

SB

416

# Alaska State Senate

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Senate Finance Committee  
State Affairs Committee  
Vice-Chair, Rules Committee  
Chair, Administrative Regulation Review

William L. Hensley

## SPONSOR'S EXPLANATION OF SENATE BILL 416

This bill would appropriate \$2.3 million to reinstate unemployment benefits for non-instructional employees (custodians, clerks, aides) of school districts.

Until 1984 these employees were covered by the program, but the law was changed by Congress to eliminate them from eligibility. In the wake of that action, the State legislature enacted the state program and funded it through 1986. A fuller explanation of these actions is provided in the attached letter from the Department of Labor to Senator Joe Josephson.

Also attached are two pages extracted from official reports which provide data from 1985 and 1986 about numbers of beneficiaries by census district, benefits paid, and duration.

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P.O. BOX 1149  
JUNEAU, ALASKA 99807-0700  
PHONE: (907) 465-2700

February 3, 1988

The Honorable Joe P. Josephson  
Alaska State Senate  
Alaska State Legislation  
P.O. Box V  
Juneau, AK 99811

Dear Senator Josephson:

Thank you for your letter of January 18, 1988 concerning the State Interim Benefits program which provided unemployment insurance benefits to school employees between school terms. As your constituent has advised you, these benefits were not available during the 1987 summer break; and this was the first time the non-instructional school employees have not had some form of unemployment insurance available to them between school terms.

This is what has happened. Prior to passage of PL 98-21 by Congress in 1983, non-instructional school employees were eligible for regular unemployment insurance benefits during the summer. Until that time, only teachers had been ineligible. When the law was passed in 1983, States were required to amend their unemployment insurance laws to exclude the non-instructional school employees from coverage; and in 1984, legislation was introduced in the Alaska Legislature to do this. As the bill went through the legislative process, there was a concern that the affected school employees would have no warning that benefits would not be available during the summer of 1984. This led to the establishment of the State Interim Benefits program (AS 23.20.354), and it basically provided for the payment of unemployment insurance benefits to the school employees, with the benefits being paid from General Funds.

General Funds were provided for the program again in 1985. However, when budgets were being pared in FY 87, which covered expenditures for July 1, 1986 through June 30, 1987, funding for the Interim Benefits program was reduced so as to provide benefits only for the summer of 1986; and intent language was attached to the Department's FY 87 budget which further clarified that the benefits would not be available after 1986.

The law, AS 23.20.354, is still on the books, but since the program is subject to appropriations, benefits have not been paid since 1986. To

Senator Joe P. Josephson

-2-

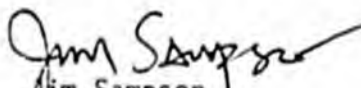
February 3, 1988

answer your question, resumption of the program would require the appropriation of \$2,360,000 in General Funds. Of this, \$2,100,000 would be required for benefit payments and \$260,000 for administrative costs incurred in processing the claims.

Enclosed for your information is claimant and payment data on the program for the three years for which benefits were paid.

Thank you for writing; and if you have further questions, please let me know.

Sincerely,

  
Jim Sampson  
Commissioner

Enclosures

JS/EP/gw  
03201

Table 2-11  
Payment Data, State Interim Benefits, 1984-1986

YEAR	NUMBER OF FIRST PAYMENTS	NUMBER OF WEEKS PAID	AMOUNT OF PAYMENTS	AVERAGE DURATION IN WEEKS	AVERAGE WEEKLY BENEFIT AMOUNT
1984	1,323	10,210	1,310,049	7.7	129.31
1985	1,166	11,970	1,743,515	8.2	145.57
1986	1,771	14,552	2,124,568	8.3	145.01

State Interim Benefit Recipients by Census Area, 1986

Census Areas and Subareas	Number of Recipients	Percent of Total Recipients	Number of Weeks Paid	Percent of Total Weeks	(\$) Amount Paid	Percent of Total Amount
ALEUTIAN ISLANDS CA	11	0.6	30	0.5	9,132	0.4
ANCHORAGE BOROUGH	631	35.6	5,572	38.0	790,922	37.2
BETHEL CA	140	7.9	1,129	7.7	169,116	8.0
BRISTOL BAY BOROUGH	0	0.0	0	0.0	0	0.0
DILLINGHAM CA	11	0.6	104	0.7	10,793	0.5
FAIRBANKS NORTH STAR BOR.	235	13.3	1,912	13.0	319,597	15.0
HAINES BOROUGH	3	0.2	20	0.1	1,722	0.1
JUNEAU BOROUGH	23	1.3	265	1.7	34,595	1.6
KENAI PENINSULA BOROUGH	165	8.2	1,023	7.2	148,433	7.0
KETCHIKAN GATEWAY BOROUGH	2	0.1	7	0.0	333	0.0
KODIAK CA	85	4.3	713	4.9	102,122	4.3
KODIAK ISLAND BOROUGH	13	1.0	126	0.9	18,533	0.9
MATANUSKA-SUSITNA BOROUGH	168	9.5	1,280	8.7	179,077	8.4
NOME CA	77	4.3	703	4.3	107,322	5.1
NORTH SLOPE BOROUGH	14	0.8	109	0.7	19,376	0.9
PRINCE OF WALES-GUTER KETCH.	13	1.0	137	0.9	17,246	0.8
SITKA BOROUGH	10	0.6	56	0.4	4,125	0.2
SKAGWAY-YAKUTAT-ANGCOON CA	19	1.1	164	1.1	20,924	1.0
SOUTHEAST FAIRBANKS CA	17	1.0	127	0.9	17,793	0.8
VALDEZ-COODOVA CA	3	0.2	48	0.3	7,610	0.4
WADE HARTON CA	34	1.9	274	1.9	43,369	2.0
WRANGELL-PETERSBURG CA	3	0.2	66	0.5	6,737	0.3
YUKON-KOYUKUK CA	61	3.4	552	3.3	68,543	3.2
AREA UNKNOWN	23	1.3	195	1.3	22,013	1.0
IN-STATE TOTALS	1,771	100.0	14,552	100.0	2,124,568	100.0

