICLE V (a)
11 E
12 W EXPERIENCE RATING

13 M Sec. 551. As used in this Article, the following terms
14 A have the meaning ascribed to them.
15 T

16 E Sec. 552. "Computation date" means June 30 of the year
17 R immediately preceding the calendar year for which the contri-
18 bution rates are effective.

19 M Sec. 553. "Payroll" means the amount of wages paid by
20 N an employer to individuals in its employ for service in
21 E employment as defined in this Act; and the term "quarterly
22 W payroll" means the amount paid during a calendar quarter.
23 N "Ratable payroll" means the total payroll, for the four
24 A quarters ending with the computation date, of all employers
25 T eligible for a rate determination. For the purpose of deter-
26 E mining the rate for a newly subject employer and his employees
27 W the definition of employment in force at the time that the
28 employer becomes subject shall apply to service performed for
29 'him prior to the date on which he becomes subject.

30 M Sec. 554. "Qualifying period" means the three-year per-
31 R iod of twelve consecutive calendar quarters ending on the

1 N computation date.

2 E Sec. 555. The standard rate of employer and employee
3 W contributions shall be the amount specified in Sec. 502.
4 However, an employer and his employees shall be eligible
5 M for a rate determination in accordance with the provisions
6 A of this Article and the Commission's regulations if during
7 T each year of the three-year qualifying period ending on the
8 T computation date the employer (as an employing unit or as an
9 E employer) has had individuals in his employ and has main-
10 R tained payroll records of the remuneration paid to such
11 individuals during each quarter of such year. Notwithstand-
12 ing any other provisions of this Article, no employer or his
13 employees shall be eligible for a rate determination pur-
14 suant to this Article if, with respect to any calendar
15 quarter in a calendar year which precedes the computation
16 date, the employer

17 (a) has failed by the computation date to file any
18 payroll or contribution report required by this Act; or

19 (b) has failed by the computation date to pay any
20 N contributions (exclusive of interest and penalties) required
21 E by this Act.
22 W

23 M Sec. 556. The Commission shall determine each eligible
24 A employer's contribution rate by arraying such employer's
25 T quarterly payrolls in chronological order beginning with the
26 E first calendar quarter in the qualifying period and ending
27 R with the last calendar quarter in the period. Whenever an
28 employer's payroll in a calendar quarter is less than the
29 payroll in the preceding quarter in the qualifying period,
the quarterly decline quotient shall be computed to at least

1 nine decimal places by dividing the amount of the decline by
2 the amount of the payroll in the preceding calendar quarter.
3 For the purpose of computing quarterly decline quotients,
4 the Commission may, by regulation, prescribe: (a) the manner
5 in which wages paid in the form of annual bonuses or other
6 lump-sum payments for service performed over a period of more
7 than three months shall be apportioned among the calendar
8 quarters of the calendar year in which such service was per-
9 formed; and (b) the method for making adjustments in quarterly
10 payrolls to eliminate the effect upon quarterly decline quot-
11 ients resulting from unemployment which would not be compen-
12 sable by reason of the labor-dispute provision of Section 741
13 (i).

14 Sec. 557. The Commission shall determine the sum of
15 each eligible employer's decline quotients during the qualify-
16 ing period, and the ratable payroll as of the computation
17 date. The Commission shall then array all eligible employers
18 in the order of the sum of their decline quotients beginning
19 with the smallest sum of decline quotients and shall determine,
20 with respect to each employer in the array, the cumulative
21 total payroll during the four consecutive quarters ending
22 with the computation date of all employers who precede him on
23 the list and the employer's own payroll for the same period.

24 The Commission shall segregate the arrayed employers
25 into groups in accordance with cumulative total payroll and
26 the employer's own payrolls. The limits of the groups shall
27 be those set out in Column B of the table below. Each of
28 such groups shall be identified by the rate class number in
29 Column A which is opposite the figures in Column B which rep-

1 resent the percentage limits of each group. Each employer in
 2 the array shall be assigned to the rate class in which the
 3 greater part of such employer's payroll falls except that if
 4 one-half of the employer's payroll falls in one class, and one
 5 half in another, he shall be assigned to the lower numbered
 6 rate class in which one-half of his payroll falls. Provided,
 7 that no employer shall be assigned to a higher numbered rate
 8 class than is assigned to another employer with the same sum
 9 of decline quotients. Each employer and his employees shall
 10 be assigned the contribution rate in Column C and Column D,
 11 respectively, which are opposite such employer's rate class
 12 in Column A.

