

1 IN THE SENATE

BY RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2

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, and VII of

8

the Alaska Employment Security Act (Ch. 5,

9

ESLA 1955, as amended by Chapters 62, 75

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and 169, SLA 1957 and by Ch. 46, SLA 1959);

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adding a new Article V (a) establishing

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variable tax rates; repealing and re-enacting

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Sec. 1013 of Article X of Ch. 5, ESLA 1955,

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as amended by Ch. 169, SLA 1957; and provid-

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ing for an effective date."

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

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Section 1. Sec. 217 of Art. II, Ch. 5, ESLA 1955 is hereby

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amended to read as follows:

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Sec. 217. The term "employment" shall [, DURING THE EFFEC-

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TIVE PERIOD OF THE ELECTION,] include service covered by an

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election pursuant to Section 604, and service covered by an

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election duly approved by the Commissioner in accordance with

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an arrangement pursuant to Section 325.1 (a) of this Act during

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the effective period of such election [SERVICE COVERED BY AN

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ELECTION DULY APPROVED BY THE COMMISSION IN ACCORDANCE WITH AN

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ARRANGEMENT PURSUANT TO SECTION 325, AND SERVICE NOT OTHERWISE

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COVERED UNDER THIS ACT, PERFORMED ENTIRELY WITHOUT THIS TERRI-

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TORY, WITH RESPECT TO NO PART OF WHICH CONTRIBUTIONS ARE RE-

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QUIRED AND PAID UNDER THE UNEMPLOYMENT COMPENSATION LAW OF ANY

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-1-

1 OTHER STATE OR TERRITORY, IF THE INDIVIDUAL PERFORMING SUCH
2 SERVICE IS A RESIDENT OF THIS TERRITORY AND THE COMMISSION
3 APPROVED THE ELECTION FILED BY THE EMPLOYING UNIT FOR WHOM THE
4 SERVICES ARE PERFORMED IN THE SAME MANNER AS FOR ELECTIONS
5 FILED UNDER SECTION 604].

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

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

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

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

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

29 Sec. 306. DUTIES AND POWERS OF THE COMMISSIONER. Sub-
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1 ject to the provisions of Section 311 of this Article, the
2 Commissioner shall appoint a Director whose duty it shall
3 be to administer the provisions of this Act under such
4 authority of the Commissioner as may be delegated to him
5 by the Commissioner, with the exception that the Commission-
6 er may not delegate ~~THE APPELLATE POWERS CONFERRED UPON IT~~
7 BY THIS ACT, OR⁷ the power to adopt, amend or rescind rules
8 and regulations. The Commissioner shall prescribe the div-
9 isions, subdivisions and units of the organization to be
10 directed by the Director to carry out the purposes of this
11 Act. He ~~IT~~⁷ may require bond of any person handling money
12 or signing checks. He ~~IT~~⁷ shall have an official seal which
13 shall be judicially noticed. Not later than the first day of
14 January ~~OCTOBER~~⁷ of each year, the Commissioner shall sub-
15 mit to the Governor a report covering the administration
16 and operation of this Act during the preceding fiscal year
17 ended June 30 and shall make such recommendations for amend-
18 ments to this Act as the Commissioner deems proper. Such
19 report shall include a balance sheet of the moneys in the
20 fund in which there shall be provided, if possible, a
21 reserve against the liability in future years to pay bene-
22 fits. Whenever the Commissioner believes that a change in
23 contribution or benefit rates will become necessary to pro-
24 tect the solvency of the fund, he ~~IT~~⁷ shall promptly so
25 inform the Governor and the Legislature, and make recommend-
26 ations with respect thereto.