Note: Includes data on 313 claimants through December 31, 1986. Recipients who filed claims from more than one area in 1986 are assigned to the area in which they received the greatest amount of payments.

SOURCE: Alaska Department of Administration, Monthly Expenditure Journal.

**Table 3-11**  
**Payment Data, State Interim Benefits, 1984-1985**

YEAR	NUMBER OF FIRST PAYMENTS	NUMBER OF WEEKS PAID	AMOUNT OF PAYMENTS	AVERAGE DURATION IN WEEKS	AVERAGE WEEKLY BENEFIT AMOUNT
1984	1,328	10,210	\$1,310,049	7.7	\$128.31
1985	1,466	11,970	\$1,743,616	8.2	\$145.67

**State Interim Benefit Recipients by Census Area, 1985**

Area Code	Census Areas and Subareas	Number of Recipients	Percent of Total Recipients	Number of Weeks Paid	Percent of Total Weeks	Amount Paid
010	ALEUTIAN ISLANDS CA	7	0.5%	52	0.4%	\$5,558
020	ANCHORAGE BOROUGH	523	35.7	4,265	35.6	622,397
050	BETHEL CA	107	7.3	810	6.8	129,490
060	BRISTOL BAY BOROUGH	1	0.1	9	0.1	666
070	DILLINGHAM CA	9	0.6	82	0.7	7,677
090	FAIRBANKS NORTH STAR BOR.	190	13.0	1,587	13.3	271,624
100	HAINES BOROUGH	2	0.1	24	0.2	2,758
110	JUNEAU BOROUGH	24	1.6	174	1.5	23,439
122	KENAI PENNINSULA BOROUGH	138	9.4	1,279	10.7	171,118
130	KETCHIKAN GATEWAY BOROUGH	0	0.0	0	0.0	0
140	KOBUK CA	77	5.3	571	4.8	82,556
150	KODIAK ISLAND BOROUGH	13	0.9	97	0.8	13,415
170	MATANUSKA-SUSITNA BOROUGH	127	8.7	1,032	8.6	142,687
180	NOME CA	66	4.5	532	4.4	72,337
185	NORTH SLOPE BOROUGH	17	1.2	106	0.9	18,818
201	PRINCE OF WALES-OUTER KETCH.	17	1.2	104	0.9	13,624
220	SITKA BOROUGH	11	0.8	69	0.6	9,522
231	SKAGWAY-YAKUTAT-ANGOON CA	19	1.3	170	1.4	20,399
240	SOUTHEAST FAIRBANKS "A"	8	0.5	65	0.5	7,074
261	VALDEZ-COROONA CA	6	0.4	52	0.4	4,561
270	WADE HAMPTON CA	30	2.0	267	2.2	40,293
280	WRANGELL-PETERSBURG CA	9	0.6	84	0.7	12,701
290	YUKON-KOYUKUK CA	57	3.9	492	4.1	63,659
	AREA UNKNOWN	6	0.4	47	0.4	7,243
	<b>IN-STATE TOTALS</b>	<b>1,466</b>	<b>100.0%</b>	<b>11,970</b>	<b>100.0%</b>	<b>\$1,743,616</b>

Note: 43 recipients filed claims from more than one area in 1985 and are assigned to the area in which they received the greatest amount of payments.

SOURCE: Alaska Department of Administration, Monthly Expenditure Journal.

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William L. Hensley

## MEMORANDUM

TO: Senator Tim Kelly, Chairman  
Senator Labor and Commerce Committee

FROM: Senator Willie Hensley *WH*

SUBJ: Request for scheduling of Senate Bill 416

DATE: February 17, 1988

I would appreciate it if you would schedule a hearing on Senate Bill 416, a bill that would provide funding in the amount of \$2.3 million for the state interim benefits program, as soon as may be convenient.

This bill would allow non-instructional employees of school districts to be paid unemployment compensation benefits. These employees -- clerks, custodians, and aides -- are the lowest paid of school districts.

Thank you.

WLH/BA/mjt

*600 of True people are  
yours, Tim!*