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Alaska State Legislature

Senate

Committee on Labor & Commerce

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

SUMMARY CS SB 50

SECTION 1: Pension payments are deductible from UI benefits only when a pension was maintained or contributed to by a base period employer, and the claimants service during that base period increased the amount of the pension. The claimants portion contributed to the pension will not be deducted from his benefits. This change brings us into conformity with PL 96-364.

Ammendment also distinguishes between pension payments and payments for dismissal pay, accrued vacation pay, sick leave or holiday pay. Any such payment attributable to a week will be deducted from benefits payable for that week.

SECTION 2: No benefits are payable for a waiting week, and no benefits are payable for a week of unemployment within the benefit year before the completion of a waiting week.

SECTION 3: This section makes both "good faith" and "hardship" a requirement for waiver of overpayments. Under the current provision, a person who has not acted in "good faith" may be absolved from liability for repayment if he can demonstrate "great hardship" would be the result of repayment.

SECTION 4: Extended benefits will be denied as individual who has been disqualified for regular benefits for voluntary quit, discharged for misconduct, or job refusal, unless the disqualification was terminated by subsequent employment.

Denial of extended benefits to persons who do not actively seek, apply for, or accept suitable work when referred such work. (Suitable work is specifically defined in these provisions. Disqualification can only be terminated by new employment of at least four weeks, and by earnings of four times the weekly benefit amount.

SUMMARY CS SB 50 cont.

SECTION 5: An individual who files an Interstate claim for extended benefits from a state in which an extended benefit period is not in effect, will receive only the first two weeks of extended benefits.

COMMENTS: The provisions of Section 1,2,4,and 5 are conformity issues to comply with Federal Law.



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COMMITTEE MINUTES: 2 March 1981

Senator Mulcahy opened the Committee meeting and called for testimony on CSSB 50. Testimony was provided by Art Zillig from the Department of Labor, and he explained that a further review of the proposed bill indicated that two changes were necessary. On page 4, delete the word "regular" (line 21), and on page 5, line 12, include (a) after the statute. The bill was then passed from committee.

The next bill addressed was SB 151, which included discussions by Sen. Rodey (pertaining to the cost of figuring interest), Sen Ziegler about the philosophical issue of the Legislature even addressing required interest to be paid by public utilities, and Sen. Hohman questioning the purpose of having this legislation. SB 151 will be discussed at a later committee meeting.

SB 166 was the final bill to be discussed. Sen. Mulcahy gave a summary of the bill, explaining that the community of Bettles had been inadvertently excluded from the benefit of power production cost assistance and hence a language change was necessary to include them within the original intent of the legislation. The bill was moved without further objections.



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State Capitol
Juneau, Alaska 99811

February 23, 1981

COMMITTEE MEETING MINUTES

The meeting was called to order at 3:05 P.M. by Chairman Mulcahy. Those present were: Senators Hohman, Ziegler, Fahrenkamp and Rodey. 3

First on the agenda was SB 46 "An Act relating to registration of construction contractors."

Mr. Daryl Cody, for the Association of General Contractors testified in opposition to SB 46, stating that although this is a conformity issue, AGC does not feel it is imperative. AGC feels that Alaskan contractors should meet the qualifications and standards of our industry, and this proposed amendment opens the process to irresponsible bidding, slows down the bidding, and creates confusion. (tape reading 026 to 155)

Mr. John Scribner, with the Department of Labor testified in favor of SB 46, stating that the proposed changes simplify the bidding process and eliminates confusion. (tape reading 170 to 271)

Next on the agenda was SB 50 "An Act relating to unemployment insurance; and providing for an effective date."

Mr. Art Zillig, with the Department of Labor testified in favor of SB 50, explaining that subsequent to drafting the original bill, Federal Government enacted legislation which required State compliance. CSSB 50 includes all the provisions of conformity except one in section 3; substitute "and" instead of "for". Mr. Zillig continued by giving a section by section analysis. (tape reading 287 to 472)

Next on the agenda was SB 43 "An Act relating to insurance."

Chairman Mulcahy requested a motion to move CSSB 43. The members were in agreement with this.

