

Original sponsor: Rules/Governor

Offered: 4/6/79
Referred: Finance

1 IN THE HOUSE

BY THE LABOR AND
MANAGEMENT COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 177 am S

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to unemployment insurance; and pro-
7 viding for an effective date."

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

9 * Section 1. AS 23.20.045(b) is amended to read:

10 (b) Special rules may be adopted, amended, or rescinded by the
11 department only after public hearing or opportunity to be heard on them,
12 of which proper notice has been given. A special rule becomes effective
13 30 days after notification to or mailing to the last [KNOWN] address
14 of record of the persons affected by it.

15 * Sec. 2. AS 23.20.115 is amended to read:

16 Sec. 23.20.115. UNAUTHORIZED DISCLOSURE OF INFORMATION. A member
17 of the department, [OR] an employee of the department, or an agent of
18 the department who, in violation of AS 23.20.110, makes a disclosure of
19 information obtained from an employing unit or from an individual in the
20 administration of this chapter, or a person who has obtained a list of
21 applicants for work or of claimants or recipients of benefits under this
22 chapter and who uses or permits the use of the list for a purpose not
23 authorized by AS 23.20.110, upon conviction, is punishable by a fine of
24 not more than \$200, or by imprisonment for not more than 90 days, or by
25 both.

26 * Sec. 3. AS 23.20.130(b)(9) is amended to read:

27 (9) reimbursement of benefits paid under AS 23.20.277 and [,]
28 23.20.278 [AND AS 23.20.326], and reimbursement of benefits paid under
29 AS 23.20.326 as it read before January 1, 1978; and

1 * Sec. 4. AS 23.20.135 is amended to read:

2 Sec. 23.20.135. ACCOUNTS AND DEPOSIT. (a) The commissioner of
3 revenue is ex officio the treasurer and custodian of the fund and shall
4 administer it as directed by the department. Checks or warrants shall
5 be issued on the fund in accordance with the regulations which the
6 department prescribes. The [COMMISSIONER OF REVENUE SHALL MAINTAIN
7 WITHIN THE] fund has three separate accounts:

- 8 (1) a clearing account,
9 (2) an unemployment trust fund account, and
10 (3) a benefit account.

11 (b) The department, or a designee of the department, [SHALL
12 FORWARD, UPON RECEIPT, ALL MONEY PAYABLE TO THE FUND TO THE COMMISSIONER
13 OF REVENUE WHO] shall immediately deposit, upon receipt, all money pay-
14 able to the fund [THEM] in the clearing account. Refunds of contribu-
15 tions erroneously collected and payable under AS 23.20.225 and 23.20.-
16 526(a)(11) [23.20.525(c)(11)] may be paid from the clearing account in
17 the same manner, if they were deposited in the unemployment compensation
18 fund, or from the training and building fund; however, interest and
19 penalty payments collected on and after June 30, 1969 may not be re-
20 funded from the unemployment compensation fund. After clearance, all
21 money in the clearing account shall be immediately deposited with the
22 Secretary of the Treasury of the United States to the credit of the
23 account of this state in the unemployment trust fund, established and
24 maintained under sec. 904 of the Social Security Act, as amended.

25 (c) The benefit account consists of money requisitioned from this
26 state's account in the unemployment trust fund for the purpose of paying
27 benefits. Money in the clearing and benefit accounts may be deposited
28 by the designee of the department [COMMISSIONER OF REVENUE], under the
29 direction of the department, in a bank or public depository in which

1 general funds of the state may be deposited, but no public deposit
2 insurance charge or premium may be paid out of the fund. Money in these
3 accounts may not be commingled with other state funds, but shall be
4 maintained in separate accounts on the books of the depository bank.
5 The money is secured by the depository law of this state. Collateral
6 pledged for this purpose shall be kept separate and distinct from
7 collateral pledged to secure other funds of the state. The commissioner
8 of revenue is liable on his official bond for the faithful performance
9 of his duties in connection with the fund. Sums recovered for losses
10 sustained by the fund shall be deposited in the fund.

11 * Sec. 5. AS 23.20.145(b) is amended to read:

12 (b) The department shall from time to time requisition from the
13 unemployment trust fund amounts not exceeding the amounts standing to
14 the state's account in the fund which it considers necessary for the
15 payment of benefits for a reasonable future period. Upon receipt of an
16 amount the department [COMMISSIONER OF REVENUE] shall deposit the money
17 to the benefit account. A check or warrant for the payment of benefits
18 may be issued solely from the benefit account.

19 * Sec. 6. AS 23.20.145(c) is amended to read:

20 (c) If money in the clearing account is not sufficient to provide
21 for refunds of contributions erroneously collected and payable under
22 AS 23.20.225 and 23.20.526(a)(11), the department shall withdraw from
23 the unemployment trust fund the amounts not exceeding the amount stand-
24 ing to this state's account in the fund which are necessary for the
25 payment of the refunds, if the erroneously collected interest and penal-
26 ties were deposited and retained in the unemployment compensation fund,
27 but no amounts may be withdrawn from the unemployment trust fund for the
28 refund of interest and penalty payments collected on and after June 30,
29 1969. Upon receipt the department, or the designee of the department,

1 [COMMISSIONER OF REVENUE] shall deposit this money to the clearing
2 account. A check or warrant for the payment of a refund shall be issued
3 from the clearing account.