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

29 Sec. 325. ~~INTERSTATE ARRANGEMENTS~~ ~~ARRANGEMENTS WITH~~

1 STATES OR FEDERAL GOVERNMENT⁷. The Commissioner is
2 authorized to enter into arrangements whereby the facilities
3 and services provided under this Act, and the facilities
4 and services provided under the employment security law of
5 any other state may be utilized for the making of claims
6 and the payment of benefits under this Act or under the
7 employment security act of such state. THE COMMISSION IS
8 HEREBY AUTHORIZED TO ENTER INTO ARRANGEMENTS WITH THE AP-
9 PROPRIATE AGENCIES OF OTHER STATES OR THE FEDERAL GOVERN-
10 MENT WHEREBY INDIVIDUALS PERFORMING SERVICES IN THIS
11 TERRITORY AND OTHER STATES FOR A SINGLE EMPLOYING UNIT
12 UNDER CIRCUMSTANCES NOT SPECIFICALLY PROVIDED FOR IN SECTIONS
13 214 TO 218 HEREIN, OR UNDER SIMILAR PROVISIONS IN THE UN-
14 EMPLOYMENT COMPENSATION LAWS OF SUCH OTHER STATES, SHALL BE
15 DEEMED TO BE ENGAGED IN EMPLOYMENT PERFORMED ENTIRELY WITH-
16 IN THIS TERRITORY OR WITHIN ONE OF SUCH OTHER STATES AND
17 WHEREBY POTENTIAL RIGHTS TO BENEFITS ACCUMULATED UNDER THE
18 UNEMPLOYMENT COMPENSATION LAWS OF ONE OR MORE STATES OR
19 UNDER SUCH A LAW OF THE FEDERAL GOVERNMENT, OR BOTH, MAY
20 CONSTITUTE THE BASIS FOR THE PAYMENT OF BENEFITS THROUGH A
21 SINGLE APPROPRIATE AGENCY UNDER TERMS WHICH THE COMMISSION
22 FINDS TO BE FAIR AND REASONABLE AS TO ALL AFFECTED INTERESTS
23 AND WILL NOT RESULT IN ANY SUBSTANTIAL LOSS TO THE FUND.⁷
24 Sec. 6. Art. III, Ch. 5, ESLA 1955, as amended by Ch. 75
25 and Ch. 169, SLA 1957 is hereby amended by adding a new section
26 to read as follows:

27 Sec. 325.1 (a) RECIPROCAL COVERAGE. The Commissioner
28 is hereby authorized to enter into reciprocal arrangements
29 with appropriate and duly authorized agencies of other

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states or of the Federal Government, or both, whereby.

notwithstanding the provisions of Section 761:

(1) Service performed by an individual for a single employing unit for which service is customarily performed by such individual in more than one state shall be deemed to be service performed entirely within any one of the states in which (A) any part of such individual's service is performed, or (B) such individual has his residence, or (C) the employing unit maintains a place of business: Provided, that there is in effect, as to such service, an approved election by an employing unit with the acquiescence of such individual, pursuant to which service performed by such individual for such employing unit is deemed to be performed entirely within such state; and

(2) Service performed by not more than three 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.

(b) COOPERATION WITH AGENCIES OF FOREIGN GOVERNMENTS. To the extent permissible under the laws and

1 Constitution of the United States, the Commissioner is author-
2 ized to enter into arrangements of the character provided in
3 this section with the agency of a foreign government administer-
4 ing an employment security law.

5 Sec. 7. Subsection (a) of Sec. 401, Art. IV, Ch. 5, ESLA 1955
6 as amended by Sec. 13, Ch. 169, SLA 1957, is hereby amended to read
7 as follows:

8 (a) Subject to the provisions of Section 501 (c),
9 all [ALL] contributions collected under this Act, together with
10 any interest thereon collected pursuant to Section 511 herein;
11 Sec. 8. Sec. 402, Art. IV of Ch. 5, ESLA 1955 as amended by
12 Sec. 14, Ch. 169, SLA 1957, is hereby amended to read as follows:

13 Sec. 402. ACCOUNTS AND DEPOSIT. The Commissioner of
14 Revenue [TERRITORIAL TREASURER] shall be ex-officio the
15 treasurer and custodian of the fund and shall administer such
16 funds in accordance with the direction of the Commissioner of
17 Labor [COMMISSION] and shall issue his checks or warrants upon
18 it in accordance with such regulations as the Commissioner may
19 prescribe. He shall maintain within the fund three separate
20 accounts:

- 21 (a) a Clearing Account.
22 (b) an Unemployment Trust Fund Account, and
23 (c) a Benefit Account.

