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IN THE SENATE

BY RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR

SENATE BILL NO. 149

IN THE LEGISLATURE OF THE STATE OF ALASKA  
FIRST LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to Employment Security; amending Articles II, III, V, and VII of the Alaska Employment Security Act (Ch. 5, ESLA 1955, as amended by Chapters 62, 75 and 169, SLA 1957 and by Ch. 46, SLA 1959); adding a new Article V (a) establishing variable tax rates; and providing for an effective date."

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

Section 1. Sec. 217 of Art. II, Ch. 5, ESLA 1955 is hereby amended to read as follows:

Sec. 217. The term "employment" shall <sup>7</sup> DURING THE EFFECTIVE PERIOD OF THE ELECTION, <sup>7</sup> include service covered by an election pursuant to Section 60<sup>4</sup>, and service covered by an election duly approved by the Commissioner in accordance with an arrangement pursuant to Section 325.1 (a) of this Act during the effective period of such election. SERVICE COVERED BY AN ELECTION DULY APPROVED BY THE COMMISSION IN ACCORDANCE WITH AN ARRANGEMENT PURSUANT TO SECTION 325, AND SERVICE NOT OTHERWISE COVERED UNDER THIS ACT, PERFORMED ENTIRELY WITHOUT THIS TERRITORY, WITH RESPECT TO NO PART OF WHICH CONTRIBUTIONS ARE REQUIRED AND PAID UNDER THE UNEMPLOYMENT COMPENSATION LAW OF ANY OTHER STATE OR TERRITORY IF THE INDIVIDUAL PERFORMING SUCH SERVICE IS A RESIDENT OF

1 THIS TERRITORY AND THE COMMISSION APPROVES THE ELECTION  
2 FILED BY THE EMPLOYING UNIT FOR WHOM THE SERVICES ARE PER-  
3 FORMED IN THE SAME MANNER AS FOR ELECTIONS FILED UNDER  
4 SECTION 6047.

5 Sec. 2. Art. II, Ch. 5, ESLA 1955, as amended by Ch. 169,  
6 SLA 1957 and Ch. 46, SLA 1959 is hereby amended by adding a new  
7 section to read as follows:

8 Sec. 234.2 The term "employment" shall not include  
9 service covered by an election duly approved by the agency  
10 charged with the administration of any other State or  
11 Federal employment security law, in accordance with an ar-  
12 rangement pursuant to Section 325.1 (a) of this Act during  
13 the effective period of such election.

14 Sec. 3. Art. II, Ch. 5, ESLA 1955, as amended by Ch. 169,  
15 SLA 1957 and Ch. 46, SLA 1959 is hereby amended by adding a new  
16 section to read as follows:

17 Sec. 249.1 Notwithstanding the provisions of Sections  
18 240 and 242, neither the term "remuneration" nor the term  
19 "wages" shall include the amount of any payment (including  
20 any amount paid by an employer into a fund to provide for  
21 any such payment) made to, or on behalf of, an employee  
22 under a plan or system established by an employer which  
23 makes provision for his employees generally, or for a class  
24 or group of his employees, for the purpose of supplementing  
25 unemployment benefits.

