

LEG. FINANCE - BILLS 1975 - 1978 / 39

SSHB 550 cont. 739

Contractual

1. Data Processing (General Fund)  
Pro rata: \$1,783.00 (portion of space rental, office equipment rental)  
Indirect: 4,247.00 (24.4% of base salary for approved indirect cost plan)  
Computer Operations: 11,520.00 (Computer operations charged at \$120 per CPU hour and includes all computer testing and debugging as well as associated costs for operator staff, documentation of programming and computer hardware costs)
  
2. Appeals (Federal Fund)  
Equipment: \$ 1,670.00 (office equipment rental & ½ cost of mag card typewriter)  
Space Rental: 1,728.00 (pro-rated office rental)  
Indirect: 12,599.00 (33.1% of Federally funded base salaries for approved indirect cost plan)
  
3. Appeals (General Funds)  
Equipment Rental: \$1,440.00 (prorated share of office equipment mag card rental)  
Rental: 770.00 (property share of office equipment)  
Space Rental: 1,728.00 (80 Ft. @ .90/ft)  
Indirect: 5,885.00 (24.4% of state base salary)
  
4. Accounting Clerk III (General Funds)  
Equipment Rental: \$ 770.00 (Prorated share of office equipment rental)  
Space Rental: 1,728.00 (80 ft. @ .90/ft)  
Indirect: 5,885.00 (24.4% of state base salary)

Commodities

1. Data Processing (General Funds)  
Office and Computer Consumable Supplies \$670.00 (pro rate share of FY 78 cost per portion for 9 months.)
2. Appeals (Federal Funds)  
Office Supplies and recording tape \$464.00 (pro rata share of office supplies based on \$85.00 per year per position and \$294.00 for 600 cassette tapes)
3. Appeals (General Funds)  
Office supplies and recording tape \$379.00 (\$85.00 plus \$294.00)
4. Accounting Clerks (General Funds)  
Office supplies \$170.00 (E\$85.00 per portion per year)

Equipment

1. Appeals (General Funds)	
1 desk	\$267.88
1 chair	125.00
1 portable recorder	<u>590.70</u>
	\$983.58
2. Appeals (Federal Funds)	
1 desk	\$ 267.88
1 clerical desk	376.88
2 chairs	375.00
1 recorder	590.70
1 transcriber	<u>429.00</u>
	\$2,039.46

COMMITTEE REPORT  
SENATE

FURTHER: Finance

6/8/78

Date: 6-11-78

Mr. President:

The Committee on LABOR & MANAGEMENT has had CSSSHB 550 (Fin) am  
unemployment insurance

under consideration and (a majority of the committee) (the committee  
reports it back as follows)

( ) recommends it do pass ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

(X) recommends it be replaced with CS for CSOS HB 550 (Fin) am

and C.S.C.S.S.H.B. 580 + reports it back as follows  
( ) new title (X) same title

( ) AND attaches a Letter of Intent ( ) New Fiscal Note

(X) reports it back with individual ~~without~~ recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

Jerguson Do Pass

OTHER RECOMMENDATIONS:

Patrick Rodey DO NOT ADOPT COMMITTEE SUB.

Bill Ray DO NOT ADOPT COMMITTEE SUB.

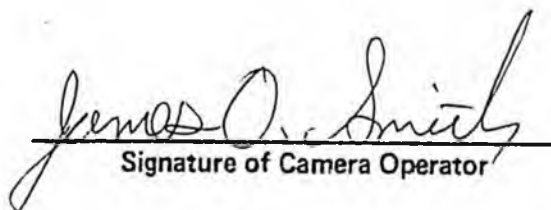
Jerguson  
Chairman

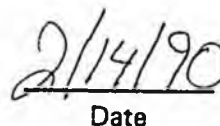


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date

# COMMITTEE REPORT

## HOUSE

5/12/78

FURTHER: \_\_\_\_\_

Date: 6/10/78

Mr. Speaker:

The Committee on FINANCE has had SSLB 550

"An Act relating to unemployment insurance; e.d."

under consideration and (a majority of the committee) (the committee reports it back as follows)

( ) recommends it do pass ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

(X) recommends it be replaced with CS for SSHB 550 (Finance)

and reports it back with individual recommendations ( ) new title ( ) same title

( ) AND attaches a Letter of Intent ( ) New Fiscal Note

( ) reports it back without recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

### MEMBERS SIGNING DO PASS:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

### OTHER RECOMMENDATIONS:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

[Signature]

Chairman

Original sponsor: Rules Committee by  
request of the Governor

Offered: 5/12/73  
Referred: Finance

1 IN THE HOUSE

BY THE LABOR AND MANAGEMENT COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 550

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

9 \* Section 1. AS 23.20.115 is amended to read:

10 Sec. 23.20.115. UNAUTHORIZED DISCLOSURE OF INFORMATION. A member  
11 of the department, [OR] an employee of the department, or an agent of  
12 the department who, in violation of sec. 110 of this chapter, makes a  
13 disclosure of information obtained from an employing unit or from an  
14 individual in the administration of this chapter, or a person who has  
15 obtained a list of applicants for work or of claimants or recipients of  
16 benefits under this chapter and who uses or permits the use of the list  
17 for a purpose not authorized by sec. 110 of this chapter, upon convic-  
18 tion, is punishable by a fine of not more than \$200, or by imprisonment  
19 for not more than 90 days, or by both.

20 \* Sec. 2. AS 23.20.175(a) is repealed and re-enacted to read:

21 (a) For the purposes of secs. 165 and 170 of this chapter, after  
22 December 31, 1973 and through December 31, 1978, wages do not include  
23 that part of remuneration paid during any calendar year to an individual  
24 by an employer or by his predecessor which is in excess of \$10,000.

25 \* Sec. 3. AS 23.20.175(c) is repealed and re-enacted to read:

26 (c) For the purposes of secs. 165 and 170 of this chapter, after  
27 December 31, 1978 and through December 31, 1979, wages do not include  
28 that part of remuneration paid during any calendar year to an individual  
29 by an employer or by his predecessor which is in excess of <sup>75</sup>60 per cent

*round to nearest thousand*

1 of the statewide average annual wage. For the purposes of secs. 165 and  
2 170 of this chapter, after December 31, 1979, wages do not include that  
3 part of remuneration paid during any calendar year to an individual by  
4 an employer or his predecessor which is in excess of <sup>100</sup>.75 per cent of the  
5 average annual wage.

6 \* Sec. 4. AS 23.20.190 is amended by adding a new subsection to read:

7 (d) A person who fails to file a contribution report on the date  
8 it is due may be required, at the discretion of the department, to file  
9 a monthly contribution report, with payment, within 30 days of the close  
10 of each month. This monthly contribution report is subject to the same  
11 interest and penalty provisions as provided in secs. 185(a) and 190(a)  
12 of this chapter, but it may not be required for longer than one year at  
13 a time.

14 \* Sec. 5. AS 23.20.240 is amended by adding a new subsection to read:

15 (f) In this section, "employer" includes, but is not limited to,  
16 an officer or employee of a corporation or a member or employee of a  
17 partnership who, as an officer, employee, or member, is under a duty to  
18 perform the act in respect to which the violation occurs.

19 \* Sec. 6. AS 23.20.285(b) is amended to read:

20 (b) For the purpose of computing quarterly decline quotients, the  
21 department may, by regulation, prescribe (1) the manner in which wages  
22 paid in the form of annual bonuses or other lump-sum payments for ser-  
23 vice performed over a period of more than three months are apportioned  
24 among the calendar quarters of the calendar year in which the service  
25 was performed; and (2) the method for making adjustments in quarterly  
26 payrolls to eliminate the effect upon quarterly decline quotients re-  
27 sulting from unemployment which would not be compensable by reason of  
28 the labor dispute provision of sec. 383 [380(9)] of this chapter.

