

1 IN THE SENATE

BY RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to employment security
7 experience rating, amending Secs. 554, 555
8 and 560 of Art. V (a), as added to the
9 Alaska Employment Security Act (Ch. 5, ESLA
10 1955, as amended) by Ch. 60, SLA 1960."

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

12 Section 1. Sec. 554 of Art. V (a), Ch. 5, ESLA 1955, as
13 added to that Act by Sec. 11, Ch. 60, SLA 1960, is hereby amended
14 to read as follows:

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 subject to the Act [LIABLE FOR CONTRIBUTIONS
19 HEREUNDER] during each of the twelve calendar quarters end-
20 ing with the computation date, "qualifying period" means the
21 period ending with the computation date and beginning with
22 the first calendar quarter in such twelve-quarter period in
23 which such employer was subject to the Act, [WAS LIABLE FOR
24 CONTRIBUTIONS HEREUNDER] but in no event shall an employer's
25 qualifying period be less than the four consecutive calendar
26 quarters ending with the computation date. Employers who
27 have been subject to the Act less than four calendar quarters
28 immediately preceding the computation date, and their em-
29 ployees, shall not be entitled to a rate determination under

1 this Article but shall pay contributions at the standard
2 rates specified in Section 502. An employing unit is sub-
3 ject to the Act beginning with the start of the first
4 quarter in which he pays wages hereunder [IS LIABLE FOR
5 CONTRIBUTIONS], and ending with the end of the calendar
6 quarter in which either (1) he files closing contribution
7 and wage reports pursuant to regulations of the Commissioner
8 or (2) his account is closed by the independent action of
9 the Commissioner.

10 Sec. 2. Sec. 555 of Art. V (a), Ch. 5, ESLA 1955, as added
11 to that Act by Sec. 11, Ch. 60, SLA 1960, is hereby amended to
12 read as follows:

13 Sec. 555. ELIGIBLE EMPLOYER. An employer and his
14 employees shall be eligible for a rate determination in ac-
15 cordance with the provisions of this Article and the Com-
16 missioner's regulations if the employer has been subject to
17 the Act throughout not less than the four consecutive cal-
18 endar quarters ending with the computation date and remains
19 subject to the Act into the calendar quarter which immedi-
20 ately precedes the effective date of the rate. Notwith-
21 standing any other provisions of this Article, no employer
22 or his employees shall be eligible for a rate determination
23 pursuant to this Article if, with respect to any calendar
24 quarter in or preceding his qualifying period the employer
25 has failed to file any contribution or payroll reports or
26 to pay any contributions required by this Act within 60 days
27 following the computation date or within 10 days after the
28 Commissioner or his representative has mailed the employer
29 written notice of such delinquency and/or failure to file

1 reports, by registered or certified mail to his last known
2 address, whichever is the later date.

3 Reports made arbitrarily for an employer by the Com-
4 missioner pursuant to Section 519 shall not entitle an
5 employer to a rate determination pursuant to this Article
6 but such reports may be used to establish a rate determina-
7 tion in the discretion of the Commissioner.

8 Each employer who, because of failure to pay contribu-
9 tions or file reports timely [FOR THE REASONS SET OUT IN
10 THIS SECTION], does not qualify for a rate determination
11 under this Article, [AND HIS EMPLOYEES,] shall pay contri-
12 butions at the highest rate provided in this Article, and
13 his employees shall pay contributions at the standard rate
14 specified in Section 502.

15 Sec. 3. Sec. 560 of Art. V (a), Ch. 5, ESLA 1955, as added
16 to that Act by Sec. 11, Ch. 60, SLA 1960, is hereby amended to
17 read as follows:

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

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redetermination and the reason therefor. If the Commission-
er denies a review, he shall notify the employer of the
denial and the reasons therefor. A redetermination or a
denial of review shall become final, unless within 30 [15]
days after the notice was mailed to the last known address
of the employer, or otherwise delivered to him, petition for
judicial review is filed in accordance with Section 809.

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