

HA B

257

COMMITTEE REPORT

HOUSE

4/16
Miles

(11)

FURTHER:

4/5/82

Date: 4/16/82

Mr. Speaker:

The Committee on FINANCE has had HB 757

"An Act relating to unemployment insurance; and providing for an effective date."

under consideration and reports it back as follows:

do pass do not pass

do pass with attached amendments(s)

replace with CS for HB 757 (L+C) same title
 new title

and recommends without recommendation

AND attaches a "Letter of Intent" New Fiscal Note

reports it back individually without recommendation

referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Robert H. Miles
BB
Carly
Montgomery

MEMBERS HAVING
OTHER RECOMMENDATIONS:

San G. ...
Mr. ...
NO Rec
rec

Robert H. Miles
CHAIRMAN

COMMITTEE REPORT

4/5

HOUSE

(5)

FURTHER: FINANCE

2/11/82

Date: 4-5-82

Mr. Speaker:

The Committee on LABOR & COMMERCE has had HB 757

"An Act relating to unemployment insurance; and providing for an effective date."

under consideration and ~~(a majority of the committee)~~ reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 757 (L&C) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note Suppl 36
- reports it back with ^{individual} ~~the~~ recommendations
- referred to the _____ Committee

MEMBERS SIGNING DO PASS

[Signature]

Terry Martin

MEMBERS HAVING OTHER RECOMMENDATIONS:

[Signature] NO Rec.

[Signature] Do Pass if amended.

Terry Martin
CHAIRMAN

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P. O. BOX 1149
JUNEAU, ALASKA 99811

Phone: (907)465-2700

April 22, 1982

The Honorable Jack Fuller
Chairman, Rules Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

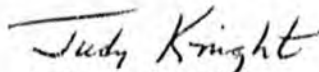
Dear Representative Fuller:

Recently, Committee Substitute for House Bill No. 757 (L&C) was received by the House Rules Committee. Numerous sections included in this bill are conformity requirements. That is, Alaska's Employment Security Act (Title 23, Chapter 20) must be amended to include federal law requirements passed by the U.S. Congress since Alaska's Legislature adjourned last year.

Failure to enact these provisions could result in the Secretary of Labor finding Alaska's law out of conformity. The effect of this finding would mean the loss of approximately \$20 million in federal administrative funds and reimbursements for extended benefit payments. Of greater significance is the 2.7% increase employers would pay in FUTA taxes (approximately \$27 million).

Your prompt consideration of House Bill 757 would be appreciated. A section-by-section analysis is enclosed, and I would be happy to discuss the bill with you.

Sincerely,



Judy G. Knight
Special Assistant

Enclosure

MEMORANDUM

State of Alaska

RECEIVED

TO: Keith Specking
Legislative Assistant
Office of the Governor

DATE: April 21, 1982

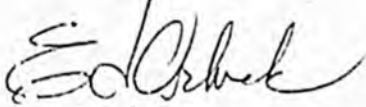
APR 22 1982

FILE NO: 10b-3

HAND DELIVERED
GOVERNOR'S OFFICE

TELEPHONE NO: 465-2700

SUBJECT: house Bill 757

FROM: 
Edmund N. Orbeck
Commissioner
Department of Labor

Per our conversation today, I would like to reiterate the importance of House Bill 757, "An Act relating to unemployment insurance." Several provisions in that bill are conformity requirements passed by Congress last year. Alaska's Employment Security Act must be in conformance by September 26, 1982.

If the Secretary of Labor finds Alaska not in conformity, the State would lose its administrative funds and reimbursement for extended benefits (approximately \$20 million). Of greater significance, employers in the State would pay an additional 2. % in FUTA taxes (an increase of approximately \$27 million).

Thank you for your assistance.

ENO:kmb
k:63

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH H 01
JUNEAU, ALASKA 99811
PHONE:

Document# 153-82

The Honorable John G. Fuller
Representative
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Fuller:

This is to request your prompt consideration of the Committee Substitute for HB 757 which was recently received by House Rules Committee.

This bill contains a section which, through a carefully controlled information exchange, will result in reductions in Food Stamp program abuse and error rates.