29 \* Sec. 7. AS 23.20.290(c) is amended to read:

(c) The rate of contributions payable by each eligible employer beginning January 1, ~~1981~~ [1974] and for each succeeding calendar year [THEREAFTER] is the rate opposite the rate class in that column of the table in this subsection [SECTION] which is appropriate for the calendar year as determined by the reserve multiple of the fund on September 30 of the preceeding calendar year.

A	B	C	D	E	F	G	H	I	J	K	L	
Employer's												
Cumulative	If the Reserve Multiple of the Fund is:											
Payroll	Equal to or											
Limits												
(Per cent	More											
of State	Than	.33	.67	.85	1.0	1.15	1.35	1.5	2.0	3.0		
Total												
Rate	Ratable	Less										
Class	Payroll)	Than	.33	.67	.85	1.0	1.15	1.35	1.5	2.0	3.0	
	Equal to											
	More	or Less										
	Than	Than										
1	0	10	3.0	2.6	2.3	1.9	1.6	1.3	1.1	.9	.8	.6
2	10	20	3.3	2.9	2.6	2.2	1.9	1.6	1.4	1.2	1.1	.9
3	20	30	3.6	3.2	2.9	2.5	2.2	1.9	1.7	1.5	1.4	1.2
4	30	40	3.9	3.5	3.2	2.8	2.5	2.2	2.0	1.8	1.7	1.5
5	40	50	4.4	4.0	3.7	3.3	3.0	2.7	2.5	2.3	2.2	2.0
6	50	60	4.7	4.3	4.0	3.6	3.3	3.0	2.8	2.6	2.5	2.3
7	60	70	5.0	4.6	4.3	3.9	3.6	3.3	3.1	2.9	2.8	2.6
8	70	80	5.2	4.8	4.5	4.1	3.8	3.5	3.3	3.1	3.0	2.8
9	80	90	5.3	4.9	4.6	4.2	3.9	3.6	3.4	3.2	3.1	2.9
10	90	100	5.5	5.1	4.8	4.4	4.1	3.8	3.6	3.4	3.3	3.1

1 Employee Rate .8 .8 .7 .7 .6 .6 .5 .5 .4 .3

2 \* Sec. 8. AS 23.20.290(d) is amended to read:

3 (d) Beginning January 1, 1981 [1974] and for each succeeding  
4 calendar year the rate of contributions payable by each employee of a  
5 subject employer is the designated employee rate in that column of the  
6 table in (c) of this section which is appropriate for the year as deter-  
7 mined by the reserve multiple on September 30 of the preceding calendar  
8 year.

9 \* Sec. 9. AS 23.20.340(a) is amended to read:

10 (a) An examiner designated by the department shall take the claim.  
11 The examiner shall take all evidence pertaining to the monetary eligi-  
12 bility of the claimant and [AN INITIAL DETERMINATION ON THE CLAIM SHALL  
13 BE MADE PROMPTLY AND SHALL INCLUDE A DETERMINATION WITH RESPECT TO  
14 WHETHER BENEFITS ARE PAYABLE, THE WEEKLY BENEFIT AMOUNT PAYABLE, AND THE  
15 MAXIMUM DURATION OF BENEFITS. WHEN THE PAYMENT OR DENIAL OF BENEFITS IS  
16 DETERMINED BY SEC. 380(9) OF THIS CHAPTER, THE EXAMINER] shall promptly  
17 transmit all evidence [WITH RESPECT TO THAT SECTION] to the department.  
18 The department, or a representative designated by it for the purpose,  
19 shall, on the basis of the evidence submitted and any [THE] additional  
20 evidence it requires, make an initial monetary determination of [AS TO]  
21 the claim as to whether the claimant is eligible for benefits under sec.  
22 350 of this chapter and the weekly benefit <sup>amount</sup> ~~rate class~~:

23 \* Sec. 10. AS 23.20.340(b) is amended to read:

24 (b) Within one year from the date of the initial monetary deter-  
25 mination, the department, on its own motion, may reconsider the monetary  
26 determination if it finds an error in computation or identity or finds  
27 that additional wages pertinent to the claimant's insured status have  
28 become available, or that the initial monetary determination is a result  
29 of a nondisclosure or misrepresentation of a material fact.

