

1 IN THE SENATE

BY HOUSE RULES COMMITTEE

2 HOUSE COMMITTEE SUBSTITUTE FOR 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;
7 amending Articles II, III, V, VI, and VII
8 of the Alaska Employment Security Act (Ch. 5,
9 ESLA 1955, as amended by Chapters 62, 75 and
10 169, SLA 1957); adding a new Article V (a)
11 establishing variable tax rates; repealing
12 subsection (h) of Sec. 741 of Article VII;
13 and providing for an effective date."

14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

15 Section 1. Sec. 213 of Article II, Ch. 5, ESLA 1955, is
16 hereby amended to read as follows:

17 Sec. 213. "Employing unit" means any individual or type
18 of organization, including the State government, any of its
19 instrumentalities, any partnership, association, trust,
20 estate, joint trust company, insurance company or corporation,
21 whether domestic or foreign, or the receiver, referee in
22 bankruptcy, trustee, or successor of any of the foregoing,
23 or the legal representative of a deceased person, which has,
24 or subsequent to January 1, 1937 had one or more individuals
25 performing service for it within this State ~~TERRITORY~~. All
26 individuals performing services within this State ~~TERRITORY~~
27 for any employing unit which maintains two or more separate
28 establishments within this State ~~TERRITORY~~ shall be deemed
29 to be employed by a single employing unit for all the

1 purposes of this Act.

2 Sec. 2. Sec. 214 of Article II, Ch. 5, ESLA 1955, is hereby
3 amended to read as follows:

4 Sec. 214. "Employment" means:

5 (a) Any service performed prior to January 1,
6 1955, which was employment as defined in this section prior
7 to such date, and subject to the other provisions of this
8 section, service performed after December 31, 1954, by an
9 individual for wages or by an officer of a corporation,
10 including service in interstate commerce;

11 (b) Notwithstanding Section 215 all service per-
12 formed after December 31, 1954, by an officer or member of
13 the crew of an American vessel on or in connection with such
14 vessel, if the operating office, from which the operations
15 of such vessel operating on navigable waters within, or
16 within and without, the United States are ordinarily and
17 regularly supervised, managed, directed and controlled, is
18 within this State ~~/TERRITORY/~~; ~~/AND/~~

19 (c) Notwithstanding any other provisions of this
20 Article, service with respect to which a tax is required to
21 be paid under any Federal law imposing a tax against which
22 credit may be taken for contributions required to be paid
23 into a State unemployment fund, and ~~/~~

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

27 Sec. 3. Sec. 217 of Article II, Ch. 5, ESLA 1955, is hereby
28 amended to read as follows:

29 Sec. 217. The term "employment" shall, during the

1 effective period of the election, include service covered by
2 an election pursuant to Section 604 (a) and service covered
3 by an election duly approved by the agency charged with the
4 administration of any other state, Federal or foreign govern-
5 ment employment security law, in accordance with an arrange-
6 ment pursuant to Section 325.1 (a) of this Act during the
7 effective period of such election SERVICE COVERED BY AN
8 ELECTION DULY APPROVED BY THE COMMISSION IN ACCORDANCE WITH
9 AN ARRANGEMENT PURSUANT TO SECTION 325, AND SERVICE NOT
10 OTHERWISE COVERED UNDER THIS ACT, PERFORMED ENTIRELY WITHOUT
11 THIS TERRITORY, WITH RESPECT TO NO PART OF WHICH CONTRIBU-
12 TIONS ARE REQUIRED AND PAID UNDER THE UNEMPLOYMENT COMPENSA-
13 TION LAW OF ANY OTHER STATE OR TERRITORY, IF THE INDIVIDUAL
14 PERFORMING SUCH SERVICE IS A RESIDENT OF THIS TERRITORY AND
15 THE COMMISSION APPROVES THE ELECTION FILED BY THE EMPLOYING
16 UNIT FOR WHOM THE SERVICES ARE PERFORMED IN THE SAME MANNER
17 AS FOR ELECTIONS FILED UNDER SECTION 604~~7~~.

