

"An Act extending employment security coverage to employees of the state; and providing for an effective date."

COMMITTEE REPORT

3/11/75

HOUSE

Mr. Speaker:

Date _____

The Committee on FINANCE has had HB 186

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Chairman

"An Act extending employment security coverage to employees of the state; and providing for an effective date."

COMMITTEE REPORT

2/20/75

HOUSE

FINANCE

Mr. Speaker:

Date March 11, 1975

The Committee on Labor & Management has had HB 186

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

<u>Joe McKinnon</u>	<u>do pass</u>	_____
<u>William L. Reeman</u>		_____
<u>Jimmy Hanington</u>		_____
<u>Ramon Kelley</u>		_____

Members NOT concurring in the Majority report:

<u>Red Hill</u>	recommends: <u>no rec.</u>
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

Joe McKinnon Chairman

A M E N D M E N T

OFFERED IN THE HOUSE:

By: McKinnon

To: _____ HOUSE BILL No. 186

SENATE BILL No. _____

PAGE: 4

LINE: 5

Delete Line 5 - Page 4

*Add: "Sec. 9. This Act takes effect July 1, 1975,
and applies to wages earned on or
after that date."*

401

Introduced: 2/20/75
Referred: Labor & Management
and Finance

1 IN THE HOUSE

BY MCKINNON

2 HOUSE BILL NO. 186

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act extending employment security coverage to
7 employees of the state; and providing for an effective
8 date."

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

10 * Section 1. AS 23.20.276(a) is amended to read:

11 (a) Benefits paid to employees of nonprofit organizations shall be
12 financed in accordance with the provisions of this section and sec. 277
13 of this chapter. For the purposes of this section and sec. 277 of this
14 chapter, a nonprofit organization is the State of Alaska, or an organi-
15 zation, or group of organizations, described in sec. 501(c)(3) of the
16 U. S. Internal Revenue Code and exempt from income tax under sec. 501(a)
17 of that code.

18 * Sec. 2. AS 23.20.278 is amended to read:

19 Sec. 23.20.278. FINANCING BENEFITS PAID TO EMPLOYEES OF THE STATE
20 [HOSPITALS AND INSTITUTIONS OF HIGHER EDUCATION]. The state or an
21 instrumentality of the state subject to this chapter, under sec. 525(a)(4)
22 of this chapter, shall pay contributions under the provisions of sec. 165
23 of this chapter, unless it elects to reimburse the department for the
24 unemployment compensation fund according to the provisions applicable to
25 nonprofit organizations under sec. 277 of this chapter.

26 * Sec. 3. AS 23.20.325(a) is amended to read:

27 (a) A service performed for an employing unit, including [STATE
28 DEPARTMENTS AND AGENCIES,] municipalities [,] or other political sub-
29 divisions of the state, which is excluded under the definition of

COMMITTEE COPY

1 employment, and with respect to which no payments are required under the
2 employment security law of another state or of the federal government,
3 is considered employment for all purposes of this chapter if the depart-
4 ment approves a written election to that effect filed by the employing
5 unit for which the service is performed, as of the date stated in the
6 approval. The department may not approve an election unless it (1) in-
7 cludes all the service of the type specified in each establishment or
8 place of business for which the election is made, and (2) is made for not
9 less than two calendar years.

10 * Sec. 4. AS 23.20.520(12) is amended to read:

11 (12) "employing unit" means the State of Alaska, or an
12 individual or type of organization, partnership, association, trust,
13 estate, joint trust company, insurance company or domestic or foreign
14 corporation, or the receiver, referee in bankruptcy, trustee, or succes-
15 sor of one of these, or the legal representative of a deceased person,
16 which has or subsequent to January 1, 1937, had one or more individuals
17 performing service for it within the state; an [AND] individual per-
18 forming services inside the state for an employing unit which maintains
19 two or more separate establishments inside the state is considered as
20 employed by a single employing unit for the purposes of this chapter;
21 notwithstanding any provision in this chapter, any employing unit which
22 employs individuals whose services must be covered by the unemployment
23 insurance laws of this state after December 31, 1971 as a condition of
24 approval of the unemployment insurance laws of this state under sec.
25 3304(a) of the U. S. Internal Revenue Code of 1954, as amended, will be
26 considered an employer as to those individuals and shall be subject to
27 contributions on all wages paid after December 31, 1971, or reimbursement
28 payments to cover benefits paid based on services performed after
29 December 31, 1971, depending on the applicable law;

1 * Sec. 5. AS 23.20.525(a)(4) is amended to read:

2 (4) service performed after December 31, 1971 by an individual
3 in the employ of this state or any instrumentality of this state [, OR
4 IN THE EMPLOY OF THIS STATE AND ONE OR MORE STATES OR THEIR INSTRUMEN-
5 TALITIES, FOR A HOSPITAL OR INSTITUTION OF HIGHER EDUCATION IN THIS
6 STATE (EXCEPT SERVICE DESCRIBED IN SEC. 526(d) OF THIS CHAPTER) IF THE
7 SERVICE IS EXCLUDED FROM THE TERM "EMPLOYMENT" SOLELY BY REASON OF
8 SEC. 3306(c)(7) OF THE FEDERAL UNEMPLOYMENT TAX ACT];

9 * Sec. 6. AS 23.20.526(a)(16) is amended to read:

10 (16) [EXCEPT AS PROVIDED IN SEC. 525(a)(4) OF THIS CHAPTER,]
11 service performed in the employ of [THE STATE OR] a political subdivision
12 of the state unless coverage is elected under sec. 325 or sec. 326 of
13 this chapter;

14 * Sec. 7. AS 23.20.526(d)(4) is amended to read:

15 (4) for a [STATE] hospital in a state prison or other state
16 correctional institution by an inmate of the [A] prison or correctional
17 institution;

18 * Sec. 8. AS 23.20.526(d) is amended by adding new paragraphs to read:

19 (8) by persons elected to public office by popular vote or
20 appointed to fill vacancies in elected offices;

21 (9) by justices of the supreme court, judges of the superior
22 court, judges and magistrates of other state courts established by law;

23 (10) by the administrative director of the state court system;

24 (11) by the employees of the legislature;

25 (12) by the commissioner and deputy commissioner of each
26 principal department in the executive branch;

27 (13) by the chief administrative officer of each house of
28 the legislature;

29 (14) by persons employed in a professional capacity to make

1 a temporary and special inquiry, study, or examination as authorized by
2 the governor, the legislature, or a legislative committee: and

3 (15) by members and commissioners of state boards, commissions
4 or authorities.

5 * Sec. 9. This Act takes effect January 1, 1976.
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ALASKA STATE LEGISLATURE

NINTH Legislature FIRST Session

HOUSE ... DILL ... NO. ... 186

By MCKINNON

"An Act extending employment security coverage to employees of the state; and providing for an effective date."

Emp. sec. coverage-state emp.

Introduced in the House ... 2/20/75, 19.75

HISTORY IN THE HOUSE

19	75	Read first time and referred to Committee on Labor & Management and Finance
Feb	20	Reported back with recommendation that
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by Speaker
		Sent to Senate
CHIEF CLERK OF THE HOUSE		

HISTORY IN THE SENATE

19		Read first time and referred to Committee on
		Reported back with recommendation that
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by President
		Returned to House
SECRETARY OF THE SENATE		

HISTORY IN THE HOUSE

19		Received from Senate
		Reported correctly enrolled
		Sent to Governor
	 By Governor
		Filed with Lt. Governor
		Chapter No.

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 186
 Title: Extending Unemployment Insurance Coverage to Government Employees
 Requested by: McFinnon Date: 2/20/75
 Return Date Requested: _____
 Agency: Labor-Employment Security Division Program: Unemployment Insurance

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Employment Security

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	0	\$14,500	\$100,050	\$121,000	\$134,300	\$151,100
200 TRAVEL	0	250	500	550	605	665
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	105	116	128	141	155
500 EQUIPMENT	0	745	1639	0	0	0
600 LAND & STRUCTURES	0	2000	2200	2420	2662	2928
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
INDIRECT COSTS	0	4170	28,777	34,803	38,628	43,460
TOTAL	0	\$21,770	\$133,282	\$158,901	\$176,336	\$198,308

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS	0	17.6	102.9	124.1	137.8	154.9
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	0 / 0	0 / .7	1 / 4	1 / 4.3	1 / 4.6	1 / 5
MAN MONTHS (P./T.)	0 / 0	7 / 9	12 / 48	12 / 52	12 / 55	12 / 60

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Projected workloads relating to future state employee claimants is based upon experience of other unemployment insurance programs. January 1, 1976 will be the actual date of first eligibility. Salary projections include supporting positions for program positions and include a 5% inflation factor. A desk, chair, calculator and filing cabinet would be purchased in FY 1976 and two more sets would be purchased in FY 1977. An inflation factor of 10% is included in the travel, commodities and land and structures projected costs. The 34.5% indirect cost is a percentage of direct personal services dollars excluding personal benefits and includes support in such areas as Agency personnel, supply, office services, ADP and Research and Analysis.

IV. ATTACHMENTS

V. DATE: March 11 1975 PREPARED BY: Lois Hagan

Original: Legislative Finance CONTACT: FINLEY!
 cc: Budget and Management TEL. 2760
 Prime Sponsor (First Legislator Named)

Introduced: 2/20/75
Referred: Labor & Management
and Finance

1 IN THE HOUSE

BY MCKINNON

2 HOUSE BILL NO. 186

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

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4 ment approves a written election to that effect filed by the employing
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6 approval. The department may not approve an election unless it (1) in-
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9 less than two calendar years.

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13 estate, joint trust company, insurance company or domestic or foreign
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15 sor of one of these, or the legal representative of a deceased person,
16 which has or subsequent to January 1, 1937, had one or more individuals
17 performing service for it within the state; an [AND] individual per-
18 forming services inside the state for an employing unit which maintains
19 two or more separate establishments inside the state is considered as
20 employed by a single employing unit for the purposes of this chapter;
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22 employs individuals whose services must be covered by the unemployment
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22 court, judges and magistrates of other state courts established by law;

23 (10) by the administrative director of the state court system;

24 (11) by the employees of the legislature;

25 (12) by the commissioner and deputy commissioner of each
26 principal department in the executive branch;

27 (13) by the chief administrative officer of each house of
28 the legislature;

29 (14) by persons employed in a professional capacity to make

1 a temporary and special inquiry, study, or examination as authorized by
2 the governor, the legislature, or a legislative committee; and

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The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 186
 Title: Extending Unemployment Insurance Coverage to Government Employees
 Requested by: McKinnon Date: 2/20/75
 Return Date Requested: _____
 Agency: Labor-Employment Security Division Program: Unemployment Insurance

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Employment Security

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	0	\$14,500	\$100,050	\$121,000	\$134,300	\$151,100
200 TRAVEL	0	250	500	550	605	665
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400 COMMODITIES	0	105	116	128	141	155
500 EQUIPMENT	0	745	1639	0	0	0
600 LAND & STRUCTURES	0	2000	2200	2420	2662	2928
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
INDIRECT COSTS	0	4170	28,777	34,803	38,628	43,460
TOTAL	0	\$21,770	\$133,282	\$158,901	\$176,336	\$198,308

B. FUNDING: (Thousands of dollars)

FUND	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
GENERAL FUND						
FEDERAL FUNDS	0	17.6	102.9	124.1	137.8	154.9
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
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	0 / 0	9	12 / 48	12 / 52	12 / 55	12 / 60

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Projected workloads relating to future state employee claimants is based upon experience of other unemployment insurance programs. January 1, 1976 will be the actual date of first eligibility. Salary projections include supporting positions for program positions and include a 5% inflation factor. A desk, chair, calculator and filing cabinet would be purchased in FY 1976 and two more sets would be purchased in FY 1977. An inflation factor of 10% is included in the travel, commodities and land and structures projected costs. The 34.5% indirect cost is a percentage of direct personal service dollars excluding personal benefits and includes support in such areas as Agency personnel, supply, office services, ADP and Research and Analysis.

IV. ATTACHMENTS

V. DATE: March 11, 1975 PREPARED BY: Tom Haas

Original: Legislative Finance CONTACT: FINLEY!
 cc: Budget and Management TEL. 2760
 Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 186

Title: Extending Unemployment Insurance Coverage to Government Employees

Requested by: McKinnon

Date: 2/20/75

Return Date Requested: _____

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IV. ATTACHMENTS

V. DATE: March 14, 1975

PREPARED BY: Tom Haw

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

CONTACT: FINLEY!
TEL. 2760