The meeting was adjourned by Chairman Mulcahy at 3:30 P.M.

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 50
SECTION BY SECTION ANALYSIS

Section 1: AS 23.20.362

This section repeals and re-enacts AS 23.20.362 with the following changes:

- 1) The pension deduction provision required by Sec 3304(a)(15), FUTA, is amended to conform with Public Law 95-364. Under this amendment, a pension would be deductible from benefits otherwise due only if the pension is provided under a plan maintained or contributed to by a base period employer, and the claimant's service in his base period increased the amount of, or affected his eligibility for, the pension or other retirement pay. In addition, that portion of the pension attributable to the claimant's own contributions will not be deducted from his benefit amount. Public Law 96-364 does not require these changes to state pension deduction provisions; rather, it allows the state this option of liberalizing the required provisions. However, the changes are equitable and would benefit Alaskan workers. For example, the previous provision required a 100% deduction even if part or all of the pension was based on employee contributions. This, in effect, penalized individuals for saving some of their wages by deducting amounts which had actually been earned long before the unemployment insurance claim was filed.
- 2) The proposed amendment also distinguishes between pension payments and payments received for dismissal pay, accrued vacation and sick leave, or holidays. The previous provision had the effect of prohibiting deductions for dismissal pay, vacation pay, or holiday pay unless the week began in a period for which such payment was made. The proposed amendment provides simply that any such payment attributable to a week will be deducted from benefits payable for that week. Sick leave has been added to the list of deductible payments. The rationale for deducting vacation pay, holidays, etc., applies to sick leave as well.

Section 2: AS 23.20.375(b)

This section repeals and re-enacts AS 23.20.375(b) to require a waiting week on all claims. The current provision waives the waiting week requirement on transitional claims. However, Public Law 96-499 now requires that any state which provides for payment "(at any time or under any circumstances) of regular compensation to an individual for his first week of otherwise compensable employment" will not be reimbursed for the federal share of the first week of extended benefits paid in the state. This requirement is not a standard for certification of state laws. The requirement must be met, however, if the state is to receive the 50% reimbursement of the federal share of the first week of extended benefits. This amendment conforms to Public Law 96-499.

Section 3: AS 23.20.390(b)

This section makes both "good faith" and "hardship" a requirement for waiver

of overpayments. The current provision allows an individual who has not acted in good faith to nevertheless be absolved from liability for repayment if he can show that great hardship would result from charging him with repayment.

Section 4: AS 23.20.406

This section amends AS 23.20.406 by adding new eligibility requirements for receipt of extended benefits. These requirements are conformity standards established by Public Law 96-499 and must be included in a state's law for weeks beginning after March 31, 1981, in order for the law to be certified by the Secretary of Labor on October 31, 1981, and thereafter.

The amendments require the following:

- 1) Denial of extended benefits to an individual who has been disqualified for regular UI benefits for voluntary quit, discharge for misconduct, or job refusal, unless the disqualification was terminated by subsequent employment.
- 2) Denial of extended benefits to an individual who does not actively seek, apply for, or accept suitable work when referred to such work. Suitable work is specifically defined in the provisions. The disqualification can be terminated only by new employment of at least four weeks and earnings of four times the weekly benefit amount.

Section 5: AS 23.20.408

This section amends AS 23.20.408 to specify that only the first two weeks of extended benefits are payable to an individual who files on an interstate basis from a state in which an extended benefit period is not in effect. This change is required, for certification of all state laws, by Public Law 96-364.

This amendment was requested by Alaska and introduced by Senator Stevens. House Joint Resolution No. 59 passed by Alaska's Legislature last year supported this change.

The provisions of Sections 1, 2, 4, and 5 are conformity issues to comply with federal law.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P. O. BOX 1149
JUNEAU, ALASKA 99811

February 10, 1981

Mr. Mike Thill
Labor and Commerce Committee
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Mr. Thill:

Pursuant to our telephone conversation earlier today, enclosed is a draft Committee Substitute for Senate Bill No. 50, relating to unemployment insurance benefits.