Alaska's error rate is so great now, that a federal sanction of \$3 million is pending and will be levied against Alaska if error rates are not reduced in the next few months.

Passage of HB 757 will give this agency a long - awaited tool for tighter administration of the Food Stamp program, by providing access to applicant's income history, which directly impacts eligibility for benefits.

Thank you for your attention to this matter.

Sincerely,



Helen D. Beirne
Commissioner

Bill No. Committee Substitute for House Bill
No. 757 (L & C)
Title "An Act relating to Unemployment Insurance;
and providing for an effective date."

Date April 16, 1982

Contact: Judy Knight
465-2700

A. G. Zillig
465-2712

Sections 1, 2, 13, and 17 through 24, are required to bring Alaska's unemployment insurance law into conformity with federal law. Passage of these provisions will assure that Alaska's employers continue to receive the 2.7% FUTA tax credit, which represents a tax savings to employers of \$162.00 per employee. Lack of conformity may also result in the loss of approximately \$17 million in funds provided for administering employment security.

Section 8 provides that individuals who have been disqualified under AS 23.20.406(L) for extended benefits, which are 50% federal reimbursed, are eligible to be paid wholly from UI Trust Funds. This would increase expenditures from the UI Trust fund, and an increase in employer taxes would be required to offset the cost. The Department of Labor is opposed to this section of the bill because it discriminates against claimants who have been disqualified for reasons other than as provided in AS 23.20.406(L).

Section 7 provides for a slight increase in the amount of benefits raising the maximum from \$150.00 to \$156.00. Inflation since 1980 when benefits were last revised would justify a larger increase. Other sections of the bill provide clarification to existing statutes, recodify sections and make technical changes to sections included in the rewrite of AS 23.20 in Chapter 9, SLA 1980.

SB 552 TITLE & SPONSOR SUMMARY
 AMENDED TITLE: CSSB 552(FIN)
 AN ACT EXEMPTING CERTAIN CHILD CARE WORKERS FROM THE ALASKA
 WAGE AND HOUR ACT

PRIME SPONSOR: MULCAHY.

GENERAL DOLLARS: \$0 (F. NOTE)

OTHER DOLLARS: \$0

CO-SPONSORS:

CURRENT STATUS: 4/18/82 IN (H) RULES

DATE SEQ PAGE

LEGISLATIVE ACTION

05/06/81	01	0978	FIRST READING -- COMMITTEE REPORTS
05/28/81	02	1237	L&C -- CS03
03/18/82	03	0603	FIN -- CS04
03/18/82	04	0603	F/NOTE EQUALS ZERO
03/22/82	05	0638	RLS -- OTHER03
			TAKEN UP IMMEDIATELY
03/22/82	06	0641	SECOND READING
03/22/82	07	0641	FIN CS ADOPTED BY UNAN CONSENT
03/22/82	08	0641	ADVANCED TO 3RD READING BY UNAN CONSENT
03/22/82	09	0641	THIRD READING
03/22/82	10	0642	PASSED BY DIV 16-00-04

**** ** ** *** ** *

DATE SEQ PAGE

LEGISLATIVE ACTION

03/22/82	11	0885	FIRST READING -- COMMITTEE REPORTS
04/07/82	12	1173	L&C -- DF01, NR02
04/18/82	13	1363	FIN -- DP08
04/18/82	14	1363	FISCAL NOTE EQUALS ZERO
			RULES
			RULES

**** ** ** *** ** *

HB 757 TITLE & SPONSOR SUMMARY

AMENDED TITLE:

AN ACT RELATING TO UNEMPLOYMENT INSURANCE, AND PROVIDING
 FOR AN EFFECTIVE DATE

PRIME SPONSOR: HOUSE RULES COMMITTEE.