4 * Sec. 7. AS 23.20.165(e) is amended to read:

5 (e) An employer shall maintain a record of the amount deducted
6 from the wages of each employee [OF HIS EMPLOYEES,] and shall furnish a
7 statement of the deductions to each employee at the times and in the
8 manner the department [COMMISSIONER] prescribes by regulation. No
9 deduction may be made from those wages paid to an employee during a
10 calendar year which are in excess of the wages subject to contributions
11 under AS 23.20.175. If an [EMPLOYEE IN THE EMPLOY OF TWO OR MORE
12 EMPLOYERS EARNS WAGES IN ONE CALENDAR YEAR TOTALING MORE THAN THE WAGES
13 SUBJECT TO CONTRIBUTIONS, OR IF ONE] employer through error makes a
14 deduction and erroneously pays contributions or interest on employee
15 [FROM HIS] wages in excess of the wages subject to contributions during
16 a calendar year, the amount of deductions erroneously paid may be
17 requested by the employer as an adjustment or refund as prescribed by
18 AS 23.20.225(a). Employee deductions in excess of the wages subject to
19 contributions must be refunded to the employee by the employer [IN
20 EXCESS OF THOSE REQUIRED BY THIS CHAPTER SHALL BE REFUNDED TO THE
21 EMPLOYEE BY THE COMMISSIONER UPON APPLICATION FOR THEM] in accordance
22 with regulations adopted [PRESCRIBED] by the department [HIM. APPLICA-
23 TION MUST BE MADE DURING THE CALENDAR YEAR AFTER THE CALENDAR YEAR IN
24 WHICH THE DEDUCTIONS ARE MADE].

25 * Sec. 8. AS 23.20.175(a) is repealed and re-enacted to read:

26 (a) For the purposes of AS 23.20.165 and 23.20.170, after December
27 31, 1973 and through December 31, 1979, wages do not include that part
28 of remuneration paid during any calendar year to an individual by an
29 employer or by his predecessor which exceeds \$10,000.

1 * Sec. 9. AS 23.20.175(c) is repealed and re-enacted to read:

2 (c) For the purposes of AS 23.20.165 and 23.20.170:

3 (1) after December 31, 1979 and through December 31, 1980,
4 wages do not include that part of remuneration paid during any calendar
5 year to an individual by an employer or by his predecessor which exceeds
6 60 per cent of the average annual wage, as defined in AS 23.20.520(27),
7 in Alaska for the preceding 12-month period ending June 30 computed to
8 the nearest multiple of \$1,000;

9 (2) after December 31, 1980 wages do not include that part of
10 remuneration paid during any calendar year to an individual by an
11 employer or by his predecessor which exceeds 60 per cent of the average
12 annual wage, as defined in AS 23.20.520(27), in Alaska for the preceding
13 12-month period ending June 30 computed to the nearest multiple of
14 \$1,000.

15 * Sec. 10. AS 23.20.190(a) is amended to read:

16 (a) An employer required to pay contributions under the provi-
17 sions of AS 23.20.165 [A PERSON] who fails to file a contribution report
18 and wage schedule on the date it is due is subject to a penalty, to be
19 assessed and collected in the same manner as contributions. If the
20 report is filed within 30 days of the date it is due, the penalty is
21 five per cent of the contributions due. For each additional 30-day
22 period or its fraction, the penalty is an additional five per cent of
23 the contributions due. However, the penalty may not exceed 25 per cent
24 of the contributions due in the aggregate and may not be less than \$10
25 [\$2.50] for each reporting period.

26 * Sec. 11. AS 23.20.190 is amended by adding new subsections to read:

27 (d) An employer who has elected to make reimbursement payments
28 under AS 23.20.277 who fails to file a contribution report and wage
29 schedule on the date it is due is subject to a penalty, to be assessed

1 and collected in the same manner provided for failure to file a contri-
2 bution report and wage schedule under this section. If the report is
3 filed not later than 30 days after the date it is due, the penalty is
4 one-tenth of one per cent of the total wages paid for the quarter. For
5 each additional 30-day period or its fraction, the penalty is an addi-
6 tional one-tenth of one per cent of the total wages paid for the
7 quarter. However, the penalty may not exceed one-half of one per cent
8 of the total wages paid for the quarter in the aggregate and may not be
9 less than \$10 for each reporting period.

10 (e) The department may require an employer who fails to file a
11 contribution report and wage schedule on the date it is due to file a
12 monthly contribution report and wage schedule, with payment, not later
13 than 30 days after the close of each month. This decision shall be
14 reviewed annually under regulations adopted by the department. The
15 monthly contribution report and wage schedule is subject to the same
16 interest and penalty provisions as provided in this section and AS
17 23.20.185.

18 * Sec. 12. AS 23.20.205(b) is amended to read:

19 (b) If the notice is served by mail the notice must be deposited
20 in the post office, addressed to the delinquent employer at his last
21 [KNOWN] address of record and the postage paid. The date of service is
22 considered to be the day of delivery shown on the delivery receipt.
23 However, if it appears the addressee is deliberately avoiding service,
24 then the date of service is the day of mailing.

25 * Sec. 13. AS 23.20.220(a) is amended to read:

26 (a) When a notice of assessment is delivered or mailed to a delin-
27 quent employer, the employer may within 30 days file a petition in
28 writing with the department, stating that the assessment is unjust or
29 incorrect and requesting a hearing on it. The petition shall set out

1 the reasons the assessment is objected to and the amount of contri-
2 butions which the employer admits is due and must be accompanied by a
3 bond or deposit of other security in the amount of the assessment to
4 insure collection. The department may waive the security requirement
5 if the employer submits proof of solvency or reasonable assurance, as
6 prescribed by regulations, that the contributions, interest and penal-
7 ties due are not in jeopardy. If no petition is filed within the time
8 prescribed, or if the employer fails to provide the required security,
9 the assessment is prima facie correct. However, the department may
10 entertain a subsequent application for refund, and, if denied a refund,
11 a hearing on the application in accordance with AS 23.20.225.