26 Sec. 4. Sec. 306 of Art. III, Ch. 5, ESLA 1955 is hereby  
27 amended to read as follows:

28 Sec. 306. DUTIES AND POWERS OF THE COMMISSIONER. Sub-  
29 ject to the provisions of Section 311 of this Article, the

1 Commissioner shall appoint a Director whose duty it shall  
2 be to administer the provisions of this Act under such  
3 authority of the Commissioner as may be delegated to him  
4 by the Commissioner, with the exception that the Commission-  
5 er may not delegate ~~THE APPELLATE POWERS CONFERRED UPON IT~~  
6 ~~BY THIS ACT, OR~~ the power to adopt, amend or rescind rules  
7 and regulations. The Commissioner shall prescribe the div-  
8 isions, subdivisions and units of the organization to be  
9 directed by the Director to carry out the purposes of this  
10 Act. He ~~IT~~ may require bond of any person handling money  
11 or signing checks. He ~~IT~~ shall have an official seal which  
12 shall be judicially noticed. Not later than the first day of  
13 ~~January~~ ~~OCTOBER~~ of each year, the Commissioner shall sub-  
14 mit to the Governor a report covering the administration  
15 and operation of this Act during the preceding fiscal year  
16 ended June 30 and shall make such recommendations for amend-  
17 ments to this Act as the Commissioner deems proper. Such  
18 report shall include a balance sheet of the moneys in the  
19 fund in which there shall be provided, if possible, a  
20 reserve against the liability in future years to pay bene-  
21 fits. Whenever the Commissioner believes that a change in  
22 contribution or benefit rates will become necessary to pro-  
23 tect the solvency of the fund, he ~~IT~~ shall promptly so  
24 inform the Governor and the Legislature, and make recommend-  
25 ations with respect thereto.

26 Sec. 5. Sec. 325 of Art. III, Ch. 5, ESLA 1955 is hereby  
27 amended to read as follows:

28 Sec. 325. INTERSTATE ARRANGEMENTS ~~ARRANGEMENTS WITH~~  
29 STATES OR FEDERAL GOVERNMENT. The Commissioner is

1 authorized to enter into arrangements whereby the facilities  
2 and services provided under this Act, and the facilities  
3 and services provided under the employment security law of  
4 any other state may be utilized for the making of claims  
5 and the payment of benefits under this Act or under the  
6 employment security act of such state. /THE COMMISSION IS  
7 HEREBY AUTHORIZED TO ENTER INTO ARRANGEMENTS WITH THE AP-  
8 PROPRIATE AGENCIES OF OTHER STATES OR THE FEDERAL GOVERN-  
9 MENT WHEREBY INDIVIDUALS PERFORMING SERVICES IN THIS  
10 TERRITORY AND OTHER STATES FOR A SINGLE EMPLOYING UNIT  
11 UNDER CIRCUMSTANCES NOT SPECIFICALLY PROVIDED FOR IN SECTIONS  
12 214 TO 218 HEREIN, OR UNDER SIMILAR PROVISIONS IN THE UN-  
13 EMPLOYMENT COMPENSATION LAWS OF SUCH OTHER STATES, SHALL BE  
14 DEEMED TO BE ENGAGED IN EMPLOYMENT PERFORMED ENTIRELY WITH-  
15 IN THIS TERRITORY OR WITHIN ONE OF SUCH OTHER STATES AND  
16 WHEREBY POTENTIAL RIGHTS TO BENEFITS ACCUMULATED UNDER THE  
17 UNEMPLOYMENT COMPENSATION LAWS OF ONE OR MORE STATES OR  
18 UNDER SUCH A LAW OF THE FEDERAL GOVERNMENT, OR BOTH, MAY  
19 CONSTITUTE THE BASIS FOR THE PAYMENT OF BENEFITS THROUGH A  
20 SINGLE APPROPRIATE AGENCY UNDER TERMS WHICH THE COMMISSION  
21 FINDS TO BE FAIR AND REASONABLE AS TO ALL AFFECTED INTERESTS  
22 AND WILL NOT RESULT IN ANY SUBSTANTIAL LOSS TO THE FUND.<sup>7</sup>  
23 Sec. 6. Art. III, Ch. 5, ESLA 1955, as amended by Ch. 75  
24 and Ch. 169, SLA 1957 is hereby amended by adding a new section  
25 to read as follows:

26 Sec. 325.1 (a) RECIPROCAL COVERAGE. The Commissioner  
27 is hereby authorized to enter into reciprocal arrangements  
28 with appropriate and duly authorized agencies of other  
29 states or of the Federal Government, or both, whereby.

