

Introduced: 1/26/70
Referred: Labor and
Management

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 407

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Alaska Employment Security Act
7 contributions; and providing for an effective date."

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

9 * Section 1. AS 23.20.170(b) is amended to read:

10 (b) Subject to secs. 175 and 280 - 310 of this chapter, [BEGINNING
11 OCTOBER 1, 1960,] an employer shall pay contributions equal to 2.6
12 [2.9] percent [AND EACH OF HIS EMPLOYEES SHALL PAY CONTRIBUTIONS EQUAL
13 TO 0.6 PER CENT] of wages paid by him [AND RECEIVED BY EACH EMPLOYEE]
14 with respect to employment.

15 * Sec. 2. AS 23.20.280 is amended to read:

16 Sec. 23.20.280. ELIGIBLE EMPLOYER. (a) An employer is [AND HIS
17 EMPLOYEES ARE] eligible for a rate determination in accordance with the
18 provisions of secs. 280 - 310 of this chapter and the commissioner's
19 regulations if the employer has been subject to this chapter throughout
20 not less than the four consecutive calendar quarters ending with the
21 computation date and remains subject to this chapter into the calendar
22 quarter which immediately precedes the effective date of the rate. No
23 employer [OR EMPLOYEE] is eligible for a rate determination under secs.
24 280 - 310 of this chapter if, with respect to a calendar quarter in or
25 preceding his qualifying period, the employer has failed to file
26 contribution or payroll reports or to pay contributions required by
27 this chapter within 60 days after the computation date or within 10
28 days after the department has mailed the employer written notice of the
29 delinquency or of failure to file reports, or of both, by registered

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

3 (b) A report made arbitrarily for an employer by the department
4 under sec. 230 of this chapter does not entitle an employer to a rate
5 determination under secs. 280 - 310 of this chapter, but the report may
6 be used to establish a rate determination in the discretion of the
7 commissioner.

8 (c) An employer who, because of failure to pay contributions or
9 file reports timely, does not qualify for a rate determination under
10 secs. 280 - 310 of this chapter shall pay contributions at the highest
11 rate provided in secs. 280 - 310 of this chapter[, AND HIS EMPLOYEES
12 SHALL PAY CONTRIBUTIONS AT THE STANDARD RATE SPECIFIED IN SEC. 170 OF
13 THIS CHAPTER].

14 * Sec. 3. AS 23.20.290(b) is amended to read:

15 (b) The department shall segregate the employers into groups in
16 accordance with cumulative ratable payroll. The limits of the groups
17 are those set out in column B of the table in this section. Each of
18 these groups shall be identified by the rate class number in column A
19 which is opposite the figures in column B which represents the per-
20 centage limits of each group. An employer shall be assigned to the
21 rate class in which the greater part of the employer's ratable payroll
22 falls. If one-half of the employer's ratable payroll falls in one
23 class, and one-half in another, he shall be assigned to the lower
24 numbered rate class. No employer may be assigned to a higher numbered
25 rate class than is assigned to another employer with the same average
26 quarterly decline quotient. An eligible employer [AND HIS EMPLOYEES]
27 shall pay contributions on wages paid by him [AND RECEIVED BY THEM] at
28 the contribution rate in column C [AND COLUMN D, RESPECTIVELY], which
29 is [ARE] opposite the employer's rate class in column A.

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| A | B | | C | [D] |
|-------|-------------------------------|-------------|------------------|--------------------|
| RATE | EMPLOYER'S CUMULATIVE PAYROLL | | | [CONTRIBUTION RATE |
| CLASS | LIMITS (PER CENT OF STATE | | | (PER CENT)] |
| | TOTAL RATABLE PAYROLL) | | | |
| | More than | Equal to or | Employer | [EMPLOYEE] |
| | | Less than | | |
| 1 | 0 | 10 | <u>1.2</u> [1.5] | [0.3] |
| 2 | 10 | 20 | <u>1.5</u> [1.8] | [0.4] |
| 3 | 20 | 30 | <u>1.8</u> [2.1] | [0.5] |
| 4 | 30 | 40 | <u>2.1</u> [2.4] | [0.6] |
| 5 | 40 | 50 | <u>2.6</u> [2.9] | [0.6] |
| 6 | 50 | 60 | <u>2.9</u> [3.2] | [0.7] |
| 7 | 60 | 70 | <u>3.2</u> [3.5] | [0.8] |
| 8 | 70 | 80 | <u>3.4</u> [3.7] | [0.8] |
| 9 | 80 | 90 | <u>3.5</u> [3.8] | [0.9] |
| 10 | 90 | 100 | <u>3.7</u> [4.0] | [0.9] |

* Sec. 4. AS 23.20.165(b)-(e) are repealed.

* Sec. 5. This Act takes effect on July 1, 1970.