Rate Class	Arrayed Employer's		Contribution Rate	
	Cumulative Payroll Limits		(Percent)	
	More than	Equal to or Less Than	Employer	Employee
1	0	10	2.2	.3
2	10	20	2.4	.4
3	20	30	2.6	.5
4	30	40	2.8	.6
5	40	50	3.0	.7
6	50		3.2	.8

23 M Sec. 558. If any adjustment is made in an employer's
 24 A payroll or in the sum of his decline quotients after rates
 25 T have been assigned, the adjustment shall not alter the posi-
 26 E tion of any other employer on the schedule or the contribu-
 27 R tion rate of any other employer. The employer with respect
 28 to whom the adjustment in decline quotients is made shall be
 29 placed in that class in which another employer with the near-

1 est similar sum of decline quotients is placed.

2 N Sec. 559. Whenever an employing unit (whether or not an
3 E
4 W employer within the meaning of Section 201) in any manner
5 M succeeds to, or acquires substantially all of the operating
6 A
7 T assets of, an organization, trade, or business of another
8 E
9 R employing unit which at the time of acquisition was an employ-
10 er subject to this Act, the payroll records of such predecessor
11 employer shall be transferred as of the date of acquisition
12 to the successor employer for the purpose of rate determina-
13 tion. Notwithstanding any other provision of this section,
14 if the successor employer was an employer subject to this Act
15 prior to the date of acquisition, his rate of contributions
16 for the remainder of the calendar year shall be his rate with
17 respect to the period immediately preceding the date of
18 acquisition; his rate for the succeeding years shall be based
19 N
20 E on the total of his payrolls and those of the predecessor.
21 W
22 If the successor was not an employer prior to the date of
23 M
24 A acquisition, his rate shall be the rate applicable to the
25 T
26 R predecessor employer or employers with respect to the period
27 immediately preceding the date of acquisition provided there
28 was only one predecessor or there were only predecessors with
29 N
30 E
31 W identical rates; if the predecessor rates were not identical,
32 M
33 A the successor's rate shall be the highest rate applicable to
34 T
35 R any of the predecessor employers with respect to the period
36 immediately preceding the date of acquisition. This section
37 shall not apply to any acquisition if such acquisition is
38 determined by the Commission (1) to have been primarily for
39 the purpose of obtaining a more favorable rate of contribu-
40 tions under this Article, (2) to be inequitable to the

1 parties, or (3) to be contrary to the public interest.

2 Sec. 560. The Commission shall notify each employer
3 promptly of his rate of contributions as determined for any
4 calendar year pursuant to this Article. Such determination
5 shall become conclusive upon the employer unless within 15
6 days after the notice was mailed to his last known address or
7 otherwise delivered to him, the employer files an application
8 for review and redetermination, setting forth his reasons
9 therefor. If the Commission grants such review, the employer
10 shall be notified thereof promptly and shall be granted a
11 reasonable opportunity for a fair hearing. The Commission
12 shall make a redetermination and shall notify the employer of
13 the redetermination and the reason therefor. If the Commis-
14 sion denies a review, it shall notify the employer of the
15 denial and the reasons therefor. A redetermination or a
16 denial of review shall become final, unless within 15 days
17 after the notice was mailed to the last known address of the
18 employer, or otherwise delivered to him, petition for jud-
19 icial review is filed in accordance with Section 809.

20 Sec. 16. Subsection (a) of Sec. 604 of Art. VI, Ch. 5, ESLA
21 1955 is hereby amended to read as follows:

22 (a) Any service performed for an employing unit, in-
23 cluding [TERRITORIAL DEPARTMENTS AND AGENCIES,] municipali-
24 ties, and other political subdivisions of Alaska, which is
25 excluded under the definition of employment in Article II,
26 and with respect to which no payments are required under the
27 employment security law of another State or of the Federal
28 Government, may be deemed to constitute employment for all
29 purposes of this Act, provided that the Commission has

1 approved a written election to that effect filed by the
2 employing unit for which the service is performed, as of the
3 date stated in such approval. Such an election for municipi-
4 palities or other political subdivisions of Alaska shall
5 be effective with the beginning of the next fiscal year of
6 the employing unit following the approval of the election.
7 No election shall be approved by the Commission unless it
8 (1) includes all the service of the type specified in each
9 establishment or place of business for which the election is
10 made, and (2) is made for not less than two calendar years.
11 Appropriate officers of municipalities and other subdivi-
12 sions of Alaska shall file the written election provided
13 herein at such time as more than half of the employees who
14 are covered by the election have certified to their employer
15 that they wish to be covered by State unemployment insur-
16 ance; such officers shall indicate whether the governing
17 body of the employing unit elects to pay contributions on
18 the percentage-of-wage basis provided generally in the Act
19 or on a benefit charging basis, in which case payments will
20 be made pursuant to Section 529 of the Act as though, wherever
21 practicable, the term "employing unit" were substituted for
22 the term "state" wherever the term "state" appears in Section
23 529.