1 N notwithstanding the provisions of Section 761:  
2 E (1) Service performed by an individual for  
3 W a single employing unit for which service is custom-  
4 arily performed by such individual in more than one  
5 M state shall be deemed to be service performed entirely  
6 A within any one of the states in which (A) any part of  
7 T such individual's service is performed, or (B) such  
8 T individual has his residence, or (C) the employing  
9 E unit maintains a place of business: Provided, that  
10 R there is in effect, as to such service, an approved  
11 election by an employing unit with the acquiescence of  
12 N such individual, pursuant to which service performed  
13 E by such individual for such employing unit is deemed  
14 W to be performed entirely within such state; and

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

27 (b) COOPERATION WITH AGENCIES OF FOREIGN GOVERN-  
28 MENTS. To the extent permissible under the laws and  
29 R Constitution of the United States, the Commissioner is

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1 authorized to enter into arrangements of the character pro-  
2 vided in this section with the agency of a foreign govern-  
3 ment administering an employment security law.

4 Sec. 7. Subsec. (b) of Sec. 501, Art. V, Ch. 5, ESLA 1955  
5 as amended by Ch. 169, SLA 1957 is hereby amended to read as  
6 follows:

7 (b) Contributions with respect to wages paid on or  
8 after January 1, 1955 for employment shall accrue and be-  
9 come payable UNTIL SUCH TIME AS CONTRIBUTIONS SHALL BE  
10 TERMINATED PURSUANT TO SECTION 502 OF THIS ARTICLE,7 by each  
11 individual who performs service in employment for each cal-  
12 endar year in which such services are subject to this Act.

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

28 If any employer shall convert to his own use or other-  
29 wise misappropriate any funds so held in trust, he shall

1 be required to pay to the Commissioner for deposit in the  
2 Clearing Account the amount so converted or misappropriated,  
3 together with a penalty equal to five times that amount but  
4 not less than \$25.00. In addition, if such conversion or  
5 misappropriation is willful, he shall be guilty of a mis-  
6 demeanor and, upon conviction thereof, shall be fined not  
7 more than \$200.00, or imprisoned for not more than 60 days,  
8 or both.

9 Each employer shall maintain a record of the amount so  
10 deducted from the wages of each of his employees, and shall  
11 furnish a statement of such deductions to each employee at  
12 such times and in such manner as the Commissioner shall  
13 prescribe by regulation. ~~NO~~ SUCH DEDUCTION SHALL BE MADE  
14 FROM THOSE WAGES IN EXCESS OF THE FIRST \$4,200.00 OF WAGES  
15 PAID TO AN EMPLOYEE DURING ANY CALENDAR YEAR. IN THE  
16 EVENT THAT AN EMPLOYEE EARNS WAGES TOTALING IN EXCESS OF  
17 \$4,200.00 IN ONE CALENDAR YEAR IN THE EMPLOY OF TWO OR MORE  
18 EMPLOYERS, OR IN THE EVENT THAT ANY ONE EMPLOYER THROUGH  
19 ERROR SHALL HAVE MADE SUCH DEDUCTIONS FROM HIS WAGES IN EX-  
20 CESS OF \$4,200.00 DURING ANY ONE CALENDAR YEAR, THE AMOUNT  
21 OF SUCH DEDUCTIONS IN EXCESS OF THOSE REQUIRED BY THIS ACT  
22 SHALL BE REFUNDED TO THE EMPLOYEE BY THE COMMISSION UPON  
23 APPLICATION THEREFOR IN ACCORDANCE WITH REGULATIONS PRE-  
24 SCRIBED BY THE COMMISSION, PROVIDED, THAT SUCH APPLICATION  
25 IS MADE DURING THE CALENDAR YEAR IMMEDIATELY FOLLOWING THE  
26 CALENDAR YEAR IN WHICH SUCH DEDUCTIONS WERE MADE.<sup>7</sup>

27 Sec. 8. Sec. 502 of Art. V, Ch. 5, ESLA 1955 as amended by  
28 Ch. 169, SLA 1957 is hereby amended to read as follows:

29 Sec. 502. RATE OF CONTRIBUTIONS. Each employer shall

1 pay contributions equal to 2.7 percent of wages paid by him  
2 [ DURING THE CALENDAR YEAR ] with respect to employment  
3 during the period January 1, 1960 through June 30, 1960  
4 [ COMMENCING JANUARY 1, 1955 ] except as otherwise provided  
5 in Section 503. Each individual performing services in  
6 employment for such employer during such period [ , COM-  
7 MENCING JANUARY 1, 1957, ] shall pay contributions equal to  
8 one-half of one percent of wages paid to him during the  
9 calendar year with respect to employment [ UNTIL JULY 1,  
10 1961 ].

