

HB

212

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~~Amended~~, P. 2

26-LS0794A

HOUSE BILL NO. 212

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES CRAWFORD, Tuck

Introduced: 4/1/09

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act modifying the Alaska unemployment insurance statutes to comply with the
2 requirements of the federal economic stimulus bill by redefining the base period for
3 determining eligibility for unemployment benefits; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 **LEGISLATIVE FINDINGS AND INTENT.** The legislature finds that

8 (1) the federal government has enacted a federal economic stimulus bill that
9 makes it possible to obtain from the federal government additional funding to address the
10 needs of the state's unemployed;

11 (2) it is desirable to address the needs of the state's unemployed;

12 (3) it is desirable to address the needs of the state's employers;

13 (4) in order for the state to receive the additional federal funding made
14 available by the federal economic stimulus bill it may be necessary to amend state law;

1 (5) because eligibility for federal economic stimulus funds may be contingent
 2 on amending state law, and because that federal funding will address the needs of the state's
 3 unemployed, and, by offsetting some of the costs associated with providing benefits to the
 4 state's unemployed, will address the needs of the state's employers, the amendment of state
 5 law to ensure the state is eligible to receive federal economic stimulus funds is an important
 6 goal.

7 * Sec. 2. AS 23.20.520(3) is amended to read:

8 (3) "base period" means the first four of the last five completed
 9 calendar quarters immediately preceding the first day of an individual's benefit year,
 10 except that if an individual would not otherwise be eligible for unemployment
 11 compensation because of the use of a base period that does not include the most
 12 recently completed calendar quarter immediately preceding the first day of an
 13 individual's benefit year, "base period" means, and eligibility shall be
 14 determined using, the four most recently completed calendar quarters before the
 15 start of the benefit year;

16 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

~~tech change to Jan 1 2010~~

#2

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 212
 () Publish Date: _____

Identifier (file name): HB212-DOLWD-UI-04-10-09 Dept. Affected: Labor and Workforce Development
 Title: Unemployment Amendments: Fed Stimulus RDU: Employment Security
 Sponsor: Representative Crawford Component: Unemployment Insurance
 Requester: House Finance Component Number: 2276

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
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	0.0

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: None

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

There is no anticipated fiscal impact to the department as a result of this legislation.

This legislation makes changes to the Unemployment Insurance base period used to determine eligibility for benefits by allowing use of the most recent completed quarter if an individual would not be eligible using the prior four quarters. Based on a review of 2008 unemployment insurance benefit applications, 1,293 additional unemployed workers would have been eligible for unemployment insurance benefits if the alternate base period were in place in 2008, resulting in \$1.95 million in unemployment insurance benefits paid from the Unemployment Insurance Trust Fund.

Prepared by: Thomas Nelson, Director Phone 465-5933
 Division: Division of Employment Security Date/Time 4/10/09 11:23 AM
 Approved by: Click Bishop, Commissioner Date 4/10/09
 Agency: Department of Labor and Workforce Development

(Revised 9/2008 OMB)

Alaska State Legislature
House of Representatives

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Representative Harry T. Crawford, Jr.

East Anchorage District 21

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MEMORANDUM

To: Reps. Stoltz & Hawker
From: Rep. Harry Crawford
Re: HB 212
Date: 1/29/2008

Please schedule HB 212 for a hearing before the Finance Committee. For your review find a copy of the most recent version of the bill, a sponsor statement, a Sectional Analysis. The Fiscal note will be forwarded by the Administration. There may be a need for teleconference sites in Anchorage and Juneau.

If you have any questions or need further information please feel free to contact me or my staff person Paul Grossi at 465-3438.

Enclosures:
Attachments:

Memo form.doc

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Representative Harry Crawford
District 21

SPONSOR STATEMENT: HOUSE BILL HB 212

HB 212 is a bill to modify the Alaska unemployment insurance statute to comply with requirements of the federal stimulus bill. HB 212 changes the definition of the base period for the calculation of unemployment benefits. The change in the calculation will cause an increase in the yearly payout of benefits by \$ 2 million. This change will allow the Department of Labor to receive \$15.6 million in stimulus money.

The intent language in the bill is provided to give the Department guidance as to how the legislature wants the Department to use the money. If the Department deposits the money into the Unemployment Trust Fund, the money would be available to pay benefits and would more than offset the cost of the increase benefits. This would allow the additional benefits to be paid without any increase in unemployment tax to employers.

I believe this bill will help unemployed workers and benefit employers at the same time. I strongly encourage the Legislature to pass HB 212.

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House of Representatives

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Sectional Analysis: HOUSE BILL 212

- Section # 1 Provides intent language to provide Legislative guidance to the Department of Labor as to the use of the Federal unemployment stimulus money. This section says that the Legislature wants the Department to use the money to offset employer costs for any increases in benefits.
- Section #2 Amends AS 23.30.520(3) to change the definition of the base period in the unemployment benefits law. It allows a second "look back" period that would include the most recent quarter immediately proceeding the first day of the benefit year.
- Section#3 Provides an effective date.