Alaska's unemployment insurance law is tailored after the federal law, and the Committee Substitute we are offering incorporates changes which were made to the federal law after Senate Bill No. 50 was drafted.

Also enclosed are a section by section analysis and fiscal note for this Committee Substitute.

If you have any questions, we would be pleased to meet with you at your convenience to explore this matter.

Thank you.

Sincerely,

Judy G. Knight
Special Assistant

Enclosures

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P. O. BOX 1149
JUNEAU, ALASKA 99811

phone: 465-2700

January 20, 1981

Linda Otey
Senate Labor and Commerce Committee
Pouch 5
Juneau, Alaska 99811

Dear Ms. Otey:

I was pleased to meet with you on January 19 to review Senate Bill 50 dealing with the Department of Labor's unemployment insurance (UI) program.

During our meeting, you expressed an interest in the fiscal impact of Section 2 of Senate Bill 50 which provides for payment of extended U.I. benefits to interstate claimants only if they reside in a state which may also pay extended U.I. benefits. H.J.R. 59, (copy enclosed) which was passed during the last legislative session, endorsed this provision; and I am enclosing a copy of the fiscal note that was submitted.

If you have any questions on this, or if I may be of assistance to you in any other way, please do not hesitate to contact me (465-2700).

Thank you.

Sincerely,

Judy Knight
Judy Knight
Legislative Liaison

Enclosures

January 12, 1981

President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to unemployment insurance. The bill amends existing law as follows:

Section 1 of the bill would conform the Alaska Employment Security Act with amendments to federal law enacted on September 26, 1980. The bill would provide that a deduction may be made from unemployment benefits for a pension received by an individual only if (1) the pension is derived from a plan maintained or contributed to by a base period employer; and (2) the services performed by the individual after the beginning of the base period affect eligibility for or increase the amount of the pension. The federal law also permits a state to pay unemployment benefits without deducting that portion of a pension which is attributable to contributions made by the individual. This change is equitable and is included in the bill for your consideration.

The bill would correct a deficiency in existing law by providing that payments for accrued vacation, sick leave or holidays and dismissal pay will be deducted from unemployment benefits for the week to which they are attributable.

Section 2 of the bill also would make state law conform to federal law as recently amended. This provision would prohibit payment of extended benefits under an interstate claim if the claim is filed in a state in which an extended benefit period is not in effect.

Section 3 of the bill would require a showing of both good faith and hardship before the department may forgive an indebtedness for overpayment of unemployment benefits. Existing law allows an individual who has not acted in good faith to be absolved from liability for repayment if he can show that hardship would result.

Sincerely,

JSH

Jay S. Hammond
Governor

I. REQUEST
 Bill/Resolution No. House Joint Resolution 59
 Title Restriction of Interstate Payments to Extended Benefit Claimants
 Requested by Senate Finance, Senator Sackett Date 2/10/80

II. FISCAL DETAIL
 Agency Affected All Agencies, Indirectly
 Program Category Affected All, Indirectly
 BRU, Program, or Subprogram(s) Affected All, Indirectly reduces General Fund Faith in UI
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.) Trust Fund.

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		(18.3)	(29.3)	(32.7)	(35.0)	(36.7)
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	- 0 -	(18.3)	(29.3)	(32.7)	(35.0)	(36.7)

FUNDING (Thousands of Dollars)

GENERAL FUND	- 0 -	(18.3)	(29.3)	(32.7)	(35.0)	(36.7)
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:

1. this measure is adopted by the federal government.
2. Current state employment security act remains in effect. If Free Conference Committee Substitute for HB 177 passes savings are approximately 3 times as great.
3. Normal growth. Former state government employees continue to account for under 3% of all interstate EB payments.
4. EB payments remain at approximately the same level for the normal growth period and Washington, California, and Oregon do not trigger on.

ADDITIONAL INFORMATION

1. The amount saved by the state as an employer is very small compared to the amount saved by the UI trust fund and passed along to all state employers in reduced contribution rates. If Free Conference substitute for HB 177 passes the savings to the UI trust fund would range from \$2.7 million to 3.7 million per year between FY 81 and FY 85. With the current program, savings would be approximately \$1 million per year.

