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BY SENATORS POLLOCK, MCNEALY,  
NOLAN AND BRAD PHILLIPS

IN THE SENATE

SENATE BILL NO. 125

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

A BILL

For an Act entitled: "An Act relating to Employment Security amending Articles V, V(a), and VII of the Alaska Employment Security Act (Ch. 5, ESLA 1955, as amended by Chapters 62, 75, 169 SLA 1957 as amended by Chapters 46, 64, 97, 113, and 143, SLA 1959, as amended by Ch. 60, SLA 1960); adding a new Section 505 to Article V; adding new Sections 704 and 712.1 to Article VII; and providing for an effective date."

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

Section 1. Section 502 of Article V, Ch. 5, ESLA 1955, as amended by Ch. 169, SLA 1957, as amended by Ch. 60, SLA 1960, is hereby amended to read as follows:

Section 502. RATE OF CONTRIBUTIONS. Each employer shall pay contributions equal to 2.9 percent of wages paid by him with respect to employment during the period January 1, 1961 [1960] through September 30, 1961 [1960] except as otherwise provided in Section 503 and Article V (a). Each individual performing services in employment for such employer during such period shall pay contributions equal to six-tenths of one percent of wages paid to him with respect to employment except as otherwise provided in Section 503 and Article V(a).

1           Beginning October 1, 1961 [1960], and thereafter, each  
2 employer shall pay contributions equal to 3.1 [2.9] percent  
3 and his employees shall pay contributions equal to .6 percent  
4 of wages paid by him and received by them with respect to  
5 employment except as otherwise provided in Section 503 and  
6 Article V (a).

7           Section 2. Section 503 of Article V, Ch. 5, ESLA 1955, as  
8 amended by Ch. 169, SLA 1957, as amended by Ch. 60, SLA 1960 is  
9 hereby amended to read as follows:

10           Section 503. BASE OF CONTRIBUTIONS. For the purposes  
11 of Sections 501 and 502 of this Article subsequent to  
12 September 30, 1961 [DECEMBER 31, 1959], wages shall not in-  
13 clude that part of remuneration which, after remuneration  
14 equal to \$5,400.00 [\$7,200.00] has been paid in a calendar  
15 year to an individual by an employer or his predecessor with  
16 respect to employment, is paid to such individual by such em-  
17 ployer during such calendar year unless that part of the re-  
18 muneration is subject to a tax under a Federal law imposing a  
19 tax against which credit may be taken for contributions re-  
20 quired to be paid into a State unemployment fund. For the  
21 purposes of this section, the term "employment" shall include  
22 service constituting employment under any employment security  
23 law of another State or of the Federal Government.

24           Section 3. Section 554 of Article V (a), Ch. 60, SLA 1960  
25 is hereby amended to read as follows:

26           Section 554. Beginning October 1, 1961, "qualifying  
27 [QUALIFYING] period" means the three-year period of  
28 twelve consecutive calendar quarters ending on the  
29 computation date. Provided that, for any employer who

1 has not been liable for contributions hereunder during each  
2 of the twelve calendar quarters ending with the computation  
3 date, "qualifying period" means the period ending with the  
4 computation date and beginning with the first calendar quar-  
5 ter in which such employer was liable for contributions here-  
6 under but in no event less than the four consecutive calen-  
7 dar quarters ending with the computation date. Employers who  
8 have been subject to the Act less than four calendar quarters  
9 immediately preceding the computation date, and their employ-  
10 ees, shall not be entitled to a rate determination under this  
11 Article but shall pay contributions at the maximum/STANDARD  
12 rates specified in the table in Section 557 of Article V (a)  
13 [SECTION 502]. An employing unit is subject to the Act be-  
14 ginning with the start of the first quarter in which he is  
15 liable for contributions, and ending with the end of the  
16 calendar quarter in which he files closing contribution and  
17 wage reports pursuant to regulations of the Commissioner.

18 Section 4. Section 557 of Article V (a), Ch. 60, SLA 1960  
19 is hereby amended to read as follows:

20 Section 557. RATE DETERMINATION. Beginning October 1,  
21 1961, the Commissioner shall [THEN] determine each eligible  
22 employer's ratable payroll as defined in Section 553. He  
23 shall then array all eligible employers in the order of their  
24 average quarterly decline quotients beginning with the small-  
25 est average decline quotient and shall determine, with  
26 respect to each employer in the array, the cumulative rata-  
27 ble payroll during the four consecutive quarters ending with  
28 the computation date of such employer together with all  
29 employers who precede him on the list.

1 The Commissioner shall segregate the arrayed employers  
 2 into groups in accordance with cumulative ratable payroll.  
 3 The limits of the groups shall be those set out in Column  
 4 B of the table below. Each of such groups shall be identi-  
 5 fied by the rate class number in Column A which is opposite  
 6 the figures in Column B which represents the percentage  
 7 limits of each group. Each employer in the array shall be  
 8 assigned to the rate class in which the greater part of  
 9 such employer's ratable payroll falls except that if one-  
 10 half of the employer's ratable payroll falls in one class,  
 11 and one-half in another, he shall be assigned to the lower  
 12 numbered rate class in which one-half of his ratable payroll  
 13 falls. Provided, that no employer shall be assigned to a  
 14 higher numbered rate class than is assigned to another  
 15 employer with the same average quarterly decline quotient.  
 16 Each eligible employer and his employees shall pay contri-  
 17 butions on wages paid by him and received by them at the  
 18 contribution rate in column C and Column D, respectively,  
 19 which are opposite such employer's rate class in Column A.

