

Introduced: 1/23/73  
Referred: Labor & Management  
and Finance

1 IN THE HOUSE

BY BRADNER, BOWMAN, CARROL, CHANCE,  
DEGNAN, GARDINER, MALONE, M. MILLER,  
PARKER, PETERSEN AND HUBER

2 HOUSE BILL NO. 120

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to employment security; and providing  
7 for effective dates."

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

9 \* Section 1. AS 23.20.165(e) is amended to read:

10 (e) An employer shall maintain a record of the amount deducted  
11 from the wages of each of his employees, and shall furnish a statement  
12 of the deductions to each employee at the times and in the manner the  
13 commissioner prescribes by regulation. No deduction may be made from  
14 those wages in excess of the first \$12,000 [\$7,200] of wages paid to an  
15 employee during a calendar year. If an employee earns wages totaling  
16 more than \$12,000 [\$7,200] in one calendar year in the employ of two or  
17 more employers, or if one employer through error makes a deduction from  
18 his wages in excess of \$12,000 [\$7,200] during a calendar year, the  
19 amount of the deductions in excess of those required by this chapter  
20 shall be refunded to the employee by the commissioner upon application  
21 for them in accordance with regulations prescribed by him. Application  
22 must be made during the calendar year after the calendar year in which  
23 the deductions are made.

24 \* Sec. 2. AS 23.20.170 is repealed and reenacted to read:

25 Sec. 23.20.170. RATE OF CONTRIBUTIONS. (a) Subject to secs. 175  
26 and 280 - 310 of this chapter, beginning October 1, 1960 and continuing  
27 through December 31, 1973, an employer shall pay contributions equal to  
28 2.9 per cent and each of his employees shall pay contributions equal to  
29 0.6 per cent of wages paid by him and received by each employee with

1 respect to employment.

2 (b) Subject to secs. 175 and 280 - 310 of this chapter, beginning  
3 January 1, 1974, the standard rate of contributions by employers is 2.9  
4 per cent of wages. Each employer who has not been subject to this  
5 chapter for a sufficient period of time to have his rate computed under  
6 sec. 290 of this chapter, shall pay contributions at a rate equal to the  
7 average industry tax rate as determined by the commissioner, provided  
8 that such rate shall not be less than 1.5 per cent. Assignment by the  
9 commissioner of employers to industrial classification, for the purposes  
10 of this subsection, shall be in accordance with established classifica-  
11 tion practices found in the "Standard Industrial Classification Manual"  
12 issued by the United States Department of Labor to the first digit  
13 provided in the Standard Industrial Classification code.

14 \* Sec. 3. AS 23.20.175(a) is amended to read:

15 (a) For the purposes of secs. 165 and 170 of this chapter, after  
16 December 31, 1959 and through December 31, 1973, wages do not include  
17 that part of remuneration which, after remuneration equal to \$7,200 has  
18 been paid in a calendar year to an individual by an employer or his  
19 predecessor with respect to employment, is paid to the individual by the  
20 employer during the calendar year unless that part of the remuneration  
21 is subject to a tax under a federal law imposing a tax against which  
22 credit may be taken for contributions required to be paid into a state  
23 unemployment fund.

24 \* Sec. 4. AS 23.20.175 is amended by adding a new subsection to read:

25 (c) For the purposes of secs. 165 and 170 of this chapter, after  
26 December 31, 1973, wages do not include that part of remuneration which,  
27 after remuneration equal to \$12,000 has been paid in a calendar year to  
28 an individual by an employer or his predecessor with respect to employ-  
29 ment, is paid to the individual by the employer during the calendar year

1 unless that part of the remuneration is subject to a tax under a federal  
 2 law imposing a tax against which credit may be taken for contributions  
 3 required to be paid into a state unemployment fund.

4 \* Sec. 5. AS 23.20.290(b) is amended to read:

5 (b) The department shall segregate the employers into groups in  
 6 accordance with cumulative ratable payroll. The limits of the groups  
 7 are those set out in column B of the table in this section. Each of  
 8 these groups shall be identified by the rate class number in column A  
 9 which is opposite the figures in column B which represents the per-  
 10 centage limits of each group. An employer shall be assigned to the  
 11 rate class in which the greater part of the employer's ratable payroll  
 12 falls. If one-half of the employer's ratable payroll falls in one  
 13 class, and one-half in another, he shall be assigned to the lower  
 14 numbered rate class. No employer may be assigned to a higher numbered  
 15 rate class than is assigned to another employer with the same average  
 16 quarterly decline quotient. An eligible employer and his employees  
 17 shall pay contributions on wages paid by him and received by them at  
 18 the contribution rate in column C and column D, respectively, which are  
 19 opposite the employer's rate class in column A.

A RATE CLASS	B EMPLOYER'S CUMULATIVE PAYROLL LIMITS (PER CENT OF STATE TOTAL RATABLE PAYROLL)		C CONTRIBUTION RATE (PER CENT)	
	More Than	Equal to or Less Than	Employer	Employee
1	0	10	1.5	<u>0.6</u> [0.3]
2	10	20	1.8	<u>0.6</u> [0.4]
3	20	30	2.1	<u>0.6</u> [0.5]
4	30	40	2.4	0.6

4800-4899.99	58	63	68	73	78	83	28
4900-4999.99	59	64	69	74	79	84	28
5000-5099.99	60	65	70	75	80	85	28
5100-5199.99	61	66	71	76	81	86	28
5200-5299.99	62	67	72	77	82	87	28
5300-5399.99	63	68	73	78	83	88	28
5400-5499.99	64	69	74	79	84	89	28
5500-5599.99	65	70	75	80	85	90	28
5600-5699.99	66	71	76	81	86	91	28
5700-5799.99	67	72	77	82	87	92	28
5800-5899.99	68	73	78	83	88	93	28
5900-5999.99	69	74	79	84	89	94	28
6000-6099.99	70	75	80	85	90	95	28
6100-6199.99	71	76	81	86	91	96	28
6200-6299.99	72	77	82	87	92	97	28
6300-6399.99	73	78	83	88	93	98	28
6400-6499.99	74	79	84	89	94	99	28
6500-6599.99	75	80	85	90	95	100	28
6600-6699.99	76	81	86	91	96	101	28
6700-6799.99	77	82	87	92	97	102	28
6800-6899.99	78	83	88	93	98	103	28
6900-6999.99	79	84	89	94	99	104	28
7000-7099.99	80	85	90	95	100	105	28
7100-7199.99	81	86	91	96	101	106	28
7200-7299.99	82	87	92	97	102	107	28
7300-7399.99	83	88	93	98	103	108	28
7400-7499.99	84	89	94	99	104	109	28
7500-& over	85	90	95	100	105	110	28

\* Sec. 7. Section 6 of this Act takes effect July 1, 1973.

1       \* Sec. 8. Sections 1, 2, 3, 4 and 5 of this Act take effect January 1,  
2 1974.

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