

1 IN THE SENATE BY COMMITTEE ON COMMERCE & LABOR
2 CS FOR SENATE BILL NO. 149
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Employment Security;
7 amending Articles II, III, V, VI and VII of the
8 Alaska Employment Security Act (Ch. 5, ESLA
9 1955 as amended by Chapters 62, 75 and 169,
10 SLA 1957 and Chapters 46 and 97, SLA 1959);
11 adding new Secs. 234.2, 234.3, 234.4, 249.1,
12 325.1 and 528; repealing Sec. 229 of Article
13 II and Sec. 503 of Article V; repealing and
14 reenacting Sec. 712 of Article VII; adding a
15 new Article V (a) establishing variable tax
16 rates; and providing for an effective date."

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

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

20 Sec. 213. "Employing unit" means any individual or type
21 of organization, including the State government, any of its
22 political subdivisions or instrumentalities, any partnership,
23 association, trust, estate, joint trust company, insurance
24 company or corporation, whether domestic or foreign, or the
25 receiver, referee in bankruptcy, trustee, or successor of any
26 of the foregoing, or the legal representative of a deceased
27 person, which has, or subsequent to January 1, 1937 had one
28 or more individuals performing service for it within this
29 State [TERRITORY]. All individuals performing services within

1 this State TERRITORY for any employing unit which maintains
2 two or more separate establishments within this State TERR-
3 ITORY shall be deemed to be employed by a single employing
4 unit for all the purposes of this Act.

5 Sec. 2. Sec. 214 of Article II, Ch. 5, ESLA 1955, is here-
6 by amended to read as follows:

7 Sec. 214. "Employment" means:

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

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

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

27 (d) Service performed after January 1, 1961 by an
28 individual for this State or any political subdivision there-
29 of, or any instrumentality of any one or more of the foregoin

1 which is wholly owned by this State or by one or more of its
2 political subdivisions.

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

5 Sec. 217. The term "employment" shall DURING THE
6 EFFECTIVE PERIOD OF THE ELECTION, include service covered
7 by an election pursuant to Section 604, and service covered
8 by an election duly approved by the Commissioner in accord-
9 ance with an arrangement pursuant to Section 325.1 (a) of
10 this Act during the effective period of such election SER-
11 VICE COVERED BY AN ELECTION DULY APPROVED BY THE COMMISSION
12 IN ACCORDANCE WITH AN ARRANGEMENT PURSUANT TO SECTION 325,
13 AND SERVICE NOT OTHERWISE COVERED UNDER THIS ACT, PERFORMED
14 ENTIRELY WITHOUT THIS TERRITORY, WITH RESPECT TO NO PART OF
15 WHICH CONTRIBUTIONS ARE REQUIRED AND PAID UNDER THE UNEMPLOY-
16 MENT COMPENSATION LAW OF ANY OTHER STATE OR TERRITORY IF THE
17 INDIVIDUAL PERFORMING SUCH SERVICE IS A RESIDENT OF THIS
18 TERRITORY AND THE COMMISSION APPROVES THE ELECTION FILED BY
19 THE EMPLOYING UNIT FOR WHOM THE SERVICES ARE PERFORMED IN
20 THE SAME MANNER AS FOR ELECTIONS FILED UNDER SECTION 604⁷.

21 Sec. 4. Sec. 229 of Article II, Ch. 5, ESLA 1955 as amended
22 by Ch. 169, SLA 1957 is hereby repealed.

23 Sec. 5. Article II, Ch. 5, ESLA 1955, as amended by Ch. 169,
24 SLA 1957 and Ch. 46, SLA 1959 is hereby amended by adding three
25 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.

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Sec. 234.4 The term "employment" shall not include service covered by an election duly approved by the agency charged with the administration of any other State or Federal employment security law, in accordance with an arrangement pursuant to Section 325.1 (a) of this Act during the effective period of such election.