N E W	A  Rate Class	B Arrayed Employer's Cumulative Payroll Limits (Percent of State Total Ratable Payroll)		C D Contribution Rate (Percent)	
		More than	Equal to or Less than	Employer	Employee
20					
21					
22					
23					
24	M				
25	A	1	0	10	1.5 0.3
26	T	2	10	20	1.8 0.4
27	T	3	20	30	2.0 0.5
28	E	4	30	40	2.3 0.6
29	R	5	40	50	2.7 0.6

1	<u>6</u>	<u>50</u>	<u>60</u>	<u>3.2</u>	<u>0.7</u>
2	<u>7</u>	<u>60</u>	<u>70</u>	<u>3.6</u>	<u>0.8</u>
3	<u>8</u>	<u>70</u>	<u>80</u>	<u>4.1</u>	<u>0.8</u>
4	<u>9</u>	<u>80</u>	<u>90</u>	<u>4.6</u>	<u>0.9</u>
5	<u>10</u>	<u>90</u>	<u>100</u>	<u>4.9</u>	<u>0.9</u>

D E L E T E	A	B Arrayed Employer's Cumulative Payroll Limits (Percent of State Total Ratable Payroll)		C	D
	Rate Class	More than	Equal to or Less than	Employer	Employee
11	1	0	10	1.5	0.3
12	2	10	20	1.8	0.4
13	3	20	30	2.1	0.5
14	4	30	40	2.4	0.6
15	5	40	50	2.9	0.6
16	6	50	60	3.2	0.7
17	7	60	70	3.5	0.8
18	8	70	80	3.7	0.8
19	9	80	90	3.8	0.9
20	10	90	100	4.0	0.9

Section 5. Article VII, Ch. 5, ESLA 1955 as amended by Ch. 169, SLA 1957, as amended by Ch. 60, SLA 1960, is hereby amended by adding a new section to read as follows:

Section 704. SUPPLEMENTAL CLAIMANT DATA. Beginning July 1, 1961, the Commissioner shall obtain the following information from each individual who establishes a benefit year as an eligible claimant on or after July 1, 1961:

SB #125



1 be subject to the provisions of Section 323.

2 Section 6. Article VII, Ch. 5, ESLA 1955, as amended by Ch.  
3 169, SLA 1957, as amended by Ch. 60, SLA 1960 is hereby amended  
4 by adding a new section to read as follows:

5 N Section 712.1. AMOUNT OF BENEFITS. (a) QUALIFYING  
6 E WORK WEEKS AND WAGES. Beginning July 1, 1961 and thereafter,  
7 W to qualify for benefits, an individual establishing his  
8 benefit year shall have worked at least 20 weeks for wages  
9 of \$30.00 or more per week during said 20 weeks in his base  
10 period as determined from reports filed with the Commissioner  
11 by his employer in accordance with Section 1013.

12 (b) Except as provided in subsection (a) above, the  
13 weekly benefit amount for an individual establishing his  
14 benefit year on or after July 1, 1961 shall be the amount  
15 shown in the table below, in the applicable column opposite  
16 the amount of his total base period wages as shown in Column  
17 A. Each individual establishing a benefit year on or after  
18 July 1, 1961 shall be entitled to an augmented weekly benefit  
19 M amount as shown in the table below, if on the date he estab-  
20 A lishes his benefit year he has dependents who are residing  
21 T in the State. The number of dependents shall be determined  
22 T as of the date he establishes his benefit year, and shall be  
23 E fixed for the duration of such year. The number of depen-  
24 R dents allowed is limited to five.

	Total Base Period Wages	Basic Weekly Benefit Amount	Augmented Weekly Benefit Amount with the Following Dependents					
			1	2	3	4	5	
			C	D	E	F	G	
	<u>Columns A</u>	<u>B</u>						
29	\$ 0 - 599.99	\$00	\$00	\$00	\$00	\$00	\$00	\$00