IV. DATE February 20, 1980 PREPARED BY [Signature]
 AGENCY Department of Labor
 PHONE 455-2720

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

COMMITTEE REPORT

SENATE

1/13/81

FURTHER: None

Date: _____

Mr. President:

The Committee on LABOR & COMMERCE has had SB 50
unemployment insurance

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation

referred to the _____ Committee

MEMBERS SIGNING

DO PASS

Betty Johnson

Bob Mulcahy

MEMBERS HAVING

OTHER RECOMMENDATIONS:

John no rec

Sam " "

Bob Mulcahy

CHAIRMAN

Section 84, ch. 9, SLA 1980 provides: workers who establish a benefit year after "Sections 54 and 63 of this Act take effect September 30, 1980." October 1, 1980, and apply to insured

Sec. 23.20.360. Earnings deducted from weekly benefit amount. An eligible individual who is unemployed in a week shall be paid for that week a benefit in an amount equal to his weekly benefit amount, excluding the allowance for dependents, less 75 percent of that part of the remuneration, whether or not covered by this chapter, payable to him for that week which is in excess of \$50. If the benefit is not a multiple of \$1, it is computed to the next higher multiple of \$1. (§ 713 ch 5 ESLA 1955; am § 26 ch 169 SLA 1957; am § 55 ch 9 SLA 1980)

Effect of amendment. -- The 1980 amendment, effective October 1, 1980, rewrote the section.

Sec. 23.20.362. Disqualifying or deductible income. (a) The amount of benefits payable to an insured worker for a week of unemployment which begins in a period for which the insured worker is receiving a pension, annuity, or similar periodic payment which is based on the previous work of the insured worker, including work performed before the beginning of the insured worker's base period, or a payment to compensate him for a dismissal from employment without prior notice or for unused paid vacation or holidays, shall be reduced by the amount of the payment or compensation which is attributable to the week of unemployment.

(b) An individual is not entitled to benefits for a week of unemployment for which he has received or is seeking unemployment benefits under the employment security law of another state in a manner other than in accordance with the reciprocal arrangements with other states or the federal government. This subsection does not apply to an individual who is determined by the appropriate agency to be ineligible to receive unemployment benefits under the other employment security law.

(c) If, after a reduction of a benefit amount under (a) of this section, the weekly benefit amount is not a multiple of \$1, the benefit amount shall be increased to the next higher dollar amount. (§ 56 ch 9 SLA 1980; am § 1 ch 145 SLA 1980)

Effect of amendment. -- Section 1, ch. 145, SLA 1980, rewrote subsection (a). 1980, effective March 14, 1980, provides: "AS 23.20.362(a) and (c) enacted in sec. 50 of this Act are repealed on the date that 26 U.S.C. 3304(a)(15) is amended or repealed."

Effective date. -- Section 87, ch 9, SLA 1980, makes this section effective October 1, 1980. Editor's note. -- Section 83, ch. 9, SLA

Sec. 23.20.370. B due and payable to person shall be paid department, to person sister or brother, aunt will best carry out the not conform to the state of decedents' estate department makes department from liability § 57 ch 9 SLA 1980)

Effect of amendment amendment, effective March substituted "adopted" & preceding by the department middle of the first sentence "spouse, child, parent, sis

Sec. 23.20.375. Fi entitled to receive v unemployment for v 23.20.375 -- 23.20.38 the department, he h (1) made an initial (2) for that week, c for benefits. (c) Repealed by § 8 (am § 6 ch 122 SLA

Effect of amendments. The 1977 amendmen subsection (c), substituted (5), (6) and (14) for "§ 52 (6)" near the beginning of inserted "effective January substituted "for an institution" for "in an institu education as defined in chapter" near the middle of and substituted the langu "performs services in the academic years" for "has contracts to perform servic

Sec. 23.20.378. Ab (a) An insured worke benefits for a week of work and available i considered available accordance with regul

the credit of the unemployment fund, and the liability of the state is limited accordingly. (§ 1001 ch 5 ESLA 1955)