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

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

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

Sec. 306. DUTIES AND POWERS OF THE COMMISSIONER. Subject to the provisions of Section 311 of this Article, the Commissioner shall appoint a Director whose duty it shall be to administer the provisions of this Act under such authority of the Commissioner as may be delegated to him by the Commissioner, with the exception that the Commissioner may not delegate THE APPELLATE POWERS CONFERRED UPON IT BY THIS ACT,

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

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

23 Sec. 325. INTERSTATE ARRANGEMENTS ARRANGEMENTS WITH
24 STATES OR FEDERAL GOVERNMENT. The Commissioner is author-
25 ized to enter into arrangements whereby the facilities
26 and services provided under this Act, and the facilities
27 and services provided under the employment security law of
28 any other state may be utilized for the making of claims
29 and the payment of benefits under this Act or under the

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employment security act of such state. THE COMMISSION IS
HEREBY AUTHORIZED TO ENTER INTO ARRANGEMENTS WITH THE AP-
PROPRIATE AGENCIES OF OTHER STATES OR THE FEDERAL GOVERN-
MENT WHEREBY INDIVIDUALS PERFORMING SERVICES IN THIS
TERRITORY AND OTHER STATES FOR A SINGLE EMPLOYING UNIT
UNDER CIRCUMSTANCES NOT SPECIFICALLY PROVIDED FOR IN SEC-
TIONS 214 TO 218 HEREIN, OR UNDER SIMILAR PROVISIONS IN THE
UNEMPLOYMENT COMPENSATION LAWS OF SUCH OTHER STATES, SHALL
BE DEEMED TO BE ENGAGED IN EMPLOYMENT PERFORMED ENTIRELY
WITHIN THIS TERRITORY OR WITHIN ONE OF SUCH OTHER STATES
AND WHEREBY POTENTIAL RIGHTS TO BENEFITS ACCUMULATED UNDER
THE UNEMPLOYMENT COMPENSATION LAWS OF ONE OR MORE STATES OR
UNDER SUCH A LAW OF THE FEDERAL GOVERNMENT, OR BOTH, MAY
CONSTITUTE THE BASIS FOR THE PAYMENT OF BENEFITS THROUGH A
SINGLE APPROPRIATE AGENCY UNDER TERMS WHICH THE COMMISSION
FINDS TO BE FAIR AND REASONABLE AS TO ALL AFFECTED INTERESTS
AND WILL NOT RESULT IN ANY SUBSTANTIAL LOSS TO THE FUND.⁷

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

N Sec. 325.1 (a) RECIPROCAL COVERAGE. The Commissioner
E is hereby authorized to enter into reciprocal arrangements
W with appropriate and duly authorized agencies of other
M states or of the Federal Government, or both, whereby, not-
A withstanding the provisions of Section 761:

T (1) Service performed by an individual for
T a single employing unit for which service is custom-
E arily performed by such individual in more than one
R state shall be deemed to be service performed entirely

1 N within any one of the states in which (A) any part of
2 E such individual's service is performed, or (B) such
3 W individual has his residence, or (C) the employing
4 unit maintains a place of business: Provided, that
5 M there is in effect, as to such service, an approved
6 A election by an employing unit with the acquiescence of
7 T such individual, pursuant to which service performed
8 T by such individual for such employing unit is deemed
9 E to be performed entirely within such state; and

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

22 M (b) COOPERATION WITH AGENCIES OF FOREIGN GOVERN-
23 A MENTS. To the extent permissible under the laws and
24 T Constitution of the United States, the Commissioner is
25 T authorized to enter into arrangements of the character pro-
26 E vided in this section with the agency of a foreign govern-
27 R ment administering an employment security law.

28 Sec. 10. Subsec. (b) of Sec. 501, Article V, Ch. 5, ESLA
29 1955 as amended by Ch. 169, SLA 1957 is hereby amended to read

1 as follows:

2 (b) Contributions with respect to wages paid on or
3 after January 1, 1960 ~~1955~~ for employment shall accrue
4 and become payable ~~UNTIL~~ SUCH TIME AS CONTRIBUTIONS SHALL
5 BE TERMINATED PURSUANT TO SECTION 502 OF THIS ARTICLE, ~~7~~ by
6 each individual who performs service in employment for each
7 calendar year in which such services are subject to this
8 Act.