1	N	600 - 799.99	12	17	22	24	24	24
2	E	800 - 999.99	14	19	24	28	28	28
3	W	1000 -1199.99	16	21	26	31	32	32
4		1200 -1399.99	18	23	28	33	36	36
5		1400 -1599.99	20	25	30	35	40	40
6		1600 -1799.99	22	27	32	37	42	44
7		1800 -1999.99	24	29	34	39	44	48
8		2000 -2199.99	26	31	36	41	46	51
9		2200 -2399.99	28	33	38	43	48	53
10		2400 -2599.99	30	35	40	45	50	55
11		2600 -2799.99	32	37	42	47	52	57
12		2800 -2999.99	34	39	44	49	54	59
13		3000 -3199.99	36	41	46	51	56	61
14		3200 -3399.99	38	43	48	53	58	63
15		3400 -3599.99	39	44	49	54	59	64
16		3600 -3799.99	40	45	50	55	60	65
17		3800 -3999.99	41	46	51	56	61	66
18		4000 -4199.99	42	47	52	57	62	67
19		4200 -4399.99	43	48	53	58	63	68
20		4400 -4599.99	44	49	54	59	64	69
21		4600 -4799.99	46	51	56	61	66	71
22		4800 -4999.99	48	53	58	63	68	73
23		5000 -and over	50	55	60	65	70	75

24 M (c) MAXIMUM POTENTIAL BENEFITS. Beginning July 1, 1961  
25 A and thereafter, the maximum potential benefits of any indi-  
26 T vidual establishing a benefit year shall be the product of  
27 T his weekly benefit amount as shown in the applicable Column  
28 E B,C,D,E,F or G as set forth in the table in subsection (b)  
29 R above, multiplied by the number of benefit weeks as set forth

1 N in the table below in the applicable column opposite the  
 2 E total number of work weeks in the individual's base period.

3 W	<u>A</u>	<u>B</u>
4	Number of Work Weeks in Base Period	Number of Benefit Weeks
5		
6	Under 20	None
7	20 or 21	10
8	22 or 23	11
9	24 or 25	12
10	26 or 27	13
11	28 or 29	14
12	30 or 31	15
13	32 or 33	17
14	34 or 35	19
15	36 or 37	22
16	38 or 39	25
17	40 or 41	27
18	42 or 43	28
19	44 or 45	29
20	46 or 47	31
21	48 or more	32

22 (d) DEFINITION OF DEPENDENT. Beginning July 1, 1961  
 23 M "Dependent" means an individual's unmarried child (including  
 24 A stepchild and legally adopted child) under 18 years of age,  
 25 T and who is principally supported by such individual; except  
 26 T that an individual's unmarried child (including stepchild  
 27 E and legally adopted child) who because of infirmity is pre-  
 28 R vented from engaging in a gainful occupation and who is  
 29

1 N principally dependent upon such individual for support,  
2 E shall be deemed to be a dependent for the purpose of this  
3 W provision regardless of age. For the duration of a benefit  
4 year no dependent who has been claimed by a claimant and  
5 allowed as such shall be included as a dependent with  
6 regard to any other claimant.

7 (e) INTERSTATE PAYMENT RESTRICTIONS. Beginning July  
8 1, 1961, notwithstanding the above subsections of this  
9 section, if an individual files a claim for benefits while  
10 outside Alaska his benefits for such week shall be  
11 restricted as follows:

- 12 1. he shall not be paid an augmented weekly benefit  
13 amount
- 14 2. he shall not be paid more than \$20.00
- 15 3. his maximum potential benefits shall be reduced by  
16 M the amount he would have received if such claim  
17 A had been filed within Alaska.

18 T (f) DEFINITION OF WORK WEEK. For the purposes of  
19 T this section, "work week" means a period of seven consecu-  
20 E tive days within a payroll period during which an individu-  
21 R al earns \$30.00 or more in employment covered under this Act.  
22 Section 7. Subsec. (b) of Sec. 741, Article VII, Ch. 5,  
23 ESLA 1955 is hereby amended to read as follows:

24 (b) He left suitable work voluntarily without good  
25 cause in which case he shall be disqualified for the week  
26 in which he left work and shall continue to be disqualified  
27 indefinitely during the period [THE FIVE WEEKS] of con-  
28 tinuous unemployment immediately following such week; ex-  
29 cept that such period of disqualification shall [NOT] be

1 deemed terminated if such individual has become re-employed  
2 and earned wages equal to or in excess of ten times his  
3 weekly benefit amount he otherwise would have been entitled  
4 to had he not been disqualified; [BY PERFORMANCE OF SHORT  
5 TIME CASUAL OR TEMPORARY WORK WITHIN SUCH PERIOD;] or  
6 Section 8. Subsec. (c) of Sec. 741, Article VII, Ch. 5,  
7 ESLA 1955 is hereby amended to read as follows:

8 (c) He was discharged or suspended for misconduct  
9 connected with his work, in which case he shall be dis-  
10 qualified for the week in which he was discharged or sus-  
11 pended and shall continue to be disqualified indefinitely  
12 during the period [FOR THE FIVE WEEKS] of continuous  
13 unemployment immediately following such week; except that  
14 such period of disqualification shall [NOT] be deemed  
15 terminated if such individual has become re-employed and  
16 earned wages equal to or in excess of ten times his weekly  
17 benefit amount he otherwise would have been entitled to had  
18 he not been disqualified; [BY PERFORMANCE OF SHORT TIME  
19 CASUAL OR TEMPORARY WORK WITHIN SUCH PERIOD;] or  
20 Section 9. This Act takes effect on the day after its  
21 passage and approval or on the day it becomes law without such  
22 approval.  
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