Sec. 23.20.370. Benefits of decedent or incompetent. Benefits due and payable to a deceased or judicially declared incompetent person shall be paid, in accordance with regulations prescribed by the department, to persons in the following order: spouse, child, or parent, payment to whom the department finds will carry out the purposes of this chapter. The regulations need not conform to the statutes applicable to the descent and distribution of decedents' estates. A receipt from the person to whom the department makes payment fully discharges the fund and the department from liability for the benefits. (§ 721 ch 5 ESLA 1955)

Sec. 23.20.375. Eligibility for benefits. (a) An insured worker is eligible for and shall receive waiting-week credit or benefits, as the case may be, for a week of his unemployment with respect to which he has not been determined to be disqualified under § 380 of this chapter, if the worker has, in accordance with regulations prescribed by the department with respect to the week,

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

(b) No benefits are payable for a waiting week and no benefits are payable for a week of unemployment occurring within the benefit year before the completion of the waiting week, except that no insured worker is required to serve a waiting week if the first week of his unemployment occurring within a benefit year is immediately preceded by a week of unemployment in the preceding benefit year for which benefits are payable.

(c) Benefits based on service in employment defined in § 525(a) (4), (5) and (6) of this chapter are payable in the same amount, on the same terms and subject to the same conditions as compensation payable on the basis of other service subject to this chapter; except that benefits based on service in an instructional, research or principal administrative capacity in an institution of higher education as defined in § 520 of this chapter may not be paid to an individual for any week of unemployment which begins during the period between two successive academic years, or during a similar period between two regular terms, whether or not successive, or during a period of paid sabbatical leave provided for in the individual's contract, if the individual has a contract or contracts to perform services in any such capacity for any institution or institutions of higher education for both the aca-

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§ 23.20.390 LABOR AND WORKMEN'S COMPENSATION § 23.20.390

sider the degree of risk to the claimant's health, safety, and morals, his physical fitness for the work, his prior training and experience, his prior earnings, the length of his unemployment, his prospects for obtaining work at his highest skill, the distance of the available work from his residence, his prospects for obtaining local work, and other factors which influence a reasonably prudent person in the claimant's circumstances.

(c) This section shall be given the same meaning as the Secretary of Labor gives to § 3304(a) (5) of the Internal Revenue Code of 1954. (§ 742 ch 5 ESLA 1955)

For case decided under former law, see *Aragon v. Unemployment Compensation Comm'n*, 10 Alaska 524, 149 F.2d 447 (9th Cir. 1945), aff'd in part and rev'd in part on other grounds, 11 Alaska 236, 329 U.S. 143, 67 S. Ct. 245, 91 L. Ed. 136 (1946). Am. Jur. reference.—48 Am. Jur., Social Security, Unemployment Insurance and Retirement Funds, § 35.

Sec. 23.20.390. Recovery of improper payments. (a) An individual who receives a sum as benefits from the unemployment compensation fund when not entitled to it under this chapter is liable to the fund for the sum improperly paid to him.

(b) As soon as the department has knowledge of payments of benefits to an individual under the circumstances mentioned in this section, it shall promptly prepare and deliver or mail to the individual at his last known address a notice of determination of liability declaring that the individual has been determined liable to refund the amount of benefits paid under the circumstances mentioned in this section. The amount, if not previously collected, shall be deducted from future benefits payable to the individual. However, if the department determines that an individual has died, or has acted in good faith in claiming and receiving benefits to which he was not entitled, and that great hardship would result from charging the individual with repayment of the benefits, the department may absolve the individual from liability to the fund for repayment of the benefits.

(c) For similar cause and in the same manner, a claim by another state for the recovery of sums paid as benefits under an employment security law of the other state is recoverable under this chapter if the sums were fraudulently obtained and the other state has a comparable provision in its employment security law for recovery of the sums on behalf of this state.

(d) If paid-out benefit sums have neither been repaid by the recipient nor deducted from benefits payable to him within six years following the last day of the year in which payment was made, the commissioner may declare the sums uncollectible and cancel both the resulting shortage and related records.