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

24 If any employer shall convert to his own use or other-
25 wise misappropriate any funds so held in trust, he shall be
26 required to pay to the Commissioner for deposit in the
27 Clearing Account the amount so converted or misappropriated,
28 together with a penalty equal to five times that amount but
29 not less than \$25.00. In addition, if such conversion or

1 misappropriation is willful, he shall be guilty of a mis-
2 demeanor and, upon conviction thereof, shall be fined not
3 more than \$200.00, or imprisoned for not more than 60 days,
4 or both.

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

23 Sec. 11. Sec. 502 of Article V, Ch. 5, ESLA 1955, as
24 amended by Ch. 169, SLA 1957, is hereby amended to read as fol-
25 lows:

26 Sec. 502. RATE OF CONTRIBUTIONS. Each employer shall
27 pay contributions equal to 2.9 percent of all wages paid by
28 him during ~~THE~~ calendar year 1960 with respect to employ-
29 ment ~~COMMENCING~~ JANUARY 1, 1955 EXCEPT AS OTHERWISE

1 PROVIDED IN SECTION 503⁷. Each individual performing ser-
2 vices IN EMPLOYMENT FOR SUCH EMPLOYER, COMMENCING JANUARY
3 1, 1957⁷ shall pay contributions equal to seven-tenths
4 ONE HALF⁷ of one percent of all wages paid to him during
5 THE⁷ calendar year 1960 with respect to employment UNTIL
6 JULY 1, 1961⁷.

7 Except as otherwise provided in Article V (a), after
8 December 31, 1960, each employer shall pay contributions
9 equal to 2.9 percent and his employees shall pay contribu-
10 tions equal to .6 percent of all wages paid by him and
11 received by them with respect to employment.

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

16 Sec. 12. Sec. 503 of Article V, Ch. 5, ESLA 1955, as amend-
17 ed by Ch. 169, SLA 1957, is hereby repealed.

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

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

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

27 N ARTICLE V (a)
28 E EXPERIENCE RATING

29 W Sec. 551. As used in this Article, the following terms

1 N have the meaning ascribed to them.

2 E Sec. 552. "Computation date" means June 30 of the
3 W year immediately preceding the calendar year for which the
4 contribution rates are effective.

5 M Sec. 553. (a) "Payroll" means all wages paid by an
6 A employer to individuals in his employ for service in em-
7 T ployment as defined in this Act.

8 T (b) "Quarterly payroll" means all wages paid by
9 E such employer during a calendar quarter.

10 R (c) "Ratable payroll" means an employer's total
11 payroll for four consecutive quarters ending with the
12 N computation date. For the purpose of determining the rate
13 E for a newly subject employer and his employees under this
14 W Article the definition of employment in force at the time
15 that the employer becomes subject to the Act shall apply to
16 M service performed for him prior to the date on which he
17 A becomes subject.

18 T Sec. 554. "Qualifying period" means the three-year
19 T period of twelve consecutive calendar quarters ending on
20 E the computation date. Provided that, for any employer who
21 R has not been liable for contributions hereunder during each
22 of the twelve calendar quarters ending with the computation
23 date, "qualifying period" means the period ending with the
24 computation date and beginning with the first calendar
25 quarter in which such employer was liable for contributions
26 hereunder but in no event less than the four consecutive
27 N calendar quarters ending with the computation date. Employ-
28 E ers who have been subject to the Act less than four calendar
29 W quarters immediately preceding the computation date, and

1 N their employees, shall not be entitled to a rate determina-
2 E tion under this Article but shall pay contributions at the
3 W standard rates specified in Sec. 502. An employing unit is
4 subject to the Act beginning with the start of the first
5 M quarter in which he is liable for contributions, and ending
6 A with the end of the calendar quarter in which he files
7 T closing contribution and wage reports pursuant to regula-
8 T tions of the Commissioner.

9 E Sec. 555. ELIGIBLE EMPLOYER. An employer and his
10 R employees shall be eligible for a rate determination in
11 accordance with the provisions of this Article and the
12 Commissioner's regulations if the employer has been subject
13 N to the Act throughout not less than the four consecutive
14 E calendar quarters ending with the computation date. Not-
15 W withstanding any other provisions of this Article, no
16 employer or his employees shall be eligible for a rate det-
17 ermination pursuant to this Article if, with respect to any
18 M calendar quarter in or preceding his qualifying period the
19 A employer has failed to file any contribution or payroll
20 T reports or to pay any contributions required by this Act with-
21 T in 60 days following the computation date or within 10 days
22 E after the Commissioner or his representative has mailed the
23 R employer written notice of such delinquency and/or failure to
24 file reports, by registered or certified mail to his last
25 known address, whichever is the later date.