11 N Beginning July 1, 1960, each employer and his employees  
12 E shall pay contributions on wages paid by him and received  
13 W by them with respect to employment at the rate provided in  
14 Article V (a). Provided that until an employer has had  
15 M enough experience in the qualifying period (as the term  
16 A "qualifying period" is defined in Section 554) to render him  
17 T eligible for a rate determination under Article V (a), such  
18 T employer and his employees shall pay contributions on such  
19 E wages at the average rate payable by rated employers and  
20 R their employees in the industry in which the employer is  
21 classified according to the Standard Industrial Classifica-  
22 tion Manual, except that such employer's rate shall not be  
23 less than 2.7 percent. The Commissioner shall by regulation  
24 provide for the filing by each employer of such report as  
25 may be necessary for the making of such classification. If  
26 such report is not filed by an employer in the time and  
27 N manner provided in the regulations of the Commissioner, such  
28 E employer and his employees shall pay contributions at the  
29 W highest rate provided in Article V (a).

1 N At such time as a newly subject employer first qualifies  
2 E for a rate determination under Article V (a) he shall pay to  
3 W the Commissioner with his first contributions payment due  
4 under his Article V (a) rate (or he shall be given credit  
5 M against contribution liability for) the difference between  
6 A the employer contributions he has paid and employer contri-  
7 T butions he would have paid at his Article V (a) rate. No  
8 T such adjustment shall be made for employee contributions  
9 E paid or for employer contributions paid by an employer who  
10 R fails to qualify for a rate determination. For the purpose  
11 N of this paragraph the time limitation within which refunds  
12 E W may be made shall not apply.

13 IN THE PAYMENT OF ANY CONTRIBUTIONS A FRACTIONAL PART  
14 OF A CENT SHALL BE DISREGARDED UNLESS IT AMOUNTS TO ONE-  
15 HALF CENT OR MORE, IN WHICH CASE IT SHALL BE INCREASED TO  
16 ONE CENT.<sup>7</sup>

17 Sec. 9. Sec. 503 of Art. V, Ch. 5, ESLA 1955 as amended by  
18 Ch. 169, SLA 1957 is hereby amended to read as follows:

19 Sec. 503. BASE OF CONTRIBUTIONS. For the purposes of  
20 Sections 501 and 502 of this Article AND subsequent to  
21 December 31, 1959 1956<sup>7</sup>, wages shall not include that part  
22 of remuneration which, after remuneration equal to \$7,200.00  
23 \$4,200.00<sup>7</sup> has been paid in a calendar year to an individual  
24 by an employer or his predecessor with respect to employment  
25 during any calendar year, is paid to such individual by such  
26 employer during such calendar year unless that part of the  
27 remuneration is subject to a tax under a Federal law imposing  
28 a tax against which credit may be taken for contributions  
29 required to be paid into a State unemployment fund. For the

1 purposes of this section, the term "employment" shall in-  
2 clude service constituting employment under any employment  
3 security law of another State or of the Federal Government.

4 Sec. 10. Art. V, Ch. 5, ESLA 1955, as amended by Ch. 169,

5 SLA 1957 is hereby amended by adding a new section to read as  
6 follows:

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

13 Sec. 11. Ch. 5, ESLA 1955 is hereby amended by adding a  
14 new article to read as follows:

15 N ARTICLE V (a)

16 E EXPERIENCE RATING

17 W Sec. 551. As used in this Article, the following terms  
18 have the meaning ascribed to them.

19 M Sec. 552. For the purpose of computing rates for the  
20 A period July 1, 1960 through December 31, 1960 "computation  
21 T date" means December 31, 1959. Thereafter "computation  
22 T date" means June 30 of the year immediately preceding the  
23 E calendar year for which the contribution rates are effective.

24 R Sec. 553. (a) "Payroll" means all wages paid by an  
25 employer to individuals in his employ for service in employ-  
26 ment as defined in this Act.