24 All moneys payable to the fund, upon receipt thereof by
25 the Commissioner shall be forwarded to the Commissioner of
26 Revenue [TREASURER] who shall immediately deposit them in the
27 Clearing Account. Refunds payable pursuant to Sections 227,
28 [501(b)] and 518 herein may be paid from the Clearing Account
29 upon checks or warrants issued by the Commissioner of Adminis-

1 tration [TREASURER] under the direction of the Commissioner of
2 Labor [COMMISSION]. After clearance thereof, all of the moneys
3 in the Clearing Account shall be immediately deposited with the
4 Secretary of the Treasury of the United States of America to
5 the credit of the Account of this State [TERRITORY] in the
6 Unemployment Trust Fund, established and maintained pursuant
7 to Section 904 of the Social Security Act, as amended, any
8 provision of law in this State [TERRITORY] relating to the
9 deposit, administration, release, or disbursement of moneys in
10 the possession or custody of this State [TERRITORY] to the
11 contrary notwithstanding.

12 The Benefit Account shall consist of moneys requisitioned
13 from this State's [TERRITORY'S] account in the Unemployment
14 Trust Fund for the purpose of paying benefits. Except as here-
15 in otherwise provided, moneys in the Clearing and Benefit
16 accounts, and in the Employee contribution account established
17 in Section 501(c) may be deposited by the Commissioner of
18 Revenue [TREASURER] under the direction of the Commissioner of
19 Labor [COMMISSION], in any bank or public depository in which
20 general funds of the State [TERRITORY] may be deposited, but no
21 public deposit insurance charge or premium shall be paid out of
22 the fund. Money in these accounts shall not be commingled
23 with other State [TERRITORIAL] funds, but shall be maintained
24 in separate accounts on the books of the depository bank. Such
25 money shall be secured by the depository law of this State
26 [TERRITORY]; and collateral pledged for this purpose shall be
27 kept separate and distinct from any collateral pledged to
28 secure other funds of the State [TERRITORY]. The Commissioners
29 of Revenue and Administration [TREASURER] shall be liable on

1 their [HIS] official bonds for the faithful performance of
2 their [HIS] duties in connection with the fund. All sums
3 recovered for losses sustained by the fund shall be deposited
4 therein.

5 Sec. 9. Subsec. (b) of Sec. 501, Art. V, Ch. 5, ESLA 1955
6 as amended by Ch. 169, SLA 1957 is hereby amended to read as
7 follows:

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

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

29 If any employer shall convert to his own use or other-

1 wise misappropriate any funds so held in trust, he shall
2 be required to pay to the Commissioner for deposit in the
3 Employee Contribution Account [CLEARING ACCOUNT] the amount so
4 converted or misappropriated, together with a penalty equal to
5 five times that amount but not less than \$25.00. In addition,
6 if such conversion or misappropriation is willful, he shall be
7 guilty of a misdemeanor and, upon conviction thereof, shall be
8 fined not more than \$200.00, or imprisoned for not more than
9 60 days, or both.

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

28 Sec. 10. Sec. 501, of Art. V, Ch. 5, ESLA 1955, as amended
29 by Sec. 16, Ch. 169, SLA 1957, is hereby amended by adding a new
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1 subsection to read as follows:

2 N (c) There is hereby established as a separate
3 E fund apart from all other funds of this State an employee
4 W contribution account which shall be administered by the
5 M Commissioner of Revenue in accordance with the directions of
6 A the Commissioner of Labor. This fund shall consist of any
7 T contributions deposited with the Commissioner of Labor under
8 E paragraph (b) of this section. Such contributions shall be
9 R maintained in the employee contribution account until the
10 Commissioner of Labor in accordance with regulations prescrib-
11 ed by him determines which employees have been paid wages of
12 N \$500.00 or more during a calendar year. Contributions on
13 E wages of an employee who has been paid \$500.00 or more during
14 W a calendar year shall thereupon be deposited by the Commis-
15 M sioner of Revenue upon order of the Commissioner of Labor into
16 A the Unemployment Compensation Fund established pursuant to
17 T Section 401. Contributions on wages of an employee who has
18 E been paid less than \$500.00 during such year shall be returned
19 R to the employee by checks or warrants drawn upon said employee
20 contribution account, provided the employee has filed a claim
21 for benefits and has been found by the Commissioner of Labor
22 N to be ineligible for benefits because of less than \$500 wages
23 E in his base period. If no claim for benefits has been filed
24 W by such employee within 15 months after the calendar year
25 M during which the wages were paid, the contributions shall be
26 A deposited by the Commissioner of Revenue in the Unemployment
27 T Compensation Fund upon order of the Commissioner of Labor.
28 E

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

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1 Sec. 502. RATE OF CONTRIBUTIONS. Each employer shall
2 pay contributions equal to 3.0 [2.7] percent of wages paid by
3 him [DURING THE CALENDAR YEAR] with respect to employment
4 during the period January 1, 1960 through September 30, 1960
5 [COMMENCING JANUARY 1, 1955] except as otherwise provided in
6 Section 503. Each individual performing services in employ-
7 ment for such employer during such period [, COMMENCING
8 JANUARY 1, 1957,] shall pay contributions equal to six-tenths
9 [ONE-HALF] of one percent of wages paid to him during the
10 calendar year with respect to employment [UNTIL JULY 1, 1961].

11 Beginning October 1, 1960, each employer shall pay
12 contributions equal to 3.0 percent and his employees shall
13 pay contributions equal to .9 percent of wages paid by him
14 and received by them with respect to employment except as
15 otherwise provided in Section 503 and Article V (a).

16 IN THE PAYMENT OF ANY CONTRIBUTIONS A FRACTIONAL PART
17 OF A CENT SHALL BE DISREGARDED UNLESS IT AMOUNTS TO ONE-
18 HALF CENT OR MORE, IN WHICH CASE IT SHALL BE INCREASED TO
19 ONE CENT.

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

22 Sec. 503. BASE OF CONTRIBUTIONS. For the purposes of
23 Sections 501 and 502 of this Article AND subsequent to
24 December 31, 1959 1956, wages shall not include that part
25 of remuneration which, after remuneration equal to \$7,200.00
26 \$4,200.00 has been paid in a calendar year to an individual
27 by an employer or his predecessor with respect to employment
28 [DURING ANY CALENDAR YEAR], is paid to such individual by
29 such employer during such calendar year unless that part of

1 the remuneration is subject to a tax under a Federal law im-
2 posing a tax against which credit may be taken for contribu-
3 tions required to be paid into a State unemployment fund.
4 For the purposes of this section, the term "employment" shall
5 include service constituting employment under any employment
6 security law of another State or of the Federal Government.

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

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

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

18 N ARTICLE V (a)
19 E EXPERIENCE RATING
20 W

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

23 T Sec. 552. For the purpose of computing rates for the
24 T period October 1, 1960 through December 31, 1960 "computation
25 E date" means March 31, 1960. Effective June 30, 1960 "computation
26 R date" means June 30 of the year immediately preceding the
27 N calendar year for which the contribution rates are effective.

28 S Sec. 553 (a) "Payroll" means all wages paid by an
29 W employer to individuals in his employ for service in employ-
ment as defined in this Act.

(b) "Quarterly payroll" means all wages paid by

1 N such employer during a calendar quarter.

2 E (c) For the purpose of computing rates for the
3 W periods October 1, 1960 through December 31, 1960 and
4 calendar year 1961, "ratable payroll" means an employer's
5 total payroll for four consecutive quarters ending with the
6 computation date; thereafter, "ratable payroll" means so much
7 of an employer's payroll for the four consecutive calendar
8 quarters ending on the computation date as is subject to pay-
9 M ment of contributions. For the purpose of determining the
10 A rate for a newly subject employer and his employees under
11 T this Article the definition of employment in force at the
12 T time that the employer becomes subject to the Act shall apply
13 E to service performed for him prior to the date on which he
14 R becomes subject.

