

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 268 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the use of employee contributions  
7 for unemployment insurance; and clarifying provisions  
8 related to repayment of advances to the unemployment  
9 trust fund."

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

11 \* Section 1. AS 23.20.135(b) is amended to read:

12 (b) The department, or a designee of the department, shall  
13 immediately deposit, upon receipt, all money payable to the fund in  
14 the clearing account. Refunds of contributions erroneously collected  
15 and payable under AS 23.20.225 and 23.20.526(a)(11) may be paid from  
16 the clearing account in the same manner, or from the training and  
17 building fund. Interest and penalty payments may not be refunded from  
18 the unemployment compensation fund. After clearance, all money in the  
19 clearing account, except for that portion of employee contributions  
20 under AS 23.20.290(d) used to pay interest on advances received under  
21 AS 23.20.140, shall be immediately deposited with the United States  
22 Secretary of the Treasury to the credit of the account of this state  
23 in the unemployment trust fund established and maintained under 42  
24 U.S.C. 1104 (sec. 904, Social Security Act), as amended.

25 \* Sec. 2. AS 23.20.140 is amended to read:

26 Sec. 23.20.140. ADVANCES. When, in accordance with 42 U.S.C.  
27 1321 - 1324 (Title XII, Social Security Act), as amended, the balance  
28 in the unemployment trust fund reaches a point where the governor must  
29 apply for an advance in order to obtain for the state and its citizens

1 the advantages available under 42 U.S.C. 1321 - 1324, the department  
2 shall notify the governor and take other action which is appropriate  
3 to obtain an advance to the unemployment trust fund and arrange for  
4 its repayment in accordance with 42 U.S.C. 1321 - 1324.