27 N (b) "Quarterly payroll" means the wages paid by  
28 such employer during a calendar quarter.

29 E (c) Applicable to payroll of calendar year 1958  
W and the first six months of 1959, "ratable payroll" means

1 N an employer's total payroll for four consecutive quarters  
2 E ending with the computation date; thereafter, "ratable pay-  
3 W roll" means so much of an employer's payroll for the four  
4 consecutive calendar quarters ending on the computation  
5 M date as is subject to payment of contributions. For the  
6 A purpose of determining the rate for a newly subject employer  
7 T and his employees under this Article the definition of  
8 T employment in force at the time that the employer becomes  
9 E subject to the Act shall apply to service performed for him  
10 R prior to the date on which he becomes subject.

11 Sec. 554. "Qualifying period" means the three-year  
12 period of twelve consecutive calendar quarters ending on  
13 the computation date. Provided that, for any employer who  
14 has not been liable for contributions hereunder during each  
15 of the twelve calendar quarters ending with the computation  
16 date, "qualifying period" means the period ending with the  
17 computation date and beginning with the first calendar quar-  
18 ter in which such employer was liable for contributions here-  
19 N under but in no event less than the four consecutive calendar  
20 E quarters ending with the computation date. Employers who  
21 W have been subject to the Act less than four calendar quarters  
22 immediately preceding the computation date, and their em-  
23 M ployees, shall not be entitled to a rate determination under  
24 A this Article but shall pay contributions at rates determined  
25 T under Section 502. An employing unit is subject to the Act  
26 T beginning with the start of the first quarter in which he is  
27 E liable for contributions, and ending with the end of the  
28 R calendar quarter in which he files closing contribution  
29 and wage reports pursuant to regulations of the Commissioner

1 N           Sec. 555. ELIGIBLE EMPLOYER. An employer and his  
2 E employees shall be eligible for a rate determination in  
3 W accordance with the provisions of this Article and the  
4 Commissioner's regulations if the employer has been subject  
5 to the Act throughout not less than the four consecutive  
6 M calendar quarters ending with the computation date. Not-  
7 A withstanding any other provisions of this Article, no  
8 T employer or his employees shall be eligible for a rate det-  
9 T ermination pursuant to this Article if, with respect to any  
10 E calendar quarter in or preceding the qualifying period the  
11 R employer

12                   (a) has failed within 60 days following the compu-  
13 tation date to file any payroll or contribution report re-  
14 N quired by this Act; or

15 E                   (b) has failed within 90 days following the compu-  
16 W tation date to pay any contributions (exclusive of interest  
17 and penalties) required by this Act.

18 M           Reports made arbitrarily for an employer by the Com-  
19 A missioner pursuant to Section 519 shall not entitle an  
20 T employer to a rate determination pursuant to this Article  
21 T but such reports may be used to establish a rate determina-  
22 E tion pursuant to this Article in the discretion of the  
23 R Commissioner.

24           Each employer who, for the reasons set out in this  
25 section, does not qualify for a rate determination under  
26 this Article, and his employees, shall pay contributions at  
27 the highest rate provided in this Article.

28           Sec. 556. QUARTERLY DECLINE QUOTIENTS. The Commission-  
29 er shall determine each eligible employer's contribution rate

1 N by the procedures set out in this and the following sections.  
2 E He shall array such employer's quarterly payrolls in chron-  
3 W ological order beginning with the first calendar quarter in  
4 the qualifying period and ending with the last calendar  
5 M quarter in the period. Whenever an employer's payroll in a  
6 A calendar quarter is less than the payroll in the preceding  
7 T quarter in the qualifying period, the quarterly decline  
8 T quotient shall be computed to at least nine decimal places  
9 E by dividing the amount of the decline by the amount of the  
10 R payroll in the preceding calendar quarter.

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

22 W The Commissioner shall determine the sum of  
23 each eligible employer's decline quotients, equalized and  
24 M weighted where required by this section.