24 Sec. 17. Subsec. (a) of Sec. 712, Art. VII, Ch. 5, ESLA
25 1955, is hereby amended to read as follows:

26 (a) QUALIFYING WAGES. For any individual who files an
27 application for determination of benefit rights effective
28 on or after July 1, 1959, to /TO/ qualify for benefits, an
29 individual shall have earned wages in his base period

1 totaling not less than one and one-third /ONE AND ONE-
2 FOURTH/ times the aggregate amount of wages earned by him
3 in that calendar quarter of his base period in which he
4 earned the highest amount of wages, and all his wages for
5 such base period must equal not less than the minimum amount
6 required for benefits under subsection (b), below.

7 Sec. 18. Subsec. (e) of Sec. 712, Art. VII, Ch. 5, ESLA
8 1955, is hereby amended to read as follows:

9 (e) INTERSTATE PAYMENT RESTRICTIONS. Notwithstanding
10 the above subsections of this section, if an individual
11 files a claim for benefits while outside of Alaska his bene-
12 fits for such week shall be restricted as follows:

13 1. he shall not be paid an augmented weekly benefit
14 amount,

15 2. he shall not be paid more than \$20.00, /\$25.00/

16 3. his maximum potential benefits shall be reduced by
17 the amount he would have received if such claim had been
18 filed within Alaska.

19 Sec. 19. Subsec. (a) of Sec. 741, Art. VII, Ch. 5, ESLA
20 1955, as amended by Ch. 62 and Ch. 169, SLA 1957, is hereby
21 amended to read as follows:

22 (a) He was not able to work or was not available
23 for suitable work for such week. Provided:

24 N (1) that for the purposes of this Act a
25 E woman is declared to be unable to work for six weeks be-
26 W fore the expected date of childbirth and for the week
27 in which a child is born to her alive and for the five
28 weeks immediately following such week;

29 (2) that an insured worker shall not be con-

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1 M sidered ineligible for receipt of unemployment benefits
2 A for any week because of failure to comply with the pro-
3 T visions of this subsection if:

4 T (i) he is unable to work because of an
5 E illness or disability; or

6 R (ii) he resides in Alaska and is not
7 N available for work because of his non-commercial
8 E fishing and hunting necessary for the survival of
9 W himself and his dependents; and

10 (iii) the condition described in (i) or
11 M (ii) above occurs during an uninterrupted period
12 A of unemployment following a week for which he has
13 T filed a compensable claim and no work has been
14 T offered him for any part of said week which would
15 E have been suitable prior to the beginning of such
16 R fishing, hunting, illness, or disability.

17 THAT NO ALASKAN RESIDENT SHALL BE CONSIDERED INELIGIBLE FOR
18 RECEIPT OF UNEMPLOYMENT BENEFITS FOR ANY WEEK BECAUSE OF
19 FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SUBSECTION
20 WHEN SUCH FAILURE IS CAUSED BY HIS NON-COMMERCIAL FISHING
21 AND HUNTING NECESSARY FOR THE SURVIVAL OF HIMSELF AND HIS
22 DEPENDENTS DURING AN UNINTERRUPTED PERIOD OF UNEMPLOYMENT
23 FOLLOWING A WEEK FOR WHICH HE HAS FILED A COMPENSABLE CLAIM.
24 PROVIDED THAT NO SUITABLE WORK HAS BEEN OFFERED HIM FOR ANY
25 PART OF SAID WEEK.

26 Sec. 20. Subsec. (f) of Sec. 741, Art. VII, Ch. 5, ESLA
27 1955, as amended by Ch. 62 and Ch. 169, SLA 1957, is hereby
28 amended to read as follows:

29 (f) Claimant has left FOR ANY WEEK WHEREIN

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CLAIMANT LEAVES her most recent work to change her place of residence in order to remain with her husband or family, in which case she shall be disqualified for the five weeks of continuous unemployment immediately following such week, provided that said disqualification may be sooner terminated by claimant's earning additional wages, whether or not covered by this Act, of at least \$120.00 and provided further that such disqualification shall not apply if it is necessary for her to provide the sole support of her husband or family

✓. SUCH DISQUALIFICATION SHALL CONTINUE UNTIL SUCH TIME SUBSEQUENT TO SUCH WEEK AS CLAIMANT EARNS ADDITIONAL WAGES, WHETHER OR NOT COVERED BY THIS ACT, OF AT LEAST \$120.00; or

Sec. 21. Subsec. (h) of Sec. 741, Art. VII, Ch. 5, ESLA 1955, as amended by Ch. 62 and Ch. 169, SLA 1957, is hereby repealed.

Sec. 22. This Act shall take effect immediately upon its passage and approval or upon its becoming law without such approval.