CO-SPONSORS:

CURRENT STATUS: 4/16/82 IN (H) RULES

DATE SEQ PAGE

LEGISLATIVE ACTION

02/11/82	01	0402	FIRST READING -- COMMITTEE REPORTS
02/11/82	02	0402	GOV TRANSMITTAL LETTER
02/11/82	03	0402	FISCAL NOTE HSE SUPPL #13
04/05/82	04	1072	L&C -- CS01, NR01, OTHER01
04/05/82	05	1072	FISCAL NOTE HSE SUPPL #36
04/16/82	06	339	FIN -- L&C CS04, NR04
			RULES
			RULES

**** ** ** *** ** *

BILL ANALYSIS

Section 1. Federal conformity requirement of P.L. 96-249. Must be effective in state laws by January 1, 1983. Amends AS 23.20.110 as follows:

1. Adds subsection (f) to require the sharing of unemployment insurance claims information with a state or federal agency which administers the Food Stamp program under the Food Stamp Act of 1977.
2. Adds subsection (g) to extend the requirements of AS 23.20.110 to any officer or employee of a state or federal agency which is provided information by the department.

Section 2. Federal conformity requirement (P.L. 96-249). Amends AS 23.20.115 to conform with AS 23.20.110(g) by adding state or federal employees to the list of those subject to prosecution for unauthorized disclosure of information.

Section 3. Housekeeping. Amends AS 23.20.165(e) as follows:

1. Excludes, from refunds of excess employee contributions, any interest paid by the employer on those contributions. Since only the employer pays interest on past due contributions (including the contributions he has deducted from his employee's wages), it is not equitable to make interest refundable to the employee.
2. Makes clear that employee deductions in excess of those required by AS 23.20.-005 through 23.20.535 will be refunded. AS 23.20.165(e) currently specifies that only deductions in excess of the wages subject to contributions will be refunded.

Section 4. Housekeeping. Corrects the table under AS 23.20.290(c) by deleting the figure "100" on the last line of the table. To constitute a full one-twentieth of the total ratable payroll, rate class 20 under column A must include the remaining 5% of ratable payroll over 95%.

Section 5. Housekeeping. Amends AS 23.20.340(d) to complete the list of statutes under which a claimant may be disqualified.

Section 6. Housekeeping. Amends AS 23.20.340(f) to complete the list of statutes under which a claimant may be disqualified and specifies that all interested parties are entitled to appeal nonmonetary determinations.

Section 7. The committee substitute provision would amend AS 23.20.350(d) to increase the weekly benefit schedule to a maximum of \$156. The proposed weekly benefit schedule would increase benefit outlay from the trust fund in calendar year 1983 by \$1.5 million or 1.9 percent.

Section 8. The committee substitute provision adds Sec. 353 to provide supplemental state benefits for claimants who are ineligible for extended benefits because their base period wages are less than 40 times their weekly benefit amount. The "40 X WBA" requirement for receipt of extended benefits is mandated by P.L. 87-35 and is included as an amendment to AS 23.20.406 in Section 18 of the bill. Payment of supplemental state benefits is expected to result in an increased benefit outlay from the trust fund in CY 1983 of approximately \$1.1 million or 1.4%.

The net effect of the benefit amount increase, the payment of supplemental state benefits and the savings caused by the extended benefit restrictions under Sections 18, 21, and 22 of the bill will be an increase of \$.7 million (.9%) in CY 1983 benefit payments from the fund. (The extended benefit restrictions would save about \$1.9 million in CY 1983.)

Section 9. Housekeeping. Redrafts AS 23.20.360 to make the provision clearer. The current provision reads that the allowance for dependents is excluded from the amount paid to the claimant, and that is clearly not intended, in view of the requirements of AS 23.20.350. The revised provision correctly excludes dependents allowance only from the amount of benefits subject to reduction.

Section 10. Housekeeping. Amends AS 23.20.375(a) to complete the list of "disqualification" statutes.

Section 11. Housekeeping. Clarifies AS 23.20.378(a) by combining paragraphs (1) through (4) under a single new paragraph and designating paragraph (5) as paragraph (2). The context of the current provision implies that paragraph (5) was intended to be a necessary condition of paragraphs (1) through (3), but that is not how the provision reads.