(e) An appeal from the determination of liability under this section may be made in the same manner and to the same extent as provided by this chapter for an appeal relating to a determination

§ 23.20.405

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§ 23.20.406 LABOR AND WORKMEN'S COMPENSATION § 23.20.407

(b) The right to benefits is exempt from levy, execution, attachment, and any other remedy provided for the collection of debt.

(c) A benefit received by an individual, so long as it is not mingled with other funds of the recipient, is exempt from any remedy for the collection of all debts except debts incurred for necessities furnished to the individual or his spouse or dependents during the time when the individual is unemployed.

(d) A waiver of an exemption provided in this section is void. (§ 763 ch 5 ESLA 1955)

Funds cannot be "mingled" until they have been actually paid over to each claimant. *Fidalgo Island Packing Co. v. Phillips*, 16 Alaska 689, 149 F. Supp. 260 (D. Alas. 1957).

And until the funds become "mingled," the exemptions listed in this section preclude the impressing of the benefits due the claimants with any lien whatsoever. *Fidalgo Island Packing Co. v. Phillips*, 16 Alaska 689, 149 F. Supp. 260 (D. Alas. 1957).

Attorney fee does not constitute a lien on benefits.—Although the court

may decide what is a just attorney fee, the social purpose of the Employment Security Act would be impaired if the attorney fee were to constitute a lien upon the benefits. *Fidalgo Island Packing Co. v. Phillips*, 16 Alaska 689, 149 F. Supp. 260 (D. Alas. 1957).

Application of "salvage" theory to unemployment compensation benefits.—See *Fidalgo Island Packing Co. v. Phillips*, 16 Alaska 689, 149 F. Supp. 260 (D. Alas. 1957).

Article 6A. Extended Unemployment Compensation.

Section	Section
406. Extended benefits; eligibility	408. Extended benefit periods
407. Weekly extended benefit amount; total payable	409. Definitions

Sec. 23.20.406. Extended benefits; eligibility. (a) Except when the result would be inconsistent with other provisions of this chapter, the provisions of this chapter which apply to claims for or the payment of regular benefits apply to claims for and the payment of extended benefits.

(b) An individual is eligible to receive extended benefits with respect to any week of unemployment in his eligibility period if the department finds that with respect to that week

(1) he is an "exhaustee" as defined in § 409 (5) of this chapter; and

(2) he has otherwise satisfied the requirements of this chapter for the receipt of regular benefits. (§ 1 ch 1 SLA 1971)

Sec. 23.20.407. Weekly extended benefit amount; total payable. (a) The weekly extended benefit amount payable to an individual for a week of total unemployment in his eligibility period is an amount equal to the weekly basic or augmented benefit amounts payable to him during his applicable benefit year.

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

(1) 50 per cent of the total amount of regular benefits, including dependents' allowances, which were payable to him under this chapter in his applicable benefit year;

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

(3) 39 times his average weekly benefit amount, including dependents' allowances, which was payable to him under this chapter for a week of total unemployment in the applicable benefit year, reduced by the total amount of regular benefits which were paid or considered paid to him under this chapter with respect to the benefit year. (§ 1 ch 1 SLA 1971)

Sec. 23.20.408. Extended benefit periods. (a) When an extended benefit period is to become effective in this state as a result of a state or national "on" indicator, or an extended benefit period is to be terminated in this state as a result of either a state "off" indicator or a national "off" indicator, the department shall make an appropriate public announcement.

(b) No extended benefit period may begin by reason of a state "on" indicator before the 14th week following the end of a prior extended benefit period which was in effect with respect to this state.

(c) Within the period beginning with January 29, 1971 and ending on December 31, 1971, an extended benefit period may become effective and be terminated in this state solely by reason of a state "on" and a state "off" indicator, respectively.

(d) There is a national "on" indicator for a week if the United States Secretary of Labor determines that for each of the three most recent calendar months ending before that week, the rate of insured unemployment, seasonally adjusted, for all states equaled or exceeded 4.5 per cent.

(e) There is a national "off" indicator for a week if the United States Secretary of Labor determines that for each of the three most recent calendar months ending before that week, the rate of insured unemployment, seasonally adjusted, for all states was less than 4.5 per cent.