25 A If the number of consecutive completed calendar quarters  
26 T ending with the computation date during which an eligible  
27 T employer has been liable for contributions hereunder is  
28 E less than twelve, the sum of such employer's quarterly de-  
29 R cline quotients shall be multiplied by that figure assigned

1 N to the employer, designated as "employer's quarterly decline  
 2 E equalization factor", which is listed in the applicable  
 3 W column on the same horizontal line on which the number of  
 4 quarters of such employer's liability appears, and the  
 5 M product resulting therefrom shall constitute the equalized  
 6 A sum of such employer's quarterly decline quotients. For  
 7 T an employer with payroll in the last quarter of his quali-  
 8 T fying period the applicable column is column I; for an  
 9 E employer with no payroll in the last quarter of his quali-  
 10 R fying period the applicable column is column II.

	Number of Quarters of Employer's Liability	Employer's Quarterly Decline Equalization Factor	
		Column I	Column II
13 N			
14 E	1	11.00	11.00
15 W	2	11.00	5.50
16	3	5.50	3.67
17 M	4	3.67	2.75
18 A	5	2.75	2.20
19 T	6	2.20	1.83
20 T	7	1.83	1.57
21 E	8	1.57	1.38
22 R	9	1.38	1.22
23	10	1.22	1.10
24	11	1.10	1.00
25	12	1.00	1.00

26 The employer's sum of quarterly decline quotients (equalized  
 27 N when required by this section) shall be weighted by adding  
 28 E 1.000000000 to such quotient for each quarter in such  
 29 W employer's qualifying period in which he has no payroll,

1 N which quarter succeeds a like quarter in which he has no  
2 E payroll. The sum of such employer's quarterly decline  
3 W quotients as equalized and/or weighted when required by this  
4 section, shall constitute the sum of such employer's quar-  
5 M terly decline quotients for purposes of this Article.

6 A Sec. 557. RATE DETERMINATION. The Commissioner shall  
7 T then determine each eligible employer's ratable payroll as  
8 T defined in Section 553. He shall then array all eligible  
9 E employers in the order of the sum of their decline quotients  
10 R beginning with the smallest sum of decline quotients and  
11 shall determine, with respect to each employer in the array,  
12 N the cumulative ratable payroll during the four consecutive  
13 E quarters ending with the computation date of such employer  
14 W together with all employers who precede him on the list.

15 The Commissioner shall segregate the arrayed employers  
16 into groups in accordance with cumulative ratable payroll.  
17 The limits of the groups shall be those set out in Column  
18 B of the table below. Each of such groups shall be identi-  
19 N fied by the rate class number in Column A which is opposite  
20 E the figures in Column B which represent the percentage limits  
21 W of each group. Each employer in the array shall be assigned  
22 to the rate class in which the greater part of such employer's  
23 M ratable payroll falls except that if one-half of the employ-  
24 A er's ratable payroll falls in one class, and one-half in  
25 T another, he shall be assigned to the lower numbered rate  
26 T class in which one-half of his ratable payroll falls. Pro-  
27 E vided, that no employer shall be assigned to a higher number-  
28 R ed rate class than is assigned to another employer with the  
29 same sum of decline quotients. Each eligible employer and

1 N his employees shall pay contributions on wages paid by  
 2 E him and received by them at the contribution rate in Column  
 3 W C and Column D, respectively, which are opposite such  
 4 employer's rate class in Column A.

M A T T E R I A L	A	B Arrayed Employer's Cumulative Payroll Limits (Percent of State Total Ratable Payroll)		C Contribution Rate (Percent)		D
	Rate Class	More than	Equal to or Less than	Employer	Employee	
9 E	1	0	10	1.5	0.3	
10 R	2	10	20	1.8	0.4	
11	3	20	30	2.1	0.5	
12 N	4	30	40	2.4	0.6	
13 E	5	40	50	2.9	0.6	
14 W	6	50	60	3.2	0.7	
15	7	60	70	3.5	0.8	
16	8	70	80	3.7	0.8	
17	9	80	90	3.8	0.9	
18	10	90	100	4.0	0.9	

