

# COMMITTEE REPORT

## HOUSE

(11)

5/9/85

FURTHER:

Date: 5-11-85

The Committee on FINANCE has had CSFB 53(L&C) (title am)  
"An Act relating to exchange of unemployment insurance information; and providing for an effective date."

under consideration and recommends:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with <sup>H</sup>CS for CSFB 53 (L&C)  same title  
 new title
- and recommends do pass
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]  
\_\_\_\_\_  
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[Signature]  
\_\_\_\_\_

CHAIRMAN

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST HCS for CS SB 53 (JUD)  
Bill/Resolution No.: \_\_\_\_\_  
Title: "An act relating to  
 unemployment insurance..."  
Sponsor: Rules Committee  
Requestor: House Judiciary  
Date of Request: 5/6/85

FISCAL DETAIL  
Agency Affected: Labor  
Program Category Affected: Social  
 Services  
BRU, Program or Subprogram(s) Affected:  
 Employment Security - Unemployment  
 Insurance

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

<b>CAPITAL</b>						
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<b>REVENUE</b>						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: John W. Shay Phone: 465-2712  
 Division: Employment Security Date: 5/6/85

Approved by Commissioner: Jim Robison Date: 5/6/85  
 Agency: Labor

Distribution (by Agency preparing fiscal note):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

7/1/84

Offered: 5/9/85  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE JUDICIARY COMMITTEE  
2 HOUSE CS FOR CS FOR SENATE BILL NO. 53 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - FIRST SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to exchange of unemployment insur-  
7 ance information; and providing for an effective  
8 date."  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
10 \* Section 1. AS 23.20.110(e) is repealed and reenacted to read:  
11 (e) The department shall provide information requested by a  
12 state or federal agency under an income and eligibility verification  
13 system that meets the requirements of 42 U.S.C. 1320b-7 (Social  
14 Security Act).  
15 \* Sec. 2. AS 23.20.110(f) is repealed.  
16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
17 10.070(c).

Bill No. House Committee Substitute for Committee  
Substitute for Senate Bill No. 53 (Jud)

Date May 8, 1985

Title "An Act relating to exchange of unemployment  
insurance information."

Contact: Eileen Plate  
465-2700  
John W. Shay, Jr.  
465-2712

This bill amends a provision in Alaska's unemployment insurance law which deals with disclosure of unemployment insurance claim and wage information.

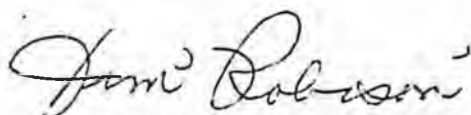
Specifically, this bill provides for the Department of Labor to disclose unemployment insurance wage information to appropriate state and federal programs funded by the Social Security Act (Aid to Families with Dependent Children, Medicaid, Food Stamps, Old Age Assistance, Aid to the Blind, Aid to Permanently and Totally Disabled, and Supplemental Security Income for Aged, Blind and Disabled). Currently, Alaska law (AS 23.20.110(e) and (f)) provide for disclosure of this information only to the Aid to Families with Dependent Children and Food Stamp public assistance programs.

This provision is in response to a 1984 amendment to the Social Security Act which establishes a system for verifying the income and eligibility of persons receiving benefits from programs operating under the Social Security Act. Basically, the verification system consists of the exchange of income and eligibility information among the programs.

Obviously, Alaska has not met the April 1, 1985 deadline for participating in the information exchange. However, the U.S. Department of Labor is aware that Alaska's participation is contingent upon legislative action which is presently underway. Accordingly, it is not expected that any immediate action will be initiated at the federal level to withdraw Alaska's administrative funding (over twenty-two million dollars). Nonetheless, because the funds are technically in jeopardy at this time, the Department is anxious to obtain legislative approval to participate in the information exchange system.

The Department supports passage of this bill. It will not have a fiscal impact on the Department.

APPROVED:



Jim Robison, Commissioner  
Department of Labor

**POSITION PAPER/**Department of Labor

# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

## DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P.O. BOX 1139  
JUNEAU, ALASKA 99802  
PHONE: (907) 465-2700

April 25, 1985

The Honorable Ben F. Grussendorf  
Speaker  
House of Representatives  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Representative Grussendorf:

The Department of Labor has one critical piece of legislation which I would appreciate your help with.