26 Reports made arbitrarily for an employer by the Commis-
27 N sioner pursuant to Sec. 519 shall not entitle an employer to
28 E a rate determination pursuant to this Article but such
29 W reports may be used to establish a rate determination

1 N pursuant to this Article in the discretion of the Commis-
2 E sioner.

3 W Each employer who, for the reasons set out in this
4 section, does not qualify for a rate determination under
5 M this Article, and his employees, shall pay contributions
6 A at the highest rates provided in this Article.

7 T Sec. 556. QUARTERLY DECLINE QUOTIENTS. The Commis-
8 T sioner shall determine each eligible employer's contribution
9 E rate by the procedures set out in this and the following
10 R sections. He shall array such employer's quarterly payrolls
11 in chronological order beginning with the first calendar
12 N quarter in his qualifying period and ending with the last
13 E calendar quarter in the period. Whenever an employer's
14 W payroll in a calendar quarter is less than his payroll in
15 the preceding quarter in his qualifying period, the quarter-
16 M ly decline quotient shall be computed to at least nine
17 A decimal places by dividing the amount of the decline by the
18 T amount of the payroll in the preceding calendar quarter.

19 T For the purpose of computing quarterly decline quoti-
20 E ents, the Commissioner may, by regulation, prescribe: (a)
21 R the manner in which wages paid in the form of annual bonuses
22 or other lump-sum payments for service performed over a
23 period of more than three months shall be apportioned among
24 the calendar quarters of the calendar year in which such
25 service was performed; and (b) the method for making adjust-
26 ments in quarterly payrolls to eliminate the effect upon
27 N quarterly decline quotients resulting from unemployment
28 E which would not be compensable by reason of the labor dis-
29 W pute provision of Sec. 741 (1).

1 N The Commissioner shall determine the sum of each
 2 E eligible employer's decline quotients, equalized and
 3 W weighted where required by this section.

4 If the number of consecutive completed calendar quar-
 5 M ters ending with the computation date during which an
 6 A eligible employer has been liable for contributions here-
 7 T under is less than twelve, the sum of such employer's quar-
 8 T terly decline quotients shall be multiplied by that figure
 9 E assigned to the employer, designated as "employer's quarter-
 10 R ly decline equalization factor", which is listed in the
 11 applicable column on the same horizontal line on which the
 12 N number of quarters of such employer's liability appears,
 13 E and the product resulting therefrom shall constitute the
 14 W equalized sum of such employer's quarterly decline quotients.
 15 For an employer with payroll in the last quarter of his
 16 M qualifying period the applicable column is column I; for an
 17 A employer with no payroll in the last quarter of his quali-
 18 T 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
19			
20			
21			
22	1	11.00	11.00
23	2	11.00	5.50
24	3	5.50	3.67
25	4	3.67	2.75
26	5	2.75	2.20
27	6	2.20	1.83
28	7	1.83	1.57
29	8	1.57	1.38

1	N	9	1.38	1.22
2	E	10	1.22	1.10
3	W	11	1.10	1.00

4 The employer's sum of quarterly decline quotients (equalized
5 when required by this section) shall be weighted by adding
6 1.000000000 to such sum of quotients for each quarter in
7 such employer's qualifying period in which he has no payroll
8 which quarter immediately succeeds a quarter in which he
9 has no payroll. The sum of such employer's quarterly de-
10 cline quotients as equalized and/or weighted when required
11 by this section, shall constitute the sum of such employer's
12 quarterly decline quotients for purposes of this Article.

13 E Sec. 557. RATE DETERMINATION. The Commissioner shall
14 W then determine each eligible employer's ratable payroll as
15 defined in Sec. 553. He shall then array all eligible
16 M employers in the order of the sum of their decline quotients
17 A beginning with the smallest sum of decline quotients and
18 T shall determine, with respect to each employer in the array,
19 T the cumulative ratable payroll during the four consecutive
20 E quarters ending with the computation date of such employer
21 R together with all employers who precede him in the array.

22 The Commissioner shall segregate the arrayed employers
23 into groups in accordance with cumulative ratable payroll.
24 The limits of the groups shall be those set out in Column
25 B of the table below. Each of such groups shall be identi-
26 fied by the rate class number in Column A which is opposite
27 N the figures in Column B which represent the percentage limits
28 E of each group. Each employer in the array shall be assigned
29 W to the rate class in which the greater part of such employer's

1 N ratable payroll falls except that if one-half of the
 2 E employer's ratable payroll falls in one class, and one-
 3 W half in another, he shall be assigned to the lower numbered
 4 rate class in which one-half of his ratable payroll falls.
 5 M Provided, that no employer shall be assigned to a higher
 6 A numbered rate class than is assigned to another employer
 7 T with the same sum of decline quotients. Each eligible
 8 T employer and his employees shall pay contributions on wages
 9 E paid by him and received by them at the contribution rate
 10 R in Column C and Column D, respectively, which are opposite
 11 such employer's rate class in Column A.

Rate Class	B Arrayed Employer's Cumulative Payroll Limits (Percent of State Total Ratable Payroll)		C Contribution Rate (Percent)	
	A More than	Equal to or Less than	Employer	Employee
16 N 1	0	10	1.5	0.3
17 E 2	10	20	1.8	0.4
18 W 3	20	30	2.1	0.5
19 4	30	40	2.4	0.6
20 M 5	40	50	2.9	0.6
21 A 6	50	60	3.2	0.7
22 T 7	60	70	3.5	0.8
23 T 8	70	80	3.7	0.8
24 E 9	80	90	3.8	0.9
25 R 10	90	100	4.0	0.9

26 Sec. 558. CORRECTIONS AND ADJUSTMENTS. Corrections
 27 N or modifications of an employer's payroll may be taken into
 28 E account within two years after the computation date, for
 29 W the purpose of a reduction or increase in his and his

1 N employees' rates. When any adjustment is made in an
2 E employer's payroll or in the sum of his decline quotients
3 W after rates have been assigned, the adjustment shall not
4 . alter the position of any other employer on the schedule
5 M or the contribution rate of any other employer. The
6 A employer with respect to whom the adjustment in decline
7 T quotients is made shall be placed in that class in which
8 T another employer with the nearest similar sum of decline
9 E quotients is placed.

10 R Sec. 559. RATES FOR SUCCESSORS IN BUSINESS. Subse-
11 quent to January 1, 1957, whenever an employing unit
12 N (whether or not an employer within the meaning of Sec. 201)
13 E in any manner succeeds to or acquires, or has succeeded to
14 W or acquired, substantially all of the operating assets of
15 an organization, trade, or business of another employing
16 M unit which at the time of acquisition was an employer sub-
17 A ject to this Act, the payroll records of such predecessor
18 T employer shall be transferred as of the date of acquisition
19 T to the successor employer for the purpose of determining an
20 E employer's qualifying period and for all other purposes of
21 R rate determination. Notwithstanding any other provision of
22 this section, if the successor employer was an employer
23 subject to this Act prior to the date of acquisition, his
24 rate of contributions for the remainder of the calendar year
25 of acquisition shall be his rate with respect to the period
26 immediately preceding the date of acquisition; his rate for
27 N the succeeding years shall be based on the total of his pay-
28 E rolls consolidated with those of the predecessor. If the
29 W successor was not an employer prior to the date of

1 N acquisition, his rate shall be the rate applicable to the
2 E predecessor employer or employers with respect to the
3 W period immediately preceding the date of acquisition pro-
4 vided there was only one predecessor or there were only
5 M predecessors with identical rates; if the predecessor rates
6 A were not identical, the successor's rate shall be the high-
7 T est rate applicable to any of the predecessor employers with
8 T respect to the period immediately preceding the date of
9 E acquisition. This section shall not apply to any acquisi-
10 R tion if such acquisition is determined by the Commissioner
11 (1) to have been primarily for the purpose of obtaining a
12 more favorable rate of contributions under this Article,
13 N (2) to be inequitable to the parties, or (3) to be contrary
14 E to the public interest.