Section 12. Housekeeping. Recodifies the current AS 23.20.350(b) as AS 23.20.381(g). This requalifying requirement is mandated by Sec. 3304(a)(7) of the Internal Revenue Code, but it is not a monetary requirement and should not appear under AS 23.20.350. A benefit year is established for any claimant who meets the qualifying requirements of AS 23.20.350(a) (at least \$1000 in earnings in the base period, with at least \$100 outside the quarter of highest earnings), and an eligible monetary determination is issued, whether or not the claimant has actually worked since last establishing a benefit year. A claimant who has not had work and earnings since last establishing a benefit year is simply not payable on his current benefit year until the requalifying requirement is met.

Section 13. Federal conformity requirement. Required in all state laws by Section 236(a)(2) of the Trade Act, as amended by P.L. 97-35, and must be effective by October 31, 1982. Amends AS 23.20.382 by adding subsections (b) and (c) to prohibit disqualification of an individual attending training approved under the Trade Act of 1974. A housekeeping change was made to the current Sec. 382 and it was designated as subsection (a).

Section 14. Housekeeping. Clarifies AS 23.20.383(b) by restoring it to its original meaning prior to the 1980 amendments. Before the 1980 amendments an individual who was unemployed because of a labor dispute could escape disqualification if he was not involved in the dispute and was not a member of the grade or class of workers who were involved. However, if the labor dispute was caused by his employer's failure to comply with a working agreement or applicable law, the employee escaped disqualification regardless of his involvement. The 1980 amendments recodified the old AS 23.20.380(9) as AS 23.20.383 with minor changes. However, at that time the three "exception" provisions were made conjunctive, so that (as the provision currently reads) a claimant is disqualified unless (1) he is not involved in the dispute and (2) the dispute was caused by the employer's failure to comply with the law or a working agreement. These two circumstances would occur together so seldom that the "exception" provisions are virtually meaningless at-present.

Section 15. Housekeeping. Amends AS 23.20.390(e) to provide a 15-day period for appeal from notices of liability. This same 15-day period applies to all other determinations under the Act and we see no reason to restrict liability appeals to 10 days.

Section 16. Departmental recommendation. Adds Sec. 392 to provide authority to collect from an employer the amount he deducts from a backpay award to an employee. This provision would apply only when the deduction is made because the employee has already received unemployment insurance benefits during the period covered by the award and has been found ineligible for those benefits because of the back pay

award. We do not advise subsidizing the back pay award with benefits paid from the trust fund, especially since the employee is going to be held liable for repaying the benefits.

Section 17. Federal conformity requirement of P.L. 97-35. Must be included in state laws not later than October 31, 1982. Adds Sec. 401 to provide for interception of benefits due a claimant who owes child support obligations.

Section 18. Federal conformity requirement of P.L. 97-35 which must apply to weeks of unemployment which begin after September 25, 1982 and must be included in state laws by October 31, 1982. Adds subsection (j) to AS 23.20.406 to require wages of at least 40 times the weekly benefit amount during the base period of the benefit year in order to qualify for extended benefits. The federal amendment requires at least 20 weeks of full-time insured employment, or the equivalent of insured wages. The "equivalent in insured wages" specified by the federal law is earnings of 40 times weekly benefit amount or 1-1/2 times highest quarter earnings in the base period. The 40 x WBA option is recommended as the most liberal qualifying requirement.

Section 19. Federal conformity requirement (P.L. 97-35). Must be included in state laws by October 31, 1982. Adds subsection (c) to AS 23.20.407 to reduce weeks of extended benefits by any weeks of trade readjustment allowance received during the applicable benefit year.

Section 20. Federal conformity requirement (P.L. 97-35). Must be included in state laws by October 31, 1982. Amends AS 23.20.408(a) to remove the reference to national "on" and "off" indicators for the purpose of establishing an extended benefit period. The national trigger was repealed by P.L. 97-35, and extended benefits will be payable only when an extended benefit period is triggered on by a state indicator.

Sections 21-22. Federal conformity requirements (P.L. 97-35). Must apply to weeks beginning after September 25, 1982. Amend AS 23.20.408(f) and (g) by adding one percent to the insured unemployment rate necessary to trigger an extended benefit period on or off.

Section 23. Federal conformity requirement (P.L. 97-35). Must apply to weeks beginning after September 25, 1982. Amends AS 23.20.408(h) to exclude extended benefit payments from the calculation of the insured unemployment rate.

