

Introduced: 2/13/79  
Referred: Labor and Management and Finance

BY SUMNER, FAHRENKAMP, FERGUSON,  
KELLY AND STIMSON

1 IN THE SENATE

2

SENATE BILL NO. 193

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 unemployed persons; and providing  
7 for an effective date."

7

8

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

9

10

11

12

13

14

15

16

17

18

\* Section 1. LEGISLATIVE FINDING. The legislature finds that (1) unemployment in Alaska has been consistently higher than the national average and that creation of new jobs for long-term unemployed individuals is in the best interest of the state; (2) the creation of new jobs in the private sector should be encouraged through incentives; and (3) by exempting long-term unemployed individuals from certain payroll taxes, those individuals could be hired by private industry at a lower cost, thus encouraging business to create jobs for and to hire the unemployed.

19

20

21

22

23

24

25

26

27

28

29

Sec. 23.05.135. CERTIFICATION OF THE LONG-TERM UNEMPLOYED. (a)  
The department shall

(1) establish procedures by which individuals who have been continuously unemployed for a period of one year or more may be certified as long-term unemployed for purposes of payroll tax exemptions; and

(2) define, by regulation, requirements for certification under (1) of this subsection.

(b) A certification granted by the department is valid for a period of one year beginning on the first day of the first employment of an individual certified under this section. An individual may not be certified as long-term unemployed more than once.

1 (c) In order for an employee to be eligible for the benefits of  
2 payroll tax exemptions which are authorized for an individual certified  
3 as long-term unemployed under this section, the employer shall notify  
4 the department within 30 days of the employment of the individual  
5 certified under this section.

6 \* Sec. 3. AS 23.20.526(a) is amended by adding a new paragraph to read:

7 (21) service performed by an individual certified as long-term  
8 unemployed under AS 23.05.135 for the period that the certification is  
9 valid.

10 \* Sec. 4. AS 43.20 is amended by adding a new section to read:

11 Sec. 43.20.032. EXEMPTION FOR LONG-TERM UNEMPLOYED. An individual  
12 certified as long-term unemployed under AS 23.05.135 is exempt from the  
13 provisions of this chapter for the period in which the certification is  
14 valid.

15 \* Sec. 5. AS 43.45.020 is amended to read:

16 Sec. 43.45.020. PERSONS EXEMPT FROM TAX. Persons in the active  
17 military or naval service of the United States, paupers, insane persons,  
18 persons cared for by the state, persons certified as long-term unem-  
19 ployed under AS 23.05.135 for the period that the certification is  
20 valid, and persons permanently injured, infirm, maimed or crippled so as  
21 to be disabled from earning a livelihood are exempt from the payment of  
22 the school tax.

23 \* Sec. 6. AS 44.31.020 is amended by adding new paragraphs to read:

24 (5) establish and maintain procedures relating to certifica-  
25 tion of the long-term unemployed under AS 23.05.135;

26 (6) negotiate with appropriate federal government agencies  
27 for the development of federal payroll tax exemptions for individuals  
28 certified as long-term unemployed under AS 23.05.135.

29 \* Sec. 7. This Act takes effect July 1, 1979.