12 * Sec. 14. AS 23.20.240 is amended by adding a new subsection to read:

13 (f) In this section, "employer" as defined in AS 23.20.520(11),
14 also includes, but is not limited to, an officer or employee of a cor-
15 poration or a member or employee of a partnership who, as an officer,
16 employee, or member, is under a duty to pay the contributions as re-
17 quired by (a) of this section.

18 * Sec. 15. AS 23.20.277(h) is amended to read:

19 (h) The amount due, specified in a bill from the department, is
20 conclusive on the organization unless, not later than 15 days after the
21 bill was mailed to its last [KNOWN] address of record or otherwise
22 delivered to it, the organization files an application for redetermi-
23 nation by the department, setting out the grounds for the application.
24 The department shall promptly review and reconsider the amount due
25 specified in the bill and shall thereafter issue a redetermination in
26 any case in which an application for redetermination has been filed.
27 Any redetermination is conclusive on the organization unless, not later
28 than 15 days after the redetermination was mailed to its last [KNOWN]
29 address of record or otherwise delivered to it, the organization files

1 an appeal to the commissioner, setting out the grounds for the appeal.
2 Proceedings on appeal to the commissioner from the amount of a bill
3 rendered under this subsection or a redetermination of the amount shall
4 be in accordance with the provisions of AS 23.20.410 - 23.20.470
5 [23.20.455].

6 * Sec. 16. AS 23.20.277(1) is amended to read:

7 (1) Each employer that is liable for payments in place of contri-
8 butions shall pay to the department for the fund the amount of regular
9 benefits plus the amount of one-half of extended benefits paid that are
10 attributable to service in the employ of that [SUCH AN] employer.
11 However, a government entity which has elected to make payments under
12 this section is liable for the amount of regular benefits plus the
13 full amount of extended benefits which are attributable to service in
14 the employ of that entity. If benefits paid to an individual are based
15 on wages paid by more than one employer and one or more of these
16 employers are liable for payments in place of contributions, the amount
17 payable to the fund by each employer that is liable for payments shall
18 be determined by the department in accordance with regulations adopted
19 [PROMULGATED] by the department.

20 * Sec. 17. AS 23.20.280(a) is amended to read:

21 (a) An employer is [AND HIS EMPLOYEES ARE] eligible for a rate
22 determination in accordance with the provisions of AS 23.20.280 -
23 23.20.310 and the department [COMMISSIONER'S] regulations if the
24 employer has been subject to this chapter throughout not less than the
25 four consecutive calendar quarters ending with the computation date and
26 remains subject to this chapter into the calendar quarter which
27 immediately precedes the effective date of the rate. No employer [OR
28 EMPLOYEE] is eligible for a rate determination under AS 23.20.280 -
29 23.20.310 if, with respect to a calendar quarter in or preceding his

1 qualifying period, the employer has failed to file contribution or
2 payroll reports or to pay contributions, interest and penalties required
3 by this chapter within 60 days after the computation date or within 10
4 days after the department has mailed the employer written notice of the
5 delinquency or of failure to file reports, or of both, by registered or
6 certified mail to his last [KNOWN] address of record, whichever is the
7 later date.

8 * Sec. 18. AS 23.20.285(b) is amended to read:

9 (b) For the purpose of computing quarterly decline quotients, the
10 department may, by regulation, prescribe (1) the manner in which wages
11 paid in the form of annual bonuses or other lump-sum payments for ser-
12 vice performed over a period of more than three months are apportioned
13 among the calendar quarters of the calendar year in which the service
14 was performed; and (2) the method for making adjustments in quarterly
15 payrolls to eliminate the effect upon quarterly decline quotients re-
16 sulting from unemployment which would not be compensable by reason of
17 the labor dispute provision of AS 23.20.383 [AS 23.20.380(9)].

18 * Sec. 19. AS 23.20.305(a) is amended to read:

19 (a) The department shall promptly notify each employer of his rate
20 of contributions as determined for a calendar year under AS 23.20.280 -
21 23.20.310. The determination becomes conclusive upon the employer
22 unless within 15 days after the notice is mailed to his last [KNOWN]
23 address of record or delivered to him, the employer files an application
24 for review and redetermination, setting out his reasons for the applica-
25 tion.

26 * Sec. 20. AS 23.20.305(c) is amended to read:

27 (c) If the commissioner denies a review, he shall notify the
28 employer of the denial and the reasons for the denial. A redetermina-
29 tion or a denial of review becomes final, unless within 30 days after

1 the notice is mailed to the last [KNOWN] address of record of the
2 employer, or delivered to him, the employer initiates [PETITION FOR]
3 judicial review [IS FILED] in accordance with AS 23.20.445.

4 * Sec. 21. AS 23.20.315(c) is amended to read:

5 (c) The department shall mail or deliver a notice of its determi-
6 nation made under (a) or (b) of this section to the last [KNOWN] address
7 of record of the employing unit affected. The notice shall include a
8 statement of the supporting facts found by the department.

9 * Sec. 22. AS 23.20.315(d) is amended to read:

10 (d) Within 15 days after a notice of a determination has been
11 mailed or delivered to the last [KNOWN] address of record of an
12 employing unit, the employing unit may apply to the department to re-
13 consider its determination in the light of additional evidence and to
14 issue a redetermination. The department shall, if the request is
15 granted, mail or deliver to the last [KNOWN] address of record of the
16 employing unit affected a notice of the redetermination. The notice
17 shall include a statement of the supporting facts found by the depart-
18 ment. If the department denies the request for redetermination, it
19 shall furnish a notice of the denial of the application.

20 * Sec. 23. AS 23.20.315(e) is amended to read:

21 (e) Within 15 days after a notice of a determination made under
22 (a), (b), or (d) of this section or a denial of the application under
23 (d) of this section has been mailed or delivered to the last [KNOWN]
24 address of record of an employing unit, the employing unit may appeal
25 from the determination to the department. The department shall give the
26 parties a reasonable opportunity for a fair hearing as provided in the
27 case of hearings before appeal tribunals in AS 23.20.410 - 23.20.470.
28 The decision of the department is final unless, within 30 days after the
29 decision is mailed or delivered to the last [KNOWN] address of record of

1 a party, the party initiates judicial review in accordance with
2 AS 23.20.445.

3 * Sec. 24. AS 23.20.340(a) is amended to read:

4 (a) An examiner designated by the department shall take the claim.
5 The examiner shall take all evidence pertaining to the eligibility of
6 the claimant and [AN INITIAL DETERMINATION ON THE CLAIM SHALL BE MADE
7 PROMPTLY AND SHALL INCLUDE A DETERMINATION WITH RESPECT TO WHETHER
8 BENEFITS ARE PAYABLE, THE WEEKLY BENEFIT AMOUNT PAYABLE, AND THE MAXIMUM
9 DURATION OF BENEFITS. WHEN THE PAYMENT OR DENIAL OF BENEFITS IS
10 DETERMINED BY AS 23.20.380(9), THE EXAMINER] shall promptly transmit all
11 evidence [WITH RESPECT TO THAT SECTION] to the department. The depart-
12 ment, or a representative designated by it for the purpose, shall, on
13 the basis of the evidence submitted and any [THE] additional evidence it
14 requires, make an initial determination of [AS TO] the claim as to
15 whether the claimant is eligible for benefits under AS 23.20.350 and the
16 weekly benefit amount and maximum potential benefit amount.

17 * Sec. 25. AS 23.20.340(c) is amended to read:

18 (c) The claimant [AND OTHER PARTIES TO THE DETERMINATION] shall be
19 promptly notified of the initial determination or a subsequent redeter-
20 mination [(OR OF AN AMENDED INITIAL DETERMINATION)] and the reasons for
21 it.

22 * Sec. 26. AS 23.20.340(d) is amended to read:

23 (d) Unless the claimant is determined to be disqualified for
24 benefits under AS 23.20.375, 23.20.380 and 23.20.381, benefits [BENE-
25 FITS] shall be promptly paid [OR DENIED] in accordance with the initial
26 determination or subsequent redetermination.

27 * Sec. 27. AS 23.20.340(e) is repealed and re-enacted to read:

28 (e) The claimant may file a request for redetermination of the
29 initial determination within 15 days after he is notified in person of

1 the determination, or not later than 15 days after the date the notice
2 is mailed to his last address of record. The claimant may file an
3 appeal from a redetermination not later than 15 days after he is
4 notified in person of the redetermination or not later than 15 days
5 after the date the redetermination is mailed to his last address of
6 record. The period for filing an appeal may be extended for a reason-
7 able period of time if the claimant shows that the application was
8 delayed as a result of circumstances beyond the claimant's control.

9 * Sec. 28. AS 23.20.340(f) is repealed and re-enacted to read:

10 (f) If a determination of disqualification under AS 23.20.375,
11 23.20.380 and 23.20.381 is made, the claimant shall be promptly notified
12 of the determination and the reasons for it. The claimant may appeal
13 the determination in the same manner prescribed in this chapter for
14 appeals of redeterminations. Benefits may not be paid for any week for
15 which the determination of disqualification was made while a determina-
16 tion is being appealed. However, if a decision on the appeal allows
17 benefits to the claimant, those benefits must be paid promptly.

18 * Sec. 29. AS 23.20.350 is repealed and re-enacted to read:

19 Sec. 23.20.350. AMOUNT OF BENEFITS. (a) To be eligible for
20 benefits an individual must have been paid wages in his base period
21 totaling not less than \$1,000 of which \$200 must have been paid in other
22 than the calendar quarter of his base period in which he was paid the
23 highest amount of wages, and at least eight times the current weekly
24 benefit amount must have been paid for employment, whether or not
25 covered by this chapter, since the beginning of a preceding benefit
26 year.

27 (b) Subject to (a) and (e) of this section, an individual's weekly
28 benefit amount is the amount shown in the applicable column B - D
29 opposite the amount of his total base period wages as shown in column A

1 of the following table:

2 Ratio of Total Base Period Wages to
3 High Quarter Wages Times 100

4	Total Base	At Least -	100	200	300
5	Period Wages	But Less Than -	200	300	401
6	Columns (A)		(B)	(C)	(D)
7	\$ 0 - 999.99		\$ 00	00	00
8	1,000 - 1,249.99		42	42	42
9	1,250 - 1,499.99		47	47	47
10	1,500 - 1,749.99		50	50	50
11	1,750 - 1,999.99		53	53	53
12	2,000 - 2,249.99		56	56	56
13	2,250 - 2,499.99		59	59	59
14	2,500 - 2,749.99		62	62	62
15	2,750 - 2,999.99		65	65	65
16	3,000 - 3,249.99		68	68	68
17	3,250 - 3,499.99		71	71	71
18	3,500 - 3,749.99		74	74	74
19	3,750 - 3,999.99		77	77	77
20	4,000 - 4,249.99		80	80	80
21	4,250 - 4,499.99		83	83	83
22	4,500 - 4,749.99		86	86	86
23	4,750 - 4,999.99		89	89	89
24	5,000 - 5,249.99		90	92	92
25	5,250 - 5,499.99		90	95	95
26	5,500 - 5,749.99		90	98	98
27	5,750 - 5,999.99		90	100	100
28	6,000 - 6,249.99		90	100	102
29	6,250 - 6,499.99		90	100	104

1	6,500 - 6,749.99	90	100	106
2	6,750 - 6,999.99	90	100	108
3	7,000 or more	90	100	110

4 (c) The maximum potential benefits of an individual in a benefit
5 year is 26 times his weekly benefit amount.

6 (d) Notwithstanding (b) of this section, the weekly benefit amount
7 of an individual who has earnings in all four quarters of his base
8 period and whose high quarter wages are less than four times his lowest
9 quarter wages is the amount shown in column D opposite the amount of his
10 total base period wages as shown in column A.

11 (e) An individual who establishes a benefit year is entitled to an
12 allowance for dependents in addition to the amount shown in the applic-
13 able column B - D set out in (b) of this section. The allowance for
14 dependents is \$20 per week for each dependent of the individual, except
15 that the allowance for dependents may not exceed \$60 for each week of
16 unemployment. An allowance for dependents may not be paid during a
17 benefit year to an individual if the dependent has been claimed by
18 another individual and the allowance for dependents has been paid to the
19 other individual. Before an allowance for dependents is paid, the
20 department shall determine that no other individual is receiving bene-
21 fits for the same dependents and each individual seeking unemployment
22 benefits shall produce evidence satisfactory to the department that the
23 dependents claimed are dependents of that person.

24 (f) In this section "dependent" means an individual's unmarried
25 child, including a stepchild and a legally adopted child, under 18 years
26 of age who is principally supported by the individual, except that an
27 individual's unmarried child, including a stepchild and a legally adopt-
28 ed child, who because of infirmity is prevented from engaging in a gain-
29 ful occupation and who is principally dependent upon the individual for

1 support is a dependent for the purpose of this section regardless of age.

2 * Sec. 30. AS 23.20.360 is repealed and re-enacted to read:

3 Sec. 23.20.360. EARNINGS DEDUCTED FROM WEEKLY BENEFIT AMOUNT. An
4 eligible individual who is unemployed in a week as defined in AS 23.20.-
5 505 may earn wages for that week equal to the lesser of \$50 or his
6 weekly benefit amount without a reduction in his benefit for that week.
7 However, the weekly benefit amount will be reduced dollar for dollar for
8 any additional earnings. If the reduced benefit amount is not a multi-
9 ple of \$1, it shall be computed to the next higher multiple of \$1.

10 * Sec. 31. AS 23.20.370 is amended to read:

11 Sec. 23.20.370. BENEFITS OF DECEDENT OR INCOMPETENT. Benefits due
12 and payable to a deceased or judicially declared incompetent person
13 shall be paid, in accordance with regulations adopted [PRESCRIBED] by
14 the department, to persons in the following order: spouse, child, [OR]
15 parent, sister or brother, aunt or uncle, payment to whom the department
16 finds will best carry out the purposes of this chapter. The regulations
17 need not conform to the statutes applicable to the descent and distribu-
18 tion of decedents' estates. A receipt from the person to whom the
19 department makes payment fully discharges the fund and the department
20 from liability for the benefits.

21 * Sec. 32. AS 23.20.375(a) is amended to read:

22 Sec. 23.20.375. QUALIFICATION [ELIGIBILITY] FOR BENEFITS. (a) An
23 insured worker is qualified [ELIGIBLE] for and shall receive waiting-
24 week credit or benefits, as the case may be, for a week of his unemploy-
25 ment for [WITH RESPECT TO] which he has not been determined to be dis-
26 qualified under AS 23.20.378 - 23.20.387 [AS 23.20.380], if [THE WORKER
27 HAS], in accordance with regulations adopted [PRESCRIBED] by the depart-
28 ment, the insured worker has, with respect to the week,

29 (1) filed a notice of his unemployment;

1 (2) registered for work; and
2 (3) certified for waiting-week credit or filed a claim for
3 benefits, as the case may be.

4 * Sec. 33. AS 23.20.375(c) is amended to read:

5 (c) Benefits based on service in employment defined in AS 23.20.-
6 525(a)(4), (5), (6) and (14) are payable in the same amount, on the same
7 terms and subject to the same conditions as compensation payable on the
8 basis of other service subject to this chapter; except that, effective
9 January 1, 1978, benefits based on service in an instructional, research
10 or principal administrative capacity for an educational institution
11 and after January 1, 1979 benefits based on service in any other capa-
12 city for an educational institution other than an institution of higher
13 education may not be paid to an individual for any week of unemployment
14 which begins during the period between two successive academic years, or
15 during a similar period between two regular terms, whether or not
16 successive, or during a period of paid sabbatical leave provided for in
17 the individual's contract, if the individual performs services in the
18 first of those academic years or terms and if there is a contract or
19 reasonable assurance that the individual will perform services in the
20 same or a similar capacity for any educational institution in the second
21 of those academic years or terms.

22 * Sec. 34. AS 23.20 is amended by adding new sections to read:

23 Sec. 23.20.378. ABLE AND AVAILABLE FOR WORK. (a) An insured
24 worker is disqualified for waiting-week credit or benefits for a week of
25 his unemployment if, for that week, the department finds that he was not
26 able to work, not available for suitable work, or not seeking work. An
27 insured worker is considered qualified for waiting-week credit or bene-
28 fits for a week of his unemployment even though he fails to comply with
29 the provisions of this section if

1 (1) he is unable to work because he is ill or disabled, or he
2 resides in the state and is not available for work because of his non-
3 commercial fishing and hunting necessary for his survival or the
4 survival of his dependents; and

5 (2) a condition described in (1) of this section occurs
6 during an uninterrupted period of unemployment which follows a week for
7 which he filed a compensable claim and no work which would have been
8 suitable for him was offered to him for any part of the week before the
9 beginning of the illness, disability, or fishing or hunting.

10 (b) A waiver of disqualification on the basis of illness or dis-
11 ability under (a) of this section may not exceed six consecutive weeks.

12 (c) An insured worker is not disqualified for waiting-week credit
13 or benefits for a week of unemployment if, for that week and at the
14 discretion of the director or his designee, a work search is waived due
15 to lack of work in the area.

16 (d) An insured worker is disqualified for waiting-week credit or
17 benefits for a week of unemployment while he attends an established
18 school in a course of study providing academic instruction of nine or
19 more hours per week, or the equivalent. A disqualification under this
20 subsection begins with the first week of academic instruction and ends
21 with the week immediately before the first full week in which the indi-
22 vidual is no longer attending classes if the period of nonattendance is
23 anticipated to last at least 60 days. In this subsection, the term
24 "school" includes primary schools, secondary schools, and institutions
25 of higher education.

26 Sec. 23.20.379. VOLUNTARY QUIT, DISCHARGE FOR MISCONDUCT, AND
27 REFUSAL OF WORK. (a) An insured worker is disqualified for waiting-
28 week credit or benefits for the week in which he first files or re-opens
29 his claim for benefits and for the next five weeks of continuous unem-

1 ployment immediately following that week if he

2 (1) left his last suitable work voluntarily without good
3 cause; or

4 (2) was discharged for misconduct connected with his work.

5 (b) An insured worker is disqualified for waiting-week credit or
6 benefits for a week and the next five weeks of continuous unemployment
7 immediately following that week if, for that week, he fails without good
8 cause

9 (1) to apply for available suitable work to which he was
10 referred by the employment center; or

11 (2) to accept suitable work when offered to him.

12 (c) The maximum potential duration of benefits for unemployment to
13 which an insured worker would otherwise have been entitled is reduced by
14 the number of weeks the insured worker is disqualified for waiting-week
15 credit or benefits under (a) or (b) of this section.

16 (d) The disqualification and reduction of benefits required in
17 this section continue until the individual returns to employment and
18 earns at least six times his weekly benefit amount.

19 * Sec. 35. AS 23.20.381 is amended by adding a new subsection to read:

20 (e) An insured worker is disqualified for waiting-week credit or
21 benefits for a week of unemployment if the department finds that for the
22 week or any part of it he has received or is seeking unemployment bene-
23 fits under another employment security law other than in accordance with
24 the reciprocal arrangements between the department and other states or
25 the federal government. If an appropriate agency makes a final deter-
26 mination that the worker is not entitled to benefits under the other
27 law, this subsection does not apply.

28 * Sec. 36. AS 23.20 is amended by adding new sections to read:

29 Sec. 23.20.383. LABOR DISPUTE DISQUALIFICATION. (a) An insured

1 worker is disqualified for waiting-week credit or benefits for a week of
2 his unemployment if, for that week, the department finds his unemploy-
3 ment is due to a labor dispute at the immediate establishment or other
4 premises at which he is or was last employed. For the purposes of this
5 section, each separate department of the same premises which is commonly
6 conducted as a separate business in separate premises is considered a
7 separate establishment or other premises.

8 (b) This section does not apply if the department finds that (1)
9 an insured worker was not participating in or directly interested in the
10 labor dispute which caused his unemployment, and (2) he did not belong
11 to a grade or class of workers which, immediately before the commence-
12 ment of the dispute, had members employed at the premises at which the
13 labor dispute occurred who were participating in or directly interested
14 in the labor dispute.

15 Sec. 23.20.387. DISQUALIFICATION FOR MISREPRESENTATION. (a) An
16 individual is disqualified for benefits for a period not to exceed 52
17 weeks if the department determines that the individual has knowingly
18 made a false statement or misrepresentation as to a material fact or
19 knowingly failed to report a material fact with intent to obtain or
20 increase any benefits under this chapter. The length of this period of
21 disqualification and the time when this period begins shall be deter-
22 mined by the department according to the circumstances in each case.
23 However, in no case may it be less than six weeks.

24 (b) A person may not be disqualified from receiving benefits under
25 this provision unless there is documented evidence that he has made a
26 false statement or a misrepresentation as to a material fact or has
27 failed to disclose a material fact. There must be evidence of an inten-
28 tion to defraud, and the act must be knowing and must involve material
29 facts before a determination of fraudulent misrepresentation or nondis-

1 closure may be made.

2 (c) The insured worker shall be notified of the department's
3 determination under this section as provided in AS 23.20.340(f) and may
4 appeal the determination as provided in AS 23.20.415.

5 * Sec. 37. AS 23.20.390(b) is amended to read:

6 (b) The [AS SOON AS THE] department [HAS KNOWLEDGE OF PAYMENTS OF
7 BENEFITS TO AN INDIVIDUAL UNDER THE CIRCUMSTANCES MENTIONED IN THIS
8 SECTION, IT] shall promptly prepare and deliver or mail to the indivi-
9 dual at his last [KNOWN] address of record a notice of determination of
10 liability declaring that the individual has been determined liable to
11 refund the amount of benefits to which he is not entitled [PAID UNDER
12 THE CIRCUMSTANCES MENTIONED IN THIS SECTION]. The amount, if not pre-
13 viously collected, shall be deducted from future benefits payable to the
14 individual. However, if the department determines that an individual
15 has died, or has acted in good faith in claiming and receiving benefits
16 to which he was not entitled, or [AND] that great hardship would result
17 from charging the individual with repayment of the benefits, the depart-
18 ment may absolve the individual from liability to the fund for repayment
19 of all or a portion of those [THE] benefits.

20 * Sec. 38. AS 23.20.407 is amended to read:

21 Sec. 23.20.407. WEEKLY EXTENDED BENEFIT AMOUNT; TOTAL PAYABLE.

22 (a) The weekly extended benefit amount payable to an individual for a
23 week of total unemployment in his eligibility period is an amount equal
24 to the weekly [BASIC OR AUGMENTED] benefit amount [AMOUNTS] payable to
25 him during his applicable benefit year.

26 (b) The total extended benefit amount payable to any eligible
27 individual with respect to his applicable benefit year is the least of
28 the following amounts:

29 (1) 50 per cent of the total amount of regular benefits,

1 including dependents' allowances, which were payable to him under this
2 chapter in his applicable benefit year;

3 (2) 13 times his [AVERAGE] weekly benefit amount, including
4 dependents' allowances which was payable to him under this chapter for a
5 week of total unemployment in the applicable benefit year; or

6 (3) 39 times his [AVERAGE] weekly benefit amount, including
7 dependents' allowances which was payable to him under this chapter for a
8 week of total unemployment in the applicable benefit year, reduced by
9 the total amount of regular benefits which were paid or considered paid
10 to him under this chapter with respect to the benefit year.

11 * Sec. 39. AS 23.20.408(g) is repealed and re-enacted to read:

12 (g) There is a state "off" indicator for a week if, for that week
13 and the immediately preceding 12 weeks, the rate of insured unemployment
14 was either (1) less than four per cent; or (2) less than five per cent
15 and was less than 120 per cent of the average of the rates of insured
16 unemployment for the corresponding 13-week period in each of the preced-
17 ing two calendar years.

18 * Sec. 40. AS 23.20.415(a) is amended to read:

19 (a) A party entitled to notice of determination provided in
20 AS 23.20.340 may file an appeal from the determination to an appeal
21 tribunal within the time specified in that section. However, an appeal
22 from a determination which involves AS 23.20.383 [AS 23.20.380(9)] shall
23 be made to the department. The parties to an appeal from a determina-
24 tion shall include all those entitled to notice of the determination and
25 a properly designated representative of the department.

26 * Sec. 41. AS 23.20.430 is amended to read:

27 Sec. 23.20.430. NOTICE OF DECISION AND TIME FOR APPEAL. After a
28 hearing an appeal tribunal shall promptly make findings and conclusions
29 and on the basis of them shall affirm, modify, or reverse the determina-

1 tion. Each party shall be promptly given a copy of the decision, the
2 supporting findings and the conclusions. This decision is final unless
3 further review is initiated under AS 23.20.435 within 15 [10] days after
4 the decision is mailed to each party at his last [KNOWN] address of
5 record or delivered to him. The period within which further review may
6 be initiated may be extended for a reasonable period of time upon a
7 showing that the application was delayed as a result of circumstances
8 beyond the party's control [GOOD CAUSE].

9 * Sec. 42. AS 23.20.435(a) is amended to read:

10 (a) An appeal to the department by a party is a matter of right if
11 the decision of the appeal tribunal reverses or modifies the determina-
12 tion of the department, or if a question arising under AS 23.20.383
13 [AS 23.20.380(9)] is presented. In all other cases further appeal to
14 the department is permitted only at the discretion of the department.

15 * Sec. 43. AS 23.20.445 is amended to read:

16 Sec. 23.20.445. NOTICE OF DECISION OF DEPARTMENT AND JUDICIAL
17 REVIEW. Each party, including the properly designated representative of
18 the department, shall be promptly given a copy of the decision and the
19 supporting findings and conclusions of the department. The decision is
20 final unless a party initiates judicial review by filing an appeal
21 [ACTION] in the superior court as provided in the Rules of Appellate
22 Procedure of the State of Alaska [FOR REVIEW WITHIN 30 DAYS AFTER THE
23 DEPARTMENT'S DECISION HAS BEEN MAILED TO EACH PARTY AT HIS LAST KNOWN
24 ADDRESS, OR DELIVERED TO HIM]. For the purpose of judicial review, an
25 appeal tribunal's decision from which an application for appeal has been
26 denied by the department is considered the decision of the department,
27 except that the time for initiating judicial review runs from the date
28 of the mailing or delivery of the notice of the denial of the applica-
29 tion for appeal by the department.

1 * Sec. 44. AS 23.20.485 is amended to read:

2 Sec. 23.20.485. FALSE STATEMENT TO SECURE BENEFITS. A person who
3 makes a false statement or misrepresentation knowing it is false or who
4 knowingly fails to disclose a material fact, with intent to obtain or
5 increase a benefit or other payment under this chapter or under an
6 employment security law of another state, of the federal government, or
7 of a foreign government, either for himself or for another person, upon
8 conviction, is punishable by a fine of [OR] not more than \$500 [\$200],
9 or by imprisonment for not more than six months [60 DAYS], or by both.
10 Each false statement or misrepresentation or failure to disclose a
11 material fact is a separate offense.

12 * Sec. 45. AS 23.20.490 is amended to read:

13 Sec. 23.20.490. ACTS OF EMPLOYER PROHIBITED. (a) An employing
14 unit or an officer or agent of an employing unit may not (1) make a
15 false statement or representation knowing it is false, (2) knowingly
16 fail to disclose a material fact to prevent or reduce the payment of
17 benefits to an individual entitled to them, or to avoid or reduce a
18 contribution or other payment required from an employing unit under this
19 chapter, or (3) knowingly [WILFULLY] fail or refuse to make a contribu-
20 tion or other payment, or to furnish a report required by this chapter
21 or by authority granted under this chapter, or to produce or permit the
22 inspection or copying of records as required by this chapter.

23 (b) An employing unit or officer or agent of an employing unit,
24 upon conviction of violating (a) of this section, is punishable by a
25 fine of not more than \$1,000 [\$200], or by imprisonment for not more
26 than one year [60 DAYS], or by both.

27 * Sec. 46. AS 23.20.505 is amended to read:

28 Sec. 23.20.505. UNEMPLOYED INDIVIDUAL. An individual is con-
29 sidered "unemployed" in a week during which he performs no services and

1 for [WITH RESPECT TO] which no remuneration is payable to him, or in a
2 week of less than full-time work if the remuneration payable to him for
3 the week is less than his [BASIC] weekly benefit amount or \$50 [PLUS \$10
4 OR ONE AND ONE-HALF TIMES HIS BASIC WEEKLY BENEFIT AMOUNT,] whichever
5 amount is less [GREATER].

6 * Sec. 47. AS 23.20.520(21) is amended to read:

7 (21) "waiting week" means the first week of unemployment
8 for which an individual files a claim during his benefit year and for
9 which no disqualification is imposed under AS 23.20.375, 23.20.380 and
10 AS 23.20.381 [OCCURRING IN A BENEFIT YEAR];

11 * Sec. 48. AS 23.20.525(a)(5) is amended to read:

12 (5) service performed before January 1, 1978 in the employ of
13 a political subdivision of this state or a wholly owned instrumentality
14 of a political subdivision of this state, if coverage was elected under
15 AS 23.20.325 [OR AS 23.20.326] or if coverage was elected under AS 23.-
16 20.326 as it read before January 1, 1978;

17 * Sec. 49. AS 23.20.525(a)(16)(C)(ii) is amended to read:

18 (ii) if that individual is not an employee of that
19 other person within the meaning of (10) [(A)] of this sub-
20 section [PARAGRAPH];

21 * Sec. 50. AS 23.20.520(26) is amended to read:

22 (26) "vocational training" means vocational or technical
23 training in schools or classes, including but not limited to, field or
24 laboratory work and remedial or related academic instruction, which is
25 conducted as a program designed to prepare individuals for gainful
26 employment in trades, skills or crafts; the term "vocational training"
27 does not include programs of instruction for an individual, including
28 transfer of credit programs of instruction given at community colleges,
29 which are intended as credit for a degree from institutions of higher

1 education; [ACADEMIC EDUCATION WHOSE PURPOSE IS TO PREPARE INDIVIDUALS
2 FOR EMPLOYMENT IN OCCUPATIONS GENERALLY CLASSIFIED AS PROFESSIONAL OR
3 WHICH REQUIRE A BACCALAUREATE OR HIGHER DEGREE FROM INSTITUTIONS OF
4 HIGHER LEARNING.]

5 * Sec. 51. AS 23.20.520 is amended by adding a new paragraph to read:

6 (27) "average annual wage" means the amount determined by
7 dividing the total wages paid by covered employers during a 12-month
8 period by the average monthly employment reported by covered employers
9 for the same period.

10 * Sec. 52. Chapter 122, sec. 27(a), SLA 1977 is amended to read:

11 (a) Notwithstanding the provisions of AS 23.20.350, benefits may
12 be paid to an individual after December 31, 1977 on wages earned by that
13 individual in a category of employment which was not covered under
14 AS 23.20 at any time during calendar year 1975 and which was service
15 which is covered under AS 23.20, effective January 1, 1978, as the
16 result of enactment of sec. 18 [19] of this Act.

17 * Sec. 53. AS 23.20.340(g), 23.20.380, and 23.20.526(a)(19) are repealed.

18 * Sec. 54. Sections 29 and 38 of this Act apply only to individuals who
19 establish a benefit year after December 31, 1979.

20 * Sec. 55. Sections 2 and 4 - 6 of this Act take effect immediately in
21 accordance with AS 01.10.070(c).

22 * Sec. 56. Sections 3, 16, 48, 49 and 52 of this Act take effect
23 immediately in accordance with AS 01.10.070(c) and are retroactive to
24 January 1, 1978.

25 * Sec. 57. Section 33 of this Act takes effect immediately in accordance
26 with AS 01.10.070(c) and is retroactive to January 1, 1979.

27 * Sec. 58. Section 39 of this Act takes effect immediately in accordance
28 with AS 01.10.070(c) and is retroactive to March 3, 1977.

29 * Sec. 59. Sections 1, 12, 15, 17 - 28, 31, 32, 34 - 37, 40 - 45, 47, 50

1 and 53 of this Act take effect July 1, 1979.

2 * Sec. 60. Sections 7 - 11, 13, 14, 29, 30, 38, 46 and 51 of this Act
3 take effect January 1, 1980.

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