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

1 denial of review shall become final, unless within 15 days
2 after the notice was mailed to the last known address of
3 the employer, or otherwise delivered to him, petition for
4 judicial review is filed in accordance with Sec. 809.

5 Sec. 14. Subsec. (a) of Sec. 604 of Article VI, Ch. 5,
6 ESLA 1955 is hereby amended to read as follows:

7 (a) Any service performed for an employing unit ∟,
8 INCLUDING TERRITORIAL DEPARTMENTS AND AGENCIES, MUNICIPALI-
9 TIES, AND OTHER POLITICAL SUBDIVISIONS OF ALASKA, ∟ which is
10 excluded under the definition of employment in Article II,
11 and with respect to which no payments are required under
12 the employment security law of another state or of the
13 Federal Government, may be deemed to constitute employment
14 for all purposes of this Act, provided that the Commissioner
15 has approved a written election to that effect filed by the
16 employing unit for which the service is performed, as of the
17 date stated in such approval. No election shall be approved
18 by the Commissioner unless it (1) includes all the service
19 of the type specified in each establishment or place of
20 business for which the election is made, and (2) is made
21 for not less than two calendar years.

22 Sec. 15. Sec. 712 of Article VII, ESLA 1955 as amended by
23 Ch. 169, SLA 1957 is hereby repealed and re-enacted to read as
24 follows:

25 Sec. 712. AMOUNT OF BENEFITS. (a) QUALIFYING WAGES.

26 To qualify for benefits an individual shall have earned, in
27 his base period, wages in employment totaling not less than
28 \$600.00.

29 (b) BASIC WEEKLY BENEFIT AMOUNT. Except as provided in

1 subsection (a) above, an individual's basic weekly benefit
2 amount shall be 1/88th of his total wages in employment
3 paid during his base period but not more than \$60.00, and
4 shall be computed to the nearest whole dollar.

5 (c) AUGMENTED WEEKLY BENEFIT AMOUNT. Except as pro-
6 vided in subsection (a) above, an individual's augmented
7 weekly benefit amount shall be an amount consisting of his
8 basic weekly benefit amount plus 10 percent of his basic
9 weekly benefit amount for each of his dependents who is in
10 the state on the date he establishes his benefit year but
11 not exceeding three such dependents. The number of his
12 dependents shall be determined as of the date he establishes
13 his benefit year, and shall be fixed for the duration of
14 such benefit year. The augmented weekly benefit amount
15 shall be computed to the nearest whole dollar.

16 (d) MAXIMUM POTENTIAL BENEFITS. The maximum potential
17 benefits of any individual in a benefit year shall be the
18 product of his augmented weekly benefit amount multiplied
19 by the lesser of (a) a number equal to 1/100th of his total
20 wages in employment paid during his base period plus two,
21 rounded to the nearest whole number, or (b) 26.

22 (e) DEFINITION OF DEPENDENT. "Dependent" means an
23 individual's unmarried child (including stepchild and legal-
24 ly adopted child) under 18 years of age, AND who is prin-
25 cipally supported by such individual; except that an
26 individual's unmarried child (including stepchild and
27 legally adopted child) who because of infirmity is prevented
28 from engaging in a gainful occupation and who is principally
29 dependent upon such individual for support, shall be deemed

1 to be a dependent for the purpose of this provision regard-
2 less of age. For the duration of a benefit year no dependent
3 who has been claimed by a claimant and allowed as such shall
4 be included as a dependent with regard to any other claimant.

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

9 1. he shall not be paid an augmented weekly benefit
10 amount,

11 2. he shall not be paid more than \$25.00, and

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

15 (g) This section shall be effective on and after July
16 1, 1960 and shall not affect benefits, including allowance
17 for dependents, or duration of benefits for benefit years
18 established before July 1, 1960.

19 Sec. 16. Except where otherwise specifically provided
20 in this Act, this Act shall take effect on the day after its
21 passage and approval or on the day it becomes law without approval.
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