1 \* Sec. 11. AS 23.20.340(c) is amended to read:

2 (c) The claimant [AND OTHER PARTIES TO THE DETERMINATION] shall be  
3 promptly notified of the initial monetary determination (or of an  
4 amended initial monetary determination) and the reasons for it.

5 \* Sec. 12. AS 23.20.340(d) is amended to read:

6 (d) Unless the claimant is determined to be disqualified for  
7 benefits under secs. 375 - 388 of this chapter, benefits [BENEFITS]  
8 shall be promptly paid or denied in accordance with the initial monetary  
9 determination.

10 \* Sec. 13. AS 23.20.340(e) is amended to read:

11 (e) The claimant [OR OTHER PARTY TO THE DETERMINATION] may file an  
12 appeal from the initial monetary determination within 10 days after  
13 notification of the determination, or after the date the notice is  
14 mailed to his last [KNOWN] address of record. <sup>add 10 days</sup> If the claimant is eli-  
15 gible for benefits under sec. 350 of this chapter [BENEFITS ARE ALLOWED  
16 BY THE INITIAL DETERMINATION], but the record of the case indicates that  
17 a disqualification under secs. 375 - 388 exists [HAS BEEN ALLEGED] or  
18 may exist, benefits may not be paid before a determination of the dis-  
19 qualification has been made [THE EXPIRATION OF THE PERIOD FOR APPEAL].

20 \* Sec. 14. AS 23.20.340(f) is repealed and re-enacted to read:

21 (f) If a determination of disqualification under secs. 375 - 388  
22 of this chapter is made, the claimant shall be promptly notified of the  
23 ~~determination~~ and the reasons for it, <sup>The claimant</sup> and may appeal the determination in the  
24 same manner prescribed in this chapter for appeals of initial monetary  
25 determinations. Benefits may not be paid while a determination <sup>add 10 days</sup> of  
26 disqualification <sup>is</sup> being appealed. If a final appeal decision allows  
27 benefits to the claimant, those benefits must be paid promptly.

28 \* Sec. 15. AS 23.20.350(a) is amended to read:

29 (a) To be eligible [QUALIFY] for benefits an individual must

[SHALL] have earned wages in his base period totaling not less than \$750 of which \$100 must have been earned in other than the calendar quarter of his base period in which he earned the highest amount of wages, and at least eight times the weekly benefit amount must [SHALL] have been earned in employment, whether or not covered by this chapter, subsequent to the beginning of a preceding benefit year.

\* Sec. 16. AS 23.20.350(b) is repealed and re-enacted to read:

(b) Except as provided in (a) and (e) of this section, an individual's total weekly benefit amount is the amount shown in the table set out in this subsection in the applicable column opposite the amount of his total base period wages as shown in column A. Each individual who establishes a benefit year is entitled to a total weekly benefit amount as shown in columns B, C, D, or E of the tables set out in this subsection according to the number of dependents he has as of the date he establishes his benefit year and shall be fixed for the duration of the benefit year. The amount payable to any insured worker during his benefit year shall be based on the table effective on the first day of the benefit year.