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

1 N Act beginning with the start of the first quarter in which he
2 E is liable for contributions, and ending with the end of the
3 W calendar quarter in which he files closing contribution and
4 wage reports pursuant to regulations of the Commissioner.

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

22 W Reports made arbitrarily for an employer by the Com-
23 missioner pursuant to Section 519 shall not entitle an
24 M employer to a rate determination pursuant to this Article
25 A but such reports may be used to establish a rate determina-
26 T tion pursuant to this Article in the discretion of the
27 T Commissioner.

28 E Each employer who, for the reasons set out in this
29 R section, does not qualify for a rate determination under

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this Article, and his employees, shall pay contributions at the highest rate provided in this Article.

Sec. 556. QUARTERLY DECLINE QUOTIENTS. The Commissioner shall determine each eligible employer's contribution rate by the procedures set out in this and the following sections. He shall array such employer's quarterly payrolls in chronological order beginning with the first calendar quarter in the qualifying period and ending with the last calendar quarter in the period. Whenever an employer's payroll in a calendar quarter is less than the payroll in the preceding quarter in the qualifying period, the quarterly decline quotient shall be computed to at least nine decimal places by dividing the amount of the decline by the amount of the payroll in the preceding calendar quarter.

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

The Commissioner shall determine the sum of each eligible employer's decline quotients and shall weight such sum by adding to it 1.00000000 for each quarter in the employer's qualifying period in which he has no payroll, which quarter

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ed rate class than is assigned to another employer with the same average quarterly decline quotient. Each eligible employer and his employees shall pay contributions on wages paid by him and received by them at the contribution rate in Column C and Column D, respectively, which are opposite such employer's rate class in Column A.

A	B		C	D
Rate Class	Arrayed Employer's Cumulative Payroll Limits (Percent of State Total Ratable Payroll)		Contribution Rate (Percent)	
	More than	Equal to or Less than	Employer	Employee
1	0	10	0.5	.2
2	10	20	1.0	.4
3	20	30	1.5	.6
4	30	40	2.1	.7
5	40	50	2.7	.8
6	50	60	3.3	1.0
7	60	70	3.8	1.2
8	70	80	4.3	1.4
9	80	90	5.0	1.4
10	90	100	5.7	1.4

Sec. 558. CORRECTIONS AND ADJUSTMENTS. Corrections or modifications of an employer's payroll may be taken into account within two years after the computation date, for the purpose of a reduction or increase in his and his employees' rates. When any adjustment is made in an employer's payroll or in his average quarterly decline quotient after rates have been assigned, the adjustment shall not alter the position of any other employer on the schedule or the contribution rate of any other employer. The employer with respect to

1 whom the adjustment in decline quotients is made shall be
2 placed in that class in which another employer with the near-
3 est similar average quarterly decline quotient is placed.

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

1 applicable to any of the predecessor employers with respect
2 to the period immediately preceding the date of acquisition.
3 This section shall not apply to any acquisition if such
4 acquisition is determined by the Commissioner (1) to have
5 been primarily for the purpose of obtaining a more favorable
6 rate of contributions under this Article, (2) to be inequit-
7 able to the parties, or (3) to be contrary to the public
8 interest.

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

28 Sec. 15. Sec. 712, Art. VII, Ch. 5, ESLA 1955, as amended
29 by Ch. 169, SLA 1957 is hereby amended by adding the following
SB #149 as amended

1 to the schedule in subsec. (b):

2	Columns (A)	(B)	(C)	(D)	(E)	(F)	(G)
3	4000-4099.99	45	50	55	60	65	70
4	4100-4199.99	46	50	55	60	65	70
5	4200-4299.99	47	50	55	60	65	70
6	4300-4399.99	48	50	55	60	65	70
7	4400-4499.99	49	50	55	60	65	70
8	4500-4599.99	50	50	55	60	65	70
9	4600-4699.99	51	51	55	60	65	70
10	4700-4799.99	52	52	55	60	65	70
11	4800-4899.99	53	53	55	60	65	70
12	4900-4999.99	54	54	55	60	65	70
13	5000 and over	55	55	55	60	65	70

14 Sec. 16. Subsection (b) of Sec. 712, Art. VII, Ch. 5, ESLA
15 1955 as amended by Sec. 25, Ch. 169, SLA 1957 is hereby amended by
16 deleting column (H).