(f) There is a state "on" indicator for a week if the department determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of that week and the immediately preceding 12 weeks, the rate of insured unemployment, not seasonally adjusted, under this chapter

(1) equaled or exceeded 120 per cent of the average of those rates for the corresponding 13-week period ending in each of the preceding two calendar years; and

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(g) There is determines, in a Secretary of Labor the immediately ployment, not se

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(h) In (f) a ment" means th weekly number of unemployme week period, as reports to the age monthly en four of the mos fore the close this subsection regulations pro (§ 1 ch 1 SLA 1

Sec. 23.20.40

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§ 23.20.408

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§ 23.20.409 LABOR AND WORKMEN'S COMPENSATION § 23.20.409

(2) equaled or exceeded four per cent.

(g) There is a state "off" indicator for a week if the department determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of that week and the immediately preceding 12 weeks, the rate of insured unemployment, not seasonally adjusted, under this chapter

(1) was less than 120 per cent of the average of those rates for the corresponding 13-week period ending in each of the preceding two calendar years; or

(2) was less than four per cent.

(h) In (f) and (g) of this section "rate of insured unemployment" means the percentage derived by dividing (1) the average weekly number of individuals filing claims in this state for weeks of unemployment with respect to the most recent 13 consecutive week period, as determined by the department on the basis of its reports to the United States Secretary of Labor, by (2) the average monthly employment covered under this chapter for the first four of the most recent six completed calendar quarters ending before the close of that 13-week period. Computations required by this subsection shall be made by the department in accordance with regulations prescribed by the United States Secretary of Labor. (§ 1 ch 1 SLA 1971)

Sec. 23.20.409. Definitions. In §§ 406—409 of this chapter

(1) "extended benefit period" means a period which

(A) begins with the third week after whichever of the following weeks occurs first:

- (i) a week for which there is a national "on" indicator, or
- (ii) a week for which there is a state "on" indicator; and

(B) ends with either of the following weeks, whichever occurs later:

- (i) the third week after the first week for which there is both a national "off" indicator and a state "off" indicator; or
- (ii) the 13th consecutive week of that period;

(2) "regular benefits" means benefits payable to an individual under this chapter or under any other law, including benefits payable to federal civilian employees and to ex-servicemen under 5 U.S.C. chapter 83 other than extended benefits;

(3) "extended benefits" means benefits, including benefits payable to federal civilian employees and to ex-servicemen under 5 U.S.C. chapter 85, payable to an individual under the provisions of §§ 406—409 of this chapter for weeks of unemployment in his eligibility period;

(4) "eligibility period" of an individual means the period consisting of the weeks in his benefit year which begin in an extended

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for SB 50 (Labor & Commerce)
 Title "An Act relating to Unemployment Insurance; and providing for an . . ."
 Requested by Labor & Commerce Committee Date 2/9/81

II. FISCAL DETAIL

Agency Affected All agencies, indirectly
 Program Category Affected All, indirectly
 BRU, Program, or Subprogram(s) Affected All, indirectly reduces Gen. Fund Reimb. to UI Trust Fund
 (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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	(30)	(136)	(153)	(168)	(178)	(191)
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	(30)	(136)	(153)	(168)	(178)	(191)

FUNDING (Thousands of Dollars)

	(30)	(136)	(153)	(168)	(178)	(191)
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	0	0	0	0	0	0
FULL TIME						
PART TIME						
TEMPORARY						

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

Assumptions:

1. Pension provisions have too small an effect to evaluate.
2. Waiting weeks provision too small to evaluate.
3. Hardship cases too small to evaluate.
4. Approximately 20% of EB weeks claimed will be eliminated by a work acceptance requirement.
5. Approximately 10% of EB weeks paid will be eliminated by the Intrastate restriction and Washington, Oregon, and California will not be triggered on to the EB after 7/1/81.
6. Approximately 6% of EB payments made are billed to state. (Including University of Alaska and Geophysical.)
7. Effective date will be 4/1/81.

IV. DATE February 9, 1981 PREPARED BY Nico Bus
 AGENCY Finance Officer
 Original: Legislative Finance PHONE 465-2720
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)