19 Sec. 558. CORRECTIONS AND ADJUSTMENTS. Amended wage  
 20 N information submitted by an employing unit 60 days following  
 21 E the computation date shall not be considered for the purpose  
 22 W of a determination or redetermination of his contribution  
 23 rate for the following year unless the wage information  
 24 M originally submitted was false and submitted with the intent  
 25 A to defraud. If, through a correction of computation or as  
 26 T a result of the review process set out in Section 560, any  
 27 T adjustment is made in an employer's payroll or in the sum  
 28 E of his decline quotients after rates have been assigned,  
 29 R the adjustment shall not alter the position of any other

1 N employer on the schedule or the contribution rate of any  
2 E other employer. The employer with respect to whom the  
3 W adjustment in decline quotients is made shall be placed in  
4 that class in which another employer with the nearest sim-  
5 M ilar sum of decline quotients is placed.

6 A Sec. 559. RATES FOR SUCCESSORS IN BUSINESS. Subsequent  
7 T to January 1, 1956, whenever an employing unit (whether or  
8 T not an employer within the meaning of Section 201) in any  
9 E manner succeeds to or acquires, or has succeeded to or  
10 R acquired, substantially all of the operating assets of an  
11 organization, trade, or business of another employing unit  
12 N which at the time of acquisition was an employer subject to  
13 E this Act, the payroll records of such predecessor employer  
14 W shall be transferred as of the date of acquisition to the  
15 successor employer for the purpose of determining an em-  
16 ployer's qualifying period and for all other purposes of  
17 rate determination. Notwithstanding any other provision of  
18 this section, if the successor employer was an employer  
19 subject to this Act prior to the date of acquisition, his  
20 N rate of contributions for the remainder of the calendar year  
21 E of acquisition shall be his rate with respect to the period  
22 W immediately preceding the date of acquisition; his rate for  
23 the succeeding years shall be based on the total of his pay-  
24 M rolls consolidated with those of the predecessor. If the  
25 A successor was not an employer prior to the date of acquisi-  
26 T tion, his rate shall be the rate applicable to the predeces-  
27 T sor employer or employers with respect to the period immedi-  
28 E ately preceding the date of acquisition provided there was  
29 R only one predecessor or there were only predecessors with

1 N identical rates; if the predecessor rates were not identi-  
2 E cal, the successor's rate shall be the highest rate  
3 W applicable to any of the predecessor employers with respect  
4 to the period immediately preceding the date of acquisition.  
5 M This section shall not apply to any acquisition if such  
6 A acquisition is determined by the Commissioner (1) to have  
7 T been primarily for the purpose of obtaining a more favorable  
8 T rate of contributions under this Article, (2) to be inequit-  
9 E able to the parties, or (3) to be contrary to the public  
10 R interest.

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

1           Sec. 12. Subsec. (e) of Sec. 712, Art. VII, Ch. 5, ESLA  
2 1955 is hereby amended to read as follows:

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

7           1. he shall not be paid an augmented weekly benefit  
8 amount

9           2. he shall not be paid more than \$15.00 /~~\$25.00~~

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

13           Sec. 13. Subsec. (a) of Sec. 741, Art. VII, Ch. 5, ESLA  
14 1955 as amended by Ch. 62 and Ch. 169, SLA 1957 is hereby amended  
15 to read as follows:

16           (a) He was not able to work or was not available for  
17 suitable work for such week. Provided that an insured  
18 N worker shall not be considered ineligible for receipt of  
19 E unemployment benefits for any week because of failure to  
20 W comply with the provisions of this subsection if:

21                   (1) he is unable to work because of an illness  
22 or disability; or

23 M                   (2) he resides in Alaska and is not available for  
24 A work because of his non-commercial fishing and hunting nec-  
25 T essary for the survival of himself and his dependents; and

26 T                   (3) the condition described in (1) or (2) above  
27 E occurs during an uninterrupted period of unemployment fol-  
28 R lowing a week for which he has filed a compensable claim  
29 and no work has been offered him for any part of said week

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which would have been suitable prior to the beginning of such fishing, hunting, illness, or disability.

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

Sec. 14. This Act shall take effect immediately upon its passage and approval or upon its becoming law without such approval.