17 Sec. 17. Subsection (c) of Sec. 712, Art. VII, Ch. 5, ESLA
18 1955, as amended by Ch. 169, SLA 1957, is hereby amended to read
19 as follows:

20 (c) MAXIMUM POTENTIAL BENEFITS. The maximum potential
21 benefits of any individual in a benefit year shall be the
22 product of his weekly benefit amount, as shown in the
23 applicable column B, C, D, E, F, or G of the table in sub-
24 section (b), multiplied by the benefit duration factor as set
25 forth in column B of the benefit duration schedule, set forth
26 below [IN COLUMN H OF THE ABOVE TABLE ON THE LINE ON WHICH IN
27 COLUMN A THERE APPEARS HIS TOTAL BASE PERIOD WAGES]. The
28 benefit duration factor for a claimant shall be determined
29 from column B of the Benefit Duration Schedule below after

1 N determining the ratio which such claimant's base period wages
 2 E bear to the wages of such individual in the quarter of the
 3 W base period during which his total wages were the highest,
 4 that is to say, base period wages divided by high quarter
 5 wages. The benefit duration factor for an individual shall
 6 be taken from that line of column B in which there is a ratio
 7 M interval in column A which includes the claimant's ratio
 8 A determined by dividing base period wages by high quarter
 9 T wages.
 10 E
 11 R

10 N BENEFIT DURATION SCHEDULE

11 E	(A)	(B)
12 W	Ratio of Base Period Wages To High Quarter Wages	Benefit Duration Factor
14 M	1.25 - 1.399	8
15 A	1.4 - 1.499	9
16 T	1.5 - 1.599	10
17 T	1.6 - 1.699	11
18 E	1.7 - 1.799	12
19 R	1.8 - 1.899	13
20 N	1.9 - 1.999	14
21 E	2.0 - 2.199	15
22 W	2.2 - 2.399	17
23 W	2.4 - 2.599	19
24 W	2.6 - 2.799	22
25 N	2.8 - 2.999	25
26 E	3.0 - 3.299	28
27 W	3.3 - Over	32

1 Sec. 18. Subsec. (e) of Sec. 712, Art. VII, Ch. 5, ESLA 1955,
2 as amended in subsec. (e) of Sec. 712, Ch. 169, SLA 1957, is hereby
3 amended to read as follows:

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

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

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

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

14 Sec. 19. Subsec. (a) of Sec. 741, Art. VII, Ch. 5, ESLA
15 1955 as amended by Ch. 62 and Ch. 169, SLA 1957 is hereby amended
16 to read as follows:

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

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

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

27 T (3) the condition described in (1) or (2) above
28 E occurs during an uninterrupted period of unemployment fol-
29 R lowing a week for which he has filed a compensable claim

1 and no work has been offered him for any part of said week
2 which would have been suitable prior to the beginning of
3 such fishing, hunting, illness, or disability.

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

13 Sec. 20. Sec. 1013 of Art. X, Ch. 5, ESLA 1955 as amended by
14 Ch. 169, SLA 1957 is hereby repealed and re-enacted to read as
15 follows:

16 Sec. 1013. DATA TO BE COLLECTED. For reporting periods
17 beginning April 1, 1960 and thereafter, the Commissioner of
18 Labor is directed to obtain from each employer relative to
19 each of his employees the number of weeks in each calendar
20 quarter in which such employee earned wages of \$30.00 or more.

21 Sec. 21. This Act takes effect on the day after its passage
22 and approval or on the day it becomes law without such approval.
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