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APR 8 1991

Alaska State Legislature

Chair, Resources Committee
Vice chair, Transportation Committee
Member, Rules Committee
Member, Committee on Committees



District A
Ketchikan, Wrangell, Petersburg,
Hyder, Myers Chuck, Kupreanof


Senator Lloyd Jones

P.O. Box V
Juneau, AK 99811
907 465-3743
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Ketchikan, AK 99901
907 225-9082
Fax: 907 225-8546

MEMORANDUM

To: Senator Drue Pearce, Chair
Senate Labor and Commerce Committee

From: Senator Lloyd Jones 

Subj: Request for a Hearing on SB 230

Date: April 3, 1991

Please consider hearing Senate Bill 230, relating to unemployment benefits for employees and employers affected by the Persian Gulf Conflict.

The bill is designed to spread contribution rates of Alaskan employers whose employees were deployed to the Persian Gulf. If the employers did not fill positions vacated by employees who were called to the Persian Gulf their unemployment insurance contribution rates may have increased because of a decline in payroll. This bill allows the state to adjust the rates so that the impact would be shared by all employers across the state.

Additionally, section 2 of the bill helps employees who were deployed to the Persian Gulf by making a one-time adjustment to the base wage used to calculate unemployment insurance benefits. If the employee is laid off their unemployment benefit is based on wages earned in a base period the first four of the last five completed calendar quarters. Under this bill, if the employee served in the Persian Gulf during that base period, their benefits would be calculated on the base period prior to their active duty if their active duty pay was lower than their normal wages.

Attached is a briefing paper regarding SB 230 including scenarios showing examples of how this bill works. A fiscal note from the Department of Labor is forthcoming.

LJ:gmc

Bill No: Senate Bill No. 230

Date: April 29, 1991

Title: "An Act relating to the payment of unemployment insurance benefits and the computation of employer contribution rates because of the Persian Gulf Crisis; and providing an effective date."

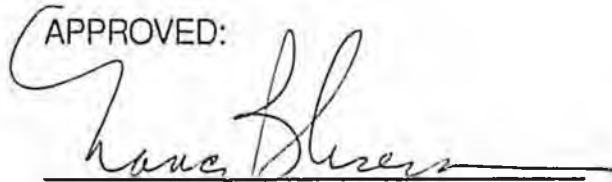
Contact: Judy Knight
465-2712

The provisions of Senate Bill No. 230 are designed to assure that 1) the unemployment insurance contribution rates of Alaskan employers do not increase because of payroll declines attributable to employees being called to active duty in the Persian Gulf and 2) assure that workers unemployment insurance benefits are not diminished because of their service in the Persian Gulf.

Specifically, this bill will enable the Department to make adjustments to an employer's contribution rate if it was affected by one or more employees leaving for active duty, and to make adjustments to an individual's unemployment insurance benefits if the individual's base period wages were reduced because of lower pay received while serving in the military in the Persian Gulf.

The Department supports the provisions of Senate Bill 230. It will not have a fiscal impact on the Department.

APPROVED:



Nancy Bear Usera, Commissioner
Department of Labor

POSITION PAPER/Department of Labor

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO : SB 230

Revision Date: _____
Title: "An Act relating to the payment of unemployment insurance...Persian Gulf crisis..."
Sponsor: Senator Jones
Requestor: Senate Labor & Commerce

Department Affected: Labor
BRU: Employment Security
Component: Unemployment Insurance
COMPONENT SERIAL NO. 329

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

We estimate there are 80 people that would be affected by this bill. The division already has the means to adjust an employer's experience rating and any additional benefits would be paid from the UI Trust Fund. The trust fund would be minimally affected.

Prepared by: Judy Knight, Director Phone: 465-2712
Division: Employment Security Date: 4/4/91

Approved by Commissioner: Nancy Bear Usera
Agency: Department of Labor Date: 4/4/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT AND BENEFITS

March 29, 1991

APR 4 1991

WALTER J. HICKEL, GOVERNOR

PLEASE REPLY TO

P.O. BOX CR
JUNEAU, AK 99811 0203
PHONE (907) 465 4460
FAX (907) 465 3086

701 EAST TUDOR RD. SUITE 240
ANCHORAGE, AK 99503 7445
PHONE (907) 563 5885
FAX (907) 561 6048

Rud

Dear Associate:

The Commissioner of Administration proposes to amend regulations published in Title 2 of the Alaska Administrative Code, dealing with your group health and life insurance. We would like your assistance in posting the public notice. Also, we would like your comments on the proposed changes.

Enclosed is a copy of the public notice and proposed regulations. Written statements or arguments relevant to the proposed actions may be provided to the Director, Division of Retirement and Benefits, P.O. Box CR, Juneau, Alaska 99811-0203.

Comments should be provided by April 25, 1991.

Thank you for your assistance in distributing this notice and we look forward to receiving your comments on the proposed changes.

Sincerely,

Gary M. Bader

Gary M. Bader
Director

GMB/CAJ/pab
8/6/0792469A.wp
Enclosure

Contact: Division of Retirement and Benefits, P.O. Box CR, Juneau, AK
99811-0203, telephone (907) 465-4460, Fax 465-3086

**NOTICE OF PROPOSED CHANGES TO REGULATIONS
STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION**

Notice is given that the Department of Administration under the authority of AS 39.30.090 proposes to adopt regulations in Title 2 of the Alaska Administrative Code dealing with group health and life insurance coverage for certain state employees called to active military service, to implement AS 39.30.090 as follows:

2 AAC 39 is proposed to be amended by adding a new provision for the continuation of state paid group health and life insurance coverage by state employees serving in the military reserve, National Guard, or state militia units who were called to active duty on or after August 1, 1990. The state portion of the cost of this coverage will be paid by the state. Coverage is limited to five consecutive years of active duty or the date of terminations, if sooner. This change is needed to retain coverage at the same cost and level for state employees while on active military duty.

Notice is also given that any person interested may present written statements or arguments relevant to the proposed action by writing to: Division of Retirement and Benefits, P.O. Box CR, Juneau AK 99811-0203, so that they are received no later than April 25, 1991.

This action is not expected to require an increased appropriation.

Copies of the proposed regulations may be obtained by writing to: Division of Retirement and Benefits, P.O. Box CR, Juneau, AK 99811-0203, or by calling (907) 465-4460 or (907) 563-5885 in Anchorage.

The Department of Administration, after the deadline stated above, will either adopt these or other proposals dealing with the same subject matter or decide to take no action on them.

3/20/91
Date

Millett Keller
Millett Keller
Commissioner

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: 2/27/91

FURTHER: Finance

Date of 5-Day Notice: 4-25-91
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: _____

L&C Committee considered SB 230

Payment of unemployment insurance benefits and the computation of employer contribution rates because of the Persian Gulf crisis; efd.

and recommended:

- replace with _____ CS _____ same title
- attached amendment(s) new title
- _____ letter of intent adopted
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

ATTACHES NEW FISCAL NOTE(S):

- | | |
|---|---|
| Department(s)/Date: | Department(s)/Date: |
| <input type="checkbox"/> fiscal note(s) _____ | <input type="checkbox"/> zero fiscal note(s) <u>LABOR</u> |
| _____ | _____ |
| _____ | _____ |
| <input type="checkbox"/> appropriation-no fiscal note | <input type="checkbox"/> Governor's bill w/fiscal note |

SIGNING DO PASS:

[Signature]
[Signature]
[Signature]

OTHER RECOMMENDATIONS:

[Signature]
 Chair: Signature and Recommendation