Section 24. Federal conformity requirement (P.L. 97-35). Must be included in state laws by October 31, 1982. Amends AS 23.20.409(1) to exclude the national EB-trigger from the definition of "extended benefit period".

Section 25. Departmental recommendation. Defines "applicable benefit year" in accordance with the definition contained in 20 CFR 615.(c)(2). The term is used in various places in the extended benefit provisions.

Section 26. Housekeeping. Amends AS 23.20.505(a) as follows:

1. Makes AS 23.20.505(a) consistent with AS 23.20.530 by substituting the term "wages" for "remuneration". "Wages" is already defined in Sec. 530 as remuneration for services. The use of the term "remuneration" in Sec. 505(a) is therefore redundant.
2. Corrects the "excess earnings" computation in AS 23.20.505(a) to specify that an individual's wages for a week must be less than 1 1/3 times the weekly benefit amount plus \$50, in order to qualify for benefits for that week. The current provision is inconsistent with AS 23.20.360.

Section 27. Housekeeping. Amends the definition of "training or retraining course" in AS 23.20.520(26) as follows:

1. Changes the term defined in the provision to read "vocational training or retraining course", for consistency with AS 23.20.382.

2. Deletes the term "entry level" from the definition. We do not recommend restricting approvable training to entry level training only. For example, some union-sponsored training is not "entry level" but is nevertheless required for continued employment in the occupation.

Section 28. Housekeeping. Amends the definition of "institution of higher education" in AS 23.20.520(24) to include institutions in other states. The definition of "training or retraining course" in AS 23.20.520(26) excludes instruction intended for a degree from an institution of higher education. It is therefore not recommended that the definition of "institution of higher education" be limited to Alaska schools.

Section 29. Housekeeping. Amends AS 23.20.526(a) to exclude service as a juror from the definition of "employment." It is assumed that this was the intent of the Legislature when it excluded compensation received for jury duty from the definition of "wages" under AS 23.20.530(b)(12). However, if "wages" means all remuneration from whatever source, excluding jury pay from "wages" means it is not deductible from benefits. We recommend excluding jury duty from the definition of "employment", but do not recommend excluding jury pay from "wages". AS 23.20.530(b)(12), which excludes jury pay from "wages", is repealed in Section 32 of the bill.

Section 30. Housekeeping. Clarifies the definition of "wages" in AS 23.20.530(a) as follows:

1. Makes clear that "wages" means remuneration from any source. It is recommended that the definition of "wages" refer to remuneration received from any employment, whether or not insured. The definition would then clearly apply both to determinations of insured status (initial determinations) under AS 23.20.350(a), and to the deduction of earnings from the weekly benefit amount, under AS 23.20.360, for a week in which a claimant is employed. Applying the definition of "wages" in this way would simplify the administration of these provisions and agrees with the way the definition is used in the federal draft provision upon which AS 23.20.530(a) is based.
2. Includes back pay as wages, regardless of whether the back pay was "awarded under a statute of this State or the United States." We do not recommend language which requires back pay awards to be compelled by force of law in order to be considered wages. This would exclude many back pay awards which are clearly intended as wages, for example where an employer freely negotiates a back pay award to an employee as the result of a wage dispute.
3. Requires allocation of back pay and irregular wage payments to the week in which the pay was earned, regardless of the purpose for the allocation. We recommend that these payments be allocated both for initial determinations under AS 23.20.350(a) and for deductions from benefits under AS 23.20.360.

Section 31. Housekeeping. Adds paragraph (13) to AS 23.20.530(b) to exclude, from the definition of "wages", any compensation received for inactive National Guard duty. This provision was simply transferred from AS 23.20.505(c).

Section 32. Repeals the following provisions:

1. AS 23.20.350(b). Housekeeping. This provision was recodified as AS 23.20.381(g) under Section 12 of the bill.
2. AS 23.20.408(d) through (e). Repeal of these provisions is a requirement for conformity with P.L. 97-35. The definition of national "on" and "off" indicators is unnecessary because the national indicators were repealed by P.L. 97-35.
3. AS 23.20.505(b). Housekeeping. This definition of "remuneration" is not necessary, since Section 26 of the bill substitutes the term "wages" for the term "remuneration" in AS 23.20.505(a), and "wages" is already defined in AS 23.20.530(a).