Committee Substitute for Senate Bill 53 (L&C) (Title am) amends a provision in Alaska's unemployment insurance law which deals with disclosure of unemployment insurance claim and wage information.

Specifically, this bill provides for the Department of Labor to disclose unemployment insurance benefit and wage information to appropriate state and federal programs funded by the Social Security Act (Aid to Families with Dependent Children, Medicaid, Food Stamps, etc.).

This provision is in response to a 1984 amendment to the Social Security Act which establishes a system for verifying the income and eligibility of persons receiving benefits from programs operating under the Social Security Act. Basically, the verification system consists of the exchange of income and eligibility information among the programs.

State unemployment insurance programs are required, under the amendments to the Social Security Act, to participate in this exchange of information by April 1, 1985. The amendment to Alaska's unemployment insurance law as set out in CS SB 53, is necessary to enable the Department of Labor to make the appropriate disclosures and thereby assure that federal funding received by the Department for administration of its Unemployment Insurance and Employment Service programs is not jeopardized.

Obviously, Alaska has not met the April 1, 1985 deadline for participating in the information exchange. However, the U.S. Department of Labor is aware that Alaska's participation is contingent upon legislative action which is presently underway. Accordingly, no action has

The Honorable Ben F. Grussendorf -2-

April 25, 1985

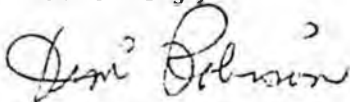
been initiated at the federal level to withdraw Alaska's administrative funding (over twenty-two million dollars). Nonetheless, I am not at all comfortable in speculating that the patience of the federal government can be extended beyond this legislative session.

I am not aware of any problems whatsoever with the bill, but am starting to be concerned that time may be running out to get it through this year unless it is afforded some priority. The bill is presently in House Judiciary and is scheduled for hearing on May 2. It then has an additional referral to Finance (The Department's fiscal note is zero).

I would appreciate any assistance you may be able to provide in assuring that this bill does not get inadvertently stranded as adjournment approaches.

Thank you.

Sincerely,



Jim Robison  
Commissioner

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617 5

Offered: 5/9/85  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE JUDICIARY COMMITTEE  
2 HOUSE CS FOR CS FOR SENATE BILL NO. 53 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - FIRST SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to exchange of unemployment insur-  
7 ance information; and providing for an effective  
8 date."  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
10 \* Section 1. AS 23.20.110(e) is repealed and reenacted to read:  
11 (e) The department shall provide information requested by a  
12 state or federal agency under an income and eligibility verification  
13 system that meets the requirements of 42 U.S.C. 1320b-7 (Social  
14 Security Act).  
15 \* Sec. 2. AS 23.20.110(f) is repealed.  
16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
17 10.070(c).

Offered: 2/12/85  
Referred: Judiciary and Finance

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 53 (L&C) (title am)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to exchange of unemployment  
7 insurance information; and providing for an effective  
8 date."

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

10 \* Section 1. AS 23.20.110 is amended by adding a new subsection to  
11 read:

12 (h) The department shall provide information requested by a  
13 state or federal agency under an income and eligibility verification  
14 system that meets the requirements of 42 U.S.C. 1320b-7 (Social  
15 Security Act).

16 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.-  
17 10.070(c).

Introduced: 1/15/85  
Referred: Labor and Commerce  
and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2

SENATE BILL NO. 53

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to unemployment insurance; and  
7 providing for an effective date."

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

9 \* Section 1. AS 23.20.110 is amended by adding new subsections to read:

10 (h) The department shall provide information requested by a  
11 state or federal agency under an income and eligibility verification  
12 system that meets the requirements of sec. 1137 of the Social Security  
13 Act (42 U.S.C. sec. 1320b-7).

14 (i) The department shall provide to the Internal Revenue Service  
15 of the United States information necessary to enforce the Internal  
16 Revenue Code.

17 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.-  
18 10.070(c).