TOTAL BASE PERIOD WAGES	TOTAL WEEKLY BENEFIT AMOUNT WITH THE FOLLOWING NUMBER OF DEPENDENTS				
	(A)	(B)	(C)	(D)	(E)
\$ 0 - 749.99	\$ 00	\$ 00	\$ 00	\$ 00	\$ 00
750 - 1,839.99	55	62	69	76	
1,840 - 2,759.99	60	67	74	81	
2,760 - 3,219.99	65	72	79	86	
3,220 - 4,139.99	70	77	84	91	
4,140 - 4,599.99	75	82	89	96	
4,600 - 5,059.99	80	87	94	101	

1	5,060 - 5,519.99	85	92	99	106
2	5,520 - 5,979.99	90	97	104	111
3	5,980 - 6,439.99	95	102	109	116
4	6,440 - 6,899.99	100	107	114	121
5	6,900 - 7,359.99	105	112	119	126
6	7,360 - 7,819.99	110	117	124	131
7	7,820 - 8,739.99	115	122	129	136
8	8,740 - 9,659.99	118	125	132	139
9	9,660 - 11,039.99	121	128	135	142
10	11,040 - 12,419.99	124	131	138	145
11	12,420 - 13,799.99	127	134	141	148
12	13,800 and over	130	137	144	151

13 \* Sec. 17. AS 23.20.350(c) is repealed and re-enacted to read:

14 (c) The maximum duration of benefits payable under this chapter is  
 15 21 weeks for claimants with total base period wages under \$13,800 and 28  
 16 weeks for all other claimants.

17 \* ~~Sec. 18. AS 23.20.350 is amended by adding new subsections to read:~~

18 (e) An individual's total weekly benefit amount may not exceed 50  
 19 per cent of the average weekly wage. In this section "average weekly  
 20 wage" means the average annual wage of the state in which the individual  
 21 filed his claim for benefits for that week divided by 52. Benefits paid  
 22 to an individual filing a claim in a state other than Alaska shall be  
 23 equal to the percentage his Alaska benefit amount bears to the appli-  
 24 cable Alaska average weekly wage multiplied by the applicable average  
 25 weekly wage of the state in which he is filing a claim.

26 (f) The average annual wage for each state shall be computed after  
 27 June 30 and before December 15 of each year based on the four consecu-  
 28 tive calendar quarters ending June 30. This determination is the ap-  
 29 plicable average annual wage for the period beginning with January 1 of

*new section*

1 the next year and ending December 31.

2 \* Sec. 19. AS 23.20.360 is amended to read:

3 Sec. 23.20.360. EARNINGS DEDUCTED FROM WEEKLY BENEFIT AMOUNT. An  
4 eligible individual who is unemployed in a week shall be paid with  
5 respect to that week a benefit in an amount equal to his total [BASIC OR  
6 AUGMENTED] weekly benefit amount less that part of the remuneration,  
7 whether or not covered by this chapter, payable to him with respect to  
8 that week which is in excess of \$50 [\$10 OR ONE-HALF OF HIS BASIC WEEKLY  
9 BENEFIT AMOUNT, WHICHEVER AMOUNT IS GREATER]. If the adjusted benefit  
10 amount is not a multiple of \$1, it is computed to the next higher mul-  
11 tiple of \$1.

12 \* Sec. 20. AS 23.20.370 is amended to read:

13 Sec. 23.20.370. BENEFITS OF DECEDENT OR INCOMPETENT. Benefits due  
14 and payable to a deceased or judicially declared incompetent person  
15 shall be paid, in accordance with regulations prescribed by the depart-  
16 ment, to persons in the following order: spouse, child, [OR] parent,  
17 sister or brother, aunt or uncle, payment to whom the department finds  
18 will best carry out the purposes of this chapter. The regulations need  
19 not conform to the statutes applicable to the descent and distribution  
20 of decedents' estates. A receipt from the person to whom the department  
21 makes payment fully discharges the fund and the department from liabili-  
22 ty for the benefits.

23 \* Sec. 21. AS 23.20.375(a) is amended to read:

24 Sec. 23.20.375. QUALIFICATION [ELIGIBILITY] FOR BENEFITS. (a) An  
25 insured worker is qualified [ELIGIBLE] for and shall receive waiting-  
26 week credit or benefits, as the case may be, for a week of his unemploy-  
27 ment with respect to which he has not been determined to be disqualified  
28 under secs. 378 - 388 [SEC. 380] of this chapter, if [THE WORKER HAS],  
29 in accordance with regulations prescribed by the department, the worker

1 has, with respect to the week,

2 (1) filed a notice of his unemployment;

3 (2) registered for work; [AND]

4 (3) certified for waiting-week credit or filed a claim for  
5 benefits, as the case may be; and

6 (4) agreed to accept the prevailing wage for his work in the  
7 area in which he is filing.