4. AS 23.20.505(c). Housekeeping. This provision was recodified as AS 23.20.530(b)(13) in Section 31 of the bill.
5. AS 23.20.530(b)(11). Housekeeping. Repeal of this provision would allow remuneration received from fishing to be treated as wages. Section 3121(b)(20) of the Internal Revenue Code excludes service by individuals engaged in certain fishing operations from the definition of "employment", and AS 23.20.526(20) already excludes this service from coverage, in conformity with the federal law. However, excluding fishing earnings from the term "wages" goes further than required by the federal provision and prohibits deduction of this remuneration from benefits during a week in which a claimant is fishing.
6. AS 23.20.530(b)(12). Housekeeping. Repeal of this provision would include jury pay as wages and permit deduction of jury pay from benefits otherwise due for a week. Jury duty would be excluded from insured coverage by excluding it from the definition of "employment" under AS 23.20.526(a)(21), as proposed in Section 29 of the bill.



14B757

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to unemployment insurance. This bill makes several significant changes to unemployment insurance law, as well as making numerous less significant changes which are considered necessary to effectuate legislative intent.

Congress' passage of the Omnibus Budget Reconciliation Act of 1981 and the Economic Recovery Tax Act of 1981 requires several changes in state law in order for the state to remain in conformity with federal requirements and to continue to receive federal money.

The bill requires the employment security division to share information regarding unemployment insurance claims with state or federal agencies which administer the food stamp program and requires those agencies to keep the information confidential.

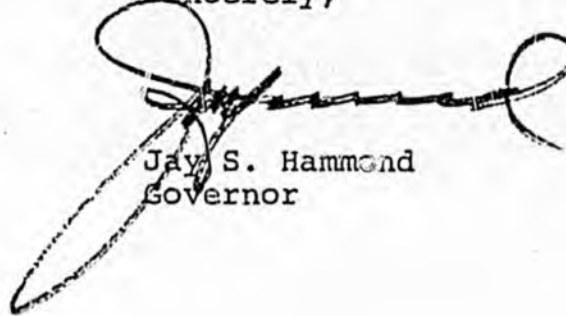
The bill requires the employment security division to withhold from payments of a claimant's benefits the amount the claimant owes for child support obligations and to pay that money to the child support enforcement agency.

The bill makes several changes regarding extended benefits which have the effect of both restricting the conditions generally under which extended benefits are payable and making more stringent the eligibility requirements for individuals wishing to receive extended benefits.

The bill prohibits disqualification of an individual while he or she attends training courses approved under the Trade Act of 1964. It also includes an increase in the unemployment insurance weekly benefit amount and changes in the duration of benefits.

In addition to the above amendments necessitated by recent federal enactments, the bill also makes other changes which the department considers necessary, including changes which correct some provisions, clarify provisions which are ambiguous, and make the statutes more uniform.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jay S. Hammond". The signature is highly stylized with large loops and a long horizontal stroke extending to the right.

Jay S. Hammond
Governor

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for House Bill 757 (L & C)

Title "An Act relating to Unemployment Insurance and providing for an ..."

Requested by House Labor and Commerce Committee

Date 4/2/82

II. FISCAL DETAIL

Agency Affected All agencies

Program Category Affected All, indirectly decreases General Fund reimb. to UI Trust Fund

BRU, Program, or Subprogram(s) Affected All indirectly

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

Assumptions:

1. Alaska will trigger off EB 5 months each year beginning Sept. 1982.
2. 30% of remaining EB weeks claimed after 1981 conforming legislation will be saved by triggering off.
3. Remaining EB payments plus all regular payments will increase by 1.9% because of increase in maximum WBA to \$156.
4. New WBA schedule effective 1/1/83. Only half of effect felt in FY 1983.
5. Approximately 26 former state employees will be covered by the new Section 8 Alaska Additional benefits for claimants denied EB because of the new 40XWBA conformity rule. 4/2/82

IV. DATE

4/2/82

PREPARED BY Nicolas W. Bus

AGENCY Department of Labor

Original: Legislative Finance

PHONE 465-2720

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill #757 (L & C)

Title "An Act relating to unemployment insurance and providing for an . . ."

Requested by Labor and Commerce

Date 4/2/82

II. FISCAL DETAIL

Agency Affected Labor

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected Employment Security

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	94.1	103.5	113.6	125.2	137.8
200 TRAVEL		-	-	-	-	-
300 CONTRACTUAL	10.0	63.3	24.3	26.7	29.4	32.3
400 COMMODITIES		3.0	3.3	3.6	4.0	4.4
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	10.0	160.4	131.1	143.9	158.6	174.5

FUNDING (Thousands of Dollars)

GENERAL FUND	5.0	25.0	0	0	0	0
FEDERAL FUNDS	5.0	135.4	131.1	143.9	158.6	174.5
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

The proposed amendments to AS 23.20.350, to increase benefit amount, will require additional programming services. Proposed AS 23.20.401, dealing with interception of UI benefits to pay child support obligations, will require expenditures for programming and forms, and one-half of a position state-wide, explaining program to claimants and dealing procedures with child support enforcement staff.

Contractual programming expenditures for the State Supplemental Benefit system, child support interception and the increase in UI benefit amount are based on an estimated 1,280 man-hours of programming time at \$40 per hour. (\$10 - FY '82, \$41.2 - FY '83)

The proposed amendment to AS 23.20.353, to implement a Supplemental State Benefit system will require state funds for data processing development costs and two and a half existing positions statewide for processing SSB claims.

Assumes that the three position. ill be existing positions

IV. DATE 4/1/82

PREPARED BY Nico Bus

AGENCY Labor

PHONE 465-2720

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

cc

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE
FISCAL NOTE

I. REQUEST

Bill/Resolution No. _____ House Bill No. 757 #1
Title "An Act relating to unemployment insurance and providing for an"
Requested by Rules Committee/Governor Date 1/20/82

II. FISCAL DETAIL

Agency Affected All agencies
Program Category Affected All, indirectly increases General Fund reimb. to UI trust fund
BRU, Program, or Subprogram(s) Affected All indirectly
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	20.0	211.0	216.0	221.0	228.0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	20.0	211.0	216.0	221.0	228.0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	20.0	211.0	216.0	221.0	228.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

Assumptions:

- As a result of federal law changing trigger rate calculation, Alaska will trigger off 5 months every year beginning September 1982.
- 30% of remaining EB weeks claimed (after 1981 conforming legislation) will be saved from payment by triggering off. The savings is included in the net cost above.
- Remaining EB payments plus all regular payments will be increased by a net effect of 10% for increased WBA and duration.
- New WBA and duration schedule effective 1/1/83.

IV. DATE 2/3/82 PREPARED BY Mico Bus Finance Officer

AGENCY Labor

PHONE 465-2720

Original: Legislative Finance
cc: Budget and Management

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. _____ House Bill No. 757 #2
 Title "An Act relating to Unemployment Insurance and providing for an "
 Requested by Rules Committee/Governor Date 1/20/82

II. FISCAL DETAIL

Agency Affected Labor
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Employment Security

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	19.0	0	0	0	0
200 TRAVEL						
300 CONTRACTUAL	10.0	41.2				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	10.0	60.2	0	0	0	0

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	10.0	60.2	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

The proposed amendments to AS 23.20.350, to increase UI duration and benefit amount, will require additional programming services. Proposed AS 20.401, dealing with interception of UI benefits to pay child support obligations, will require expenditures for programming and forms, and an additional one-half positions state-wide, explaining program to claimants and detailing procedures with child support enforcement staff.

Contractual programming expenditures for both child support interception and the increase in UI duration and benefit amount are based on an estimated 1,280 man-hours of programming time at \$40 per hour. (\$10. - FY '82, \$41.2)

Assumes that the one-half position will be an existing position. Assumes immediate effective date.

IV. DATE 2/3/82 PREPARED BY Nico Bus, Finance Officer

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