18 Sec. 4. Sec. 229 of Article II, Ch. 5, ESLA 1955, as amended
19 by Ch. 169, SLA 1957, is hereby amended to read as follows:

20 Sec. 229. The term "employment" shall not include
21 service performed in the employ of THE TERRITORY OF ALASKA
22 municipalities or other political subdivisions of Alaska,
23 except as provided in Section 604 of this Act..

24 Sec. 5. Article II, Ch. 5, ESLA 1955, is hereby amended by
25 adding two new sections to read as follows:

26 Sec. 234.2 The term "employment" shall not include
27 service performed on an unemployment work relief project
28 undertaken by this State or any subdivision thereof.

29 Sec. 234.3. The term "employment" shall not include

1 teachers and other school-year employees employed by the
2 state or any of its political subdivisions.

3 Sec. 6. Article II, Ch. 5, ESLA 1955, is hereby amended by
4 adding a new section to read as follows:

5 Sec. 249.1 SUPPLEMENTAL UNEMPLOYMENT BENEFITS. Notwith-
6 standing the provisions of Sections 240 and 242, neither the
7 term "remuneration" nor the term "wages" shall include the
8 amount of any payment (including any amount paid by an
9 employer into a fund to provide for any such payment) made
10 to, or on behalf of, an employee under a plan or system
11 established by an employer which makes provision for his
12 employees generally, or for a class or group of his employees,
13 for the purpose of supplementing unemployment benefits.

14 Sec. 7. Sec. 306 of Article III, Ch. 5, ESLA 1955, is hereby
15 amended to read as follows:

16 Sec. 306. DUTIES AND POWERS OF THE COMMISSION. Subject
17 to the provisions of Sec. 311 of this Article, the Commission
18 shall appoint a Director whose duty it shall be to administer
19 the provisions of this Act under such authority of the Com-
20 mission as may be delegated to him by the Commission, with the
21 exception that the Commission may not delegate the appellate
22 powers conferred upon it by this Act, or the power to adopt,
23 amend or rescind rules and regulations. The Commission shall
24 prescribe the divisions, subdivisions and units of the organi-
25 zation to be directed by the Director to carry out the
26 purposes of this Act. It may require bond of any person
27 handling money or signing checks. It shall have an official
28 seal which shall be judicially noticed. Not later than the
29 first day of January ~~OCTOBER~~ of each year, the Commission

1 shall submit to the Governor a report covering the administra-
2 tion and operation of this Act during the preceding fiscal
3 year ended June 30 and shall make such recommendations for
4 amendments to this Act as the Commission deems proper. Such
5 report shall include a balance sheet of the moneys in the
6 fund in which there shall be provided, if possible, a reserve
7 against the liability in future years to pay benefits. When-
8 ever the Commission believes that a change in contribution
9 or benefit rates will become necessary to protect the sol-
10 vency of the fund, it shall promptly so inform the Governor
11 and the Legislature, and make recommendations with respect
12 thereto.

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

15 Sec. 325. INTERSTATE ARRANGEMENTS. /ARRANGEMENTS WITH
16 STATES OR FEDERAL GOVERNMENT.7 The Commission is authorized
17 to enter into arrangements whereby the facilities and services
18 provided under this Act, and the facilities and services pro-
19 vided under the employment security law of any other state
20 may be utilized for the making of claims and the payment of
21 benefits under this Act or under the employment security act
22 of such state. /THE COMMISSION IS HEREBY AUTHORIZED TO ENTER
23 INTO ARRANGEMENTS WITH THE APPROPRIATE AGENCIES OF OTHER
24 STATES OR THE FEDERAL GOVERNMENT WHEREBY INDIVIDUALS PERFORM-
25 ING SERVICES IN THIS TERRITORY AND OTHER STATES FOR A SINGLE
26 EMPLOYING UNIT UNDER CIRCUMSTANCES NOT SPECIFICALLY PROVIDED
27 FOR IN SECTIONS 214 to 218 HEREIN, OR UNDER SIMILAR PROVISIONS
28 IN THE UNEMPLOYMENT COMPENSATION LAWS OF SUCH OTHER STATES,
29 SHALL BE DEEMED TO BE ENGAGED IN EMPLOYMENT PERFORMED

1 ENTIRELY WITHIN THIS TERRITORY OR WITHIN ONE OF SUCH OTHER
2 STATES AND WHEREBY POTENTIAL RIGHTS TO BENEFITS ACCUMULATED
3 UNDER THE UNEMPLOYMENT COMPENSATION LAWS OF ONE OR MORE
4 STATES OR UNDER SUCH A LAW OF THE FEDERAL GOVERNMENT, OR BOTH,
5 MAY CONSTITUTE THE BASIS FOR THE PAYMENT OF BENEFITS THROUGH
6 A SINGLE APPROPRIATE AGENCY UNDER TERMS WHICH THE COMMISSION
7 FINDS TO BE FAIR AND REASONABLE AS TO ALL AFFECTED INTERESTS
8 AND WILL NOT RESULT IN ANY SUBSTANTIAL LOSS TO THE FUND.7

9 Sec. 9. Article III, Ch. 5, ESLA 1955, is hereby amended by
10 adding a new section to read as follows:

11 N Sec. 325.1 RECIPROCAL ARRANGEMENTS. (a) RECIPROCAL
12 E COVERAGE. The Commission is hereby authorized to enter into
13 W reciprocal arrangements with appropriate and duly authorized
14 agencies of other states or of the Federal Government, or
15 M both, whereby, notwithstanding the provisions of Section 761:

16 A (1) Service performed by an individual for a
17 T single employing unit for which service is customarily
18 T performed by such individual in more than one state shall
19 E be deemed to be service performed entirely within any
20 R one of the states in which (A) any part of such indi-
21 vidual's service is performed, or (B) such individual
22 has his residence, or (C) the employing unit maintains
23 a place of business: Provided, that there is in effect,
24 as to such service, an approved election by an employing
25 unit with the acquiescence of such individual, pursuant
26 to which service performed by such individual for such
27 employing unit is deemed to be performed entirely within
28 such state; and

29 (2) Service performed by not more than three

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individuals, on any portion of a day but not necessarily simultaneously, for a single employing unit which customarily operates in more than one state shall be deemed to be service performed entirely within the state in which such employing unit maintains the headquarters of its business: Provided, that there is in effect, as to such service, an approved election by an employing unit with the affirmative consent of each such individual pursuant to which service performed by such individual for such employing unit is deemed to be performed entirely within such state.

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(b) COOPERATION WITH AGENCIES OF FOREIGN GOVERNMENTS. To the extent permissible under the laws and Constitution of the United States, the Commission is authorized to enter into arrangements of the character provided in this section with the agency of a foreign government administering an employment security law.

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

21 (b) Contributions with respect to wages paid on
22 or after January 1, 1959 ~~[1955]~~ for employment shall accrue
23 and become payable until such time as contributions shall be
24 terminated pursuant to Section 502 of this Article, by each
25 individual who performs service in employment for each
26 calendar year in which such services are subject to this Act.

27 The contributions required by each such individual, in
28 accordance with regulations prescribed by the Commission,
29 shall become payable, be deducted from his wages by his

1 employer, and be held in trust by the employer for the Com-
2 mission until such time as such employee contributions are
3 required by regulation to be deposited with the Commission.
4 Such funds shall not be subject to garnishment or attachment
5 in any fashion, and in the event of lien, judgment or bank-
6 ruptcy proceedings shall not be considered as assets of the
7 employer. Any employer who shall fail to make such deductions
8 from the wages of his employees shall himself be liable to
9 the Commission for the payment of such required contributions,
10 which shall be collected from him in the same manner as is
11 provided for the collection of employer contributions.

12 If any employer shall convert to his own use or other-
13 wise misappropriate any funds so held in trust, he shall be
14 required to pay to the Commission for deposit in the Clearing
15 Account the amount so converted or misappropriated, together
16 with a penalty equal to five times that amount but not less
17 than \$25.00. In addition, if such conversion or misappropria-
18 tion is willful, he shall be guilty of a misdemeanor and,
19 upon conviction thereof, shall be fined not more than \$200.00,
20 or imprisoned for not more than 60 days, or both.

21 Each employer shall maintain a record of the amount so
22 deducted from the wages of each of his employees, and shall
23 furnish a statement of such deductions to each employee at
24 such times and in such manner as the Commission shall pre-
25 scribe by regulation. NO SUCH DEDUCTION SHALL BE MADE FROM
26 THOSE WAGES IN EXCESS OF THE FIRST \$4,200.00 OF WAGES PAID
27 TO AN EMPLOYEE DURING ANY CALENDAR YEAR. IN THE EVENT THAT
28 AN EMPLOYEE EARNS WAGES TOTALING IN EXCESS OF \$4,200.00 IN
29 ONE CALENDAR YEAR IN THE EMPLOY OF TWO OR MORE EMPLOYERS, OR

1 IN THE EVENT THAT ANY ONE EMPLOYER THROUGH ERROR SHALL HAVE
2 MADE SUCH DEDUCTIONS FROM HIS WAGES IN EXCESS OF \$4,200.00
3 DURING ANY ONE CALENDAR YEAR, THE AMOUNT OF SUCH DEDUCTIONS
4 IN EXCESS OF THOSE REQUIRED BY THIS ACT SHALL BE REFUNDED TO
5 THE EMPLOYEE BY THE COMMISSION UPON APPLICATION THEREFOR
6 IN ACCORDANCE WITH REGULATIONS PRESCRIBED BY THE COMMISSION,
7 PROVIDED, THAT SUCH APPLICATION IS MADE DURING THE CALENDAR
8 YEAR IMMEDIATELY FOLLOWING THE CALENDAR YEAR IN WHICH SUCH
9 DEDUCTIONS WERE MADE.7

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

12 Sec. 502. RATE OF CONTRIBUTIONS. Each employer shall
13 pay contributions equal to 2.7 percent of all wages paid by
14 him during the calendar year with respect to employment after
15 December 31, 1958 COMMENCING JANUARY 1, 1955 EXCEPT AS
16 OTHERWISE PROVIDED IN SECTION 5037. Each individual perform-
17 ing services in employment FOR SUCH EMPLOYER, COMMENCING
18 JANUARY 1, 1957,7 after December 31, 1958, shall pay contri-
19 butions equal to one half of one percent of all wages paid to
20 him during the calendar year with respect to employment
21 UNTIL JULY 1, 19617. Provided, however, that each employer
22 shall pay contributions equal to 3.0 percent of all wages
23 paid by him during the calendar year with respect to employ-
24 ment after December 31, 1959, except as otherwise provided
25 in Article V (a).

26 IN THE PAYMENT OF ANY CONTRIBUTIONS A FRACTIONAL PART
27 OF A CENT SHALL BE DISREGARDED UNLESS IT AMOUNTS TO ONE-HALF
28 CENT OR MORE, IN WHICH CASE IT SHALL BE INCREASED TO ONE
29 CENT.7

1 Sec. 12. Sec. 503 of Article V, Ch. 5, ESLA 1955, as amended
2 by Ch. 169, SLA 1957, is hereby repealed.

3 Sec. 13. Article V, Ch. 5, ESLA 1955 is hereby amended by
4 adding a new section to read as follows:

5 Sec. 528. SERVICE OF PROCESS. Process for assessment
6 and collection of contributions may be served both within and
7 without this State, and in addition to any other method of
8 service provided in this Act, service may be made by certified
9 or registered mail.

10 Sec. 14. Article V, Ch. 5, ESLA 1955, is hereby amended by
11 adding a new section to read as follows:

12 N Sec. 529. STATE PAYMENTS TO THE FUND. Notwithstanding
13 E the provisions of Sections 501 through 527 of this Act, and
14 W any amendments thereto, the State of Alaska, in lieu of
15 employer and employee contributions required by this Act,
16 shall pay to the Commission for the unemployment compensation
17 M fund an amount equivalent to the amount of benefits paid out
18 A to claimants who during the applicable base period were paid
19 T wages by the State. If a claimant during such base period
20 T was employed by both the State and other employers subject to
21 E the provisions of this Act, the amount to be paid into the
22 R fund by the State, with respect to such claimant, shall be an
23 amount equal to the additional cost of benefit payments made
24 from the fund which would not have been incurred but for the
25 inclusion of earnings from State employment in the individ-
26 ual's determination of benefit rights. The amount of pay-
27 ments required under this section to be made into the fund
28 shall be ascertained by the Commission as soon as practicable
29 after the end of each calendar month and shall be payable

1 N from the general fund of the State, except as provided here-
2 E after. If a claimant to whom benefits were paid was paid
3 W wages by the State during the base period from a special or
4 M administrative fund provided by law, the payment to the Com-
5 A mission for the unemployment compensation fund shall be made
6 T from such special or administrative fund. If the base period
7 E wages of an individual include both wages for State employ-
8 N ment paid from the general fund of the State and wages for
9 D State employment paid from special or administrative funds,
10 O the amount to be paid into the unemployment compensation fund
11 F under this section with respect to the benefits paid such
12 N individuals shall be prorated among the State funds in pro-
13 E portion to the wages paid to such individual from each such
14 W fund during the base period. The payment by the State into
15 M the unemployment compensation fund shall be made at such times
16 T and in such manner as the Commission may prescribe by regula-
17 E tion.
18 R

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

20 N ARTICLE V (a)

21 E EXPERIENCE RATING
22 W

22 M Sec. 551. As used in this Article, the following terms
23 A have the meaning ascribed to them.
24 T

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

27 Sec. 553. "Payroll" means the amount of wages paid by
28 an employer to individuals in its employ for service in
29 employment as defined in this Act; and the term "quarterly

1 N payroll" means the amount paid during a calendar quarter.
2 E "Ratable payroll" means the total payroll, for the four
3 W quarters ending with the computation date, of all employers
4 eligible for a rate determination. For the purpose of deter-
5 mining the rate for a newly subject employer the definition
6 M of employment in force at the time that he becomes subject
7 A shall apply to service performed for him prior to the date on
8 T which he becomes subject.

9 T Sec. 554. "Qualifying period" means the three-year per-
10 E iod of twelve consecutive calendar quarters ending on the
11 R computation date.

12 Sec. 555. The standard rate of employer contributions
13 shall be the amount specified in Sec. 502. However, an
14 employer shall be eligible for a rate determination in accord-
15 ance with the provisions of this Article and the Commission's
16 regulations if during each year of the three-year qualifying
17 period ending on the computation date he (as an employing
18 unit or as an employer) has had individuals in his employ and
19 has maintained payroll records of the remuneration paid to
20 such individuals during each quarter of such year. Notwith-
21 standing any other provisions of this Article, no employer
22 shall be eligible for a rate determination pursuant to this
23 Article if, with respect to any calendar quarter in a calendar
24 year which precedes the computation date, he

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

27 (b) has failed by the computation date to pay any
28 contributions (exclusive of interest and penalties) required
29 by this Act.

1 N Sec. 556. The Commission shall determine each eligible
2 E employer's contribution rate by arraying such employer's
3 W quarterly payrolls in chronological order beginning with the
4 first calendar quarter in the qualifying period and ending
5 with the last calendar quarter in the period. Whenever an
6 M employer's payroll in a calendar quarter is less than the
7 A payroll in the preceding quarter in the qualifying period,
8 T the quarterly decline quotient shall be computed to at least
9 T nine decimal places by dividing the amount of the decline by
10 E the amount of the payroll in the preceding calendar quarter.

11 R For the purpose of computing quarterly decline quotients,
12 the Commission may, by regulation, prescribe: (a) the manner
13 in which wages paid in the form of annual bonuses or other
14 lump-sum payments for service performed over a period of more
15 than three months shall be apportioned among the calendar
16 quarters of the calendar year in which such service was per-
17 formed; and (b) the method for making adjustments in quarterly
18 payrolls to eliminate the effect upon quarterly decline quot-
19 ients resulting from unemployment which would not be compen-
20 sable by reason of the labor-dispute provision of Section 741
21 (1).

22 Sec. 557. The Commission shall determine the sum of
23 each eligible employer's decline quotients during the qualify-
24 ing period, and the ratable payroll as of the computation
25 date. The Commission shall then array all eligible employers
26 in the order of the sum of their decline quotients beginning
27 with the smallest sum of decline quotients and shall determine,
28 with respect to each employer in the array, the cumulative
29 total payroll during the four consecutive quarters ending