8 \* Sec. 22. AS 23.20.375 is amended by adding a new subsection to read:

9 (d) An insured worker may register for work with a referral agency  
10 other than the department if that agency has a referral agreement with  
11 the department made in accordance with regulations prescribed by the  
12 department. A referral agency other than the department, before certi-  
13 fying and providing documentation to an individual as being available  
14 for work and as not having failed to accept offered suitable work, shall  
15 require that the individual produce proper identification, or be per-  
16 sonally known to agents or employees of the referral agency who are  
17 actually present at the referral agency at the time of certifying.

18 \* Sec. 23. AS 23.20 is amended by adding new sections to read:

19 Sec. 23.20.378. ABLE AND AVAILABLE. An insured worker is dis-  
20 qualified for waiting-week credit or benefits for a week of his unem-  
21 ployment if, with respect to that week, the department finds that he was  
22 not able to work, not available for suitable work, or not actively  
23 seeking work. An insured worker is not considered disqualified for  
24 waiting-week credit or benefits for a week of his unemployment because  
25 of failure to comply with the provisions of this section if

26 (1) he is unable to work because he is ill or disabled or he  
27 resides in the state and is not available for work because of his non-  
28 commercial fishing and hunting necessary for the survival of himself or  
29 his dependents; and

1 (2) the condition described in (1) of this section occurs  
2 during an uninterrupted period of unemployment which follows a week for  
3 which he filed a compensable claim and no suitable work was offered him  
4 for any part of that week before the beginning of the fishing, hunting,  
5 illness, or disability; however, a waiver of disqualification on the  
6 basis of illness is only available for a maximum of four consecutive  
7 weeks.

LV In  
motion  
failed

8 Sec. 23.20.379. VOLUNTARY QUIT, DISCHARGE FOR MISCONDUCT, AND  
9 REFUSAL OF WORK. (a) An insured worker is disqualified for waiting-  
10 week credit or benefits for a week of his unemployment if he

11 (1) left his last suitable work voluntarily without good  
12 cause;

13 (2) was discharged or suspended for misconduct connected with  
14 his last work;

15 (3) failed without good cause to apply for available suitable  
16 work to which he was referred by the employment office or other referral  
17 agency which has an agreement with the department under sec. 375(d) of  
18 this chapter during a week claimed; or

19 (4) failed to accept suitable work when offered to him during  
20 a week claimed.

21 (b) The disqualification provided in (a) of this section continues  
22 until terminated by one of the following:

23 (1) the individual has filed claims for six otherwise com-  
24 pensable weeks of unemployment subsequent to the date the disqualifying  
25 act occurred; or

26 (2) the individual has returned to full time covered employ-  
27 ment and earned at least six times his weekly benefit amount.

28 \* Sec. 24. AS 23.20.381 is amended by adding new subsections to read:

29 (e) An insured worker is disqualified for waiting-week credit or

1 benefits for a week of unemployment if, with respect to that week, the  
2 department finds that for the week or any part of it he has received or  
3 is seeking unemployment benefits under another unemployment security law  
4 in a manner other than in accordance with the reciprocal arrangements  
5 between the department and other states or the federal government. If  
6 the appropriate agency makes a final determination that the worker is  
7 not entitled to benefits under the other law, this subsection does not  
8 apply.

9 (f) An insured worker whose occupation has been abolished due to  
10 technological changes, as certified by the employment service office,  
11 must be willing to be placed in any job for which he is fit by training  
12 or experience, or he must be willing to be placed in a training program.  
13 Failure of such an insured worker to comply with the requirements of  
14 this section disqