

1 IN THE SENATE

BY SENATOR BRONSON

2

SENATE BILL NO. 197

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SECOND LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act changing the rate of contributions payable by employers under the Alaska Employment Security Act; and providing for an effective date."

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

11 Section 1. Sec. 502 of Art. V, Ch. 5, ESLA 1955, as amended
12 by Sec. 17, Ch. 169, SLA 1957, and Sec. 8, Ch. 60, SLA 1960, is
13 amended to read:

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Sec. 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, 1960 through September 30, 1960 except as otherwise provided in Section 503. 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.

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

Beginning January 1, 1962, each employer shall pay contributions equal to 2.75 percent and his employees shall pay contributions equal to .6 percent of wages paid by him and

1 received by them with respect to employment except as other-
2 wise provided in Section 503 and Article V (a).

3 Sec. 2. Sec. 557 of Art. V (a), Ch. 5, ESLA 1955, as added
4 by Sec. 11, Ch. 60, SLA 1960, is amended to read:

5 Sec. 557. RATE DETERMINATION. The Commissioner shall
6 then determine each eligible employer's ratable payroll as
7 defined in Section 553. He shall then array all eligible
8 employers in the order of their average quarterly decline
9 quotients beginning with the smallest average decline
10 quotient and shall determine, with respect to each employer
11 in the array, the cumulative ratable payroll during the
12 four consecutive quarters ending with the computation date
13 of such employer together with all employers who precede
14 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 B
18 of the table below. Each of such groups shall be identified
19 by the rate class number in Column A which is opposite the
20 figures in Column B which represents the percentage limits
21 of each group. Each employer in the array shall be assigned
22 to the rate class in which the greater part of such employ-
23 er's ratable payroll falls except that if one-half of the
24 employer's ratable payroll falls in one class, and one-half
25 in another, he shall be assigned to the lower numbered rate
26 class in which one-half of his ratable payroll falls. Pro-
27 vided, that no employer shall be assigned to a higher
28 numbered rate class than is assigned to another employer
29 with the same average quarterly decline quotient. Each

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

5	A	B		C	D
6	Rate Class	Arrayed Employer's		Contribution Rate	
7		Cumulative Payroll Limits		(Percent)	
8		(Percent of State Total Ratable			
9		Payroll)			
10		Equal to or			
11		More than	Less than	Employer	Employee
12	1	0	10	<u>1.35</u> [1.5]	0.3
13	2	10	20	<u>1.65</u> [1.8]	0.4
14	3	20	30	<u>1.95</u> [2.1]	0.5
15	4	30	40	<u>2.25</u> [2.4]	0.6
16	5	40	50	<u>2.75</u> [2.9]	0.6
17	6	50	60	<u>3.05</u> [3.2]	0.7
18	7	60	70	<u>3.35</u> [3.5]	0.8
19	8	70	80	<u>3.55</u> [3.7]	0.8
20	9	80	90	<u>3.65</u> [3.8]	0.9
21	10	90	100	<u>3.85</u> [4.0]	0.9

22 Sec. 3. This Act takes effect on the day after its passage
 23 and approval or on the day it becomes law without such approval.
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