1 N with the computation date of all employers who precede him on
 2 E the list and the employer's own payroll for the same period.
 3 W The Commission shall segregate the arrayed employers
 4 into groups in accordance with cumulative total payroll and
 5 the employer's own payrolls. The limits of the groups shall
 6 M be those set out in Column B of the table below. Each of
 7 A such groups shall be identified by the rate class number in
 8 T Column A which is opposite the figures in Column B which rep-
 9 T resent the percentage limits of each group. Each employer in
 10 E the array shall be assigned to the rate class in which the
 11 R greater part of such employer's payroll falls except that if
 12 one-half of the employer's payroll falls in one class, and one-
 13 half in another, he shall be assigned to the lower numbered
 14 rate class in which one-half of his payroll falls. Provided,
 15 that no employer shall be assigned to a higher numbered rate
 16 class than is assigned to another employer with the same sum
 17 of decline quotients. Each employer shall be assigned the
 18 contribution rate in Column C which is opposite such employ-
 19 er's rate class in Column A.

20	A	B Arrayed Employer's Cumulative Payroll Limits		C
21	Rate Class	(Percent of Ratable Payroll)		Contribution Rate
22		More than	Equal to or Less Than	(Percent)
23	<hr/>			
24	1	0	10	2.0
25	2	10	20	2.2
26	3	20	30	2.4
27	4	30	40	2.6
28	5	40	50	2.8
29	6	50		3.0

1 N Sec. 558. If any adjustment is made in an employer's
2 E payroll or in the sum of his decline quotients after rates
3 W have been assigned, the adjustment shall not alter the posi-
4 tion of any other employer on the schedule or the contribu-
5 tion rate of any other employer. The employer with respect
6 M to whom the adjustment in decline quotients is made shall be
7 A placed in that class in which another employer with the near-
8 T est similar sum of decline quotients is placed.

9 T Sec. 559. Whenever an employing unit (whether or not an
10 E employer within the meaning of Section 201) in any manner
11 R succeeds to, or acquires substantially all of the operating
12 assets of, an organization, trade, or business of another
13 employing unit which at the time of acquisition was an employ-
14 er subject to this Act, the payroll records of such predecessor
15 employer shall be transferred as of the date of acquisition
16 to the successor employer for the purpose of rate determina-
17 tion. Notwithstanding any other provision of this section,
18 if the successor employer was an employer subject to this Act
19 prior to the date of acquisition, his rate of contributions
20 for the remainder of the calendar year shall be his rate with
21 respect to the period immediately preceding the date of
22 acquisition; his rate for the succeeding years shall be based
23 on the total of his payrolls and those of the predecessor.
24 If the successor was not an employer prior to the date of
25 acquisition, his rate shall be the rate applicable to the
26 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 identical rates; if the predecessor rates were not identical,

1 N the successor's rate shall be the highest rate applicable to
2 E any of the predecessor employers with respect to the period
3 W immediately preceding the date of acquisition. This section
4 M shall not apply to any acquisition if such acquisition is
5 A determined by the Commission (1) to have been primarily for
6 T the purpose of obtaining a more favorable rate of contribu-
7 T tions under this Article, (2) to be inequitable to the
8 E parties, or (3) to be contrary to the public interest.

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

27 Sec. 16. Subsection (a) of Sec. 604 of Art. VI, Ch. 5, ESLA
28 1955 is hereby amended to read as follows:

29 (a) Any service performed for an employing unit,

1 including TERRITORIAL DEPARTMENTS AND AGENCIES, municipali-
2 ties, and other political subdivisions of Alaska, which is
3 excluded under the definition of employment in Article II,
4 and with respect to which no payments are required under the
5 employment security law of another State or of the Federal
6 Government, may be deemed to constitute employment for all
7 purposes of this Act, provided that the Commission has
8 approved a written election to that effect filed by the
9 employing unit for which the service is performed, as of the
10 date stated in such approval. Such an election for munic-
11 palities or other political subdivisions of Alaska shall be
12 effective with the beginning of the next fiscal year of the
13 employing unit following the approval of the election. No
14 election shall be approved by the Commission unless it (1)
15 includes all the service of the type specified in each
16 establishment or place of business for which the election is
17 made, and (2) is made for not less than two calendar years.
18 Appropriate officers of municipalities and other subdivisions
19 of Alaska shall file the written election provided herein
20 at such time as more than half of the employees who are
21 covered by the election have certified to their employer that
22 they wish to be covered by State unemployment insurance; such
23 officers shall indicate whether the governing body of the
24 employing unit elects to pay contributions on the percentage-
25 of-wage basis provided generally in the Act or on a benefit
26 charging basis, in which case payments will be made pursuant
27 to Section 529 of the Act as though, wherever practicable,
28 the term "employing unit" were substituted for the term
29 "state" wherever the term "state" appears in Section 529.

1 Sec. 17. Subsection (a) of Sec. 741 of Article VII, Ch. 5,
2 ESLA 1955, as amended by Ch. 62, SLA 1957, as amended by Ch. 169,
3 SLA 1957, is hereby amended to read as follows:

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

6 (1) that for the purposes of this Act a woman
7 is declared to be unable to work for six weeks before
8 the expected date of childbirth and for the week in
9 which a child is born to her alive and for the five
10 weeks immediately following such week;

11 (2) that an insured worker shall not be con-
12 sidered ineligible for receipt of unemployment benefits
13 for any week because of failure to comply with the pro-
14 visions of this subsection if:

15 (i) he is unable to work because of an
16 illness or disability; or

17 (ii) he resides in Alaska and is not
18 available for work because of his non-commercial
19 fishing and hunting necessary for the survival of
20 himself and his dependents; and

21 (iii) the condition described in (i) or
22 (ii) above occurs during an uninterrupted period of
23 unemployment following a week for which he has
24 filed a compensable claim and no work has been
25 offered him for any part of said week which would
26 have been suitable prior to the beginning of such
27 fishing, hunting, illness, or disability.

28 ~~THAT~~ NO ALASKAN RESIDENT SHALL BE CONSIDERED INELIGIBLE FOR
29 RECEIPT OF UNEMPLOYMENT BENEFITS FOR ANY WEEK BECAUSE OF

1 FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SUBSECTION WHEN
2 SUCH FAILURE IS CAUSED BY HIS NON-COMMERCIAL FISHING AND HUNT-
3 ING NECESSARY FOR THE SURVIVAL OF HIMSELF AND HIS DEPENDENTS
4 DURING AN UNINTERRUPTED PERIOD OF UNEMPLOYMENT FOLLOWING A
5 WEEK FOR WHICH HE HAS FILED A COMPENSABLE CLAIM, PROVIDED,
6 THAT NO SUITABLE WORK HAS BEEN OFFERED HIM FOR ANY PART OF
7 SAID WEEK.✓

8 Sec. 18. Subsection (f) of Sec. 741 of Article VII, Ch. 5,
9 ESLA 1955, is hereby amended to read as follows:

10 (f) Claimant has left /FOR ANY WEEK WHEREIN CLAIM-
11 ANT LEAVES/ her most recent work to change her place of resi-
12 dence in order to remain with her husband or family, in which
13 case she shall be disqualified for the five weeks of continu-
14 ous unemployment immediately following such week, provided
15 that said disqualification may be sonner terminated by claim-
16 ant's earning additional wages, whether or not covered by this
17 Act, of at least \$120.00 and provided further that such dis-
18 qualification shall not apply if it is necessary for her to
19 provide the sole support of her husband or family [✓] SUCH
20 DISQUALIFICATION SHALL CONTINUE UNTIL SUCH TIME SUBSEQUENT TO
21 SUCH WEEK AS CLAIMANT EARNS ADDITIONAL WAGES, WHETHER OR NOT
22 COVERED BY THIS ACT, OF AT LEAST \$120.00✓ ; or

23 Sec. 19. Subsection (h) of Sec. 741 of Article VII, Ch. 5,
24 ESLA 1955, is hereby repealed.

25 Sec. 20. Subsec. (e) of Sec. 712, Art. VII, Ch. 5, ESLA 1955,
26 is hereby amended to read as follows:

27 (e) INTERSTATE PAYMENT RESTRICTIONS. Notwith-
28 standing the above subsections of this section, if an indi-
29 vidual files a claim for benefits while outside of Alaska

1 his benefits for such week shall be restricted as follows:

2 1. he shall not be paid an augmented weekly
3 benefit amount,

4 2. he shall not be paid more than \$20.00.
5 ~~/\$25.00/~~

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

9 Sec. 21. This Act shall take effect immediately upon its
10 passage and approval, or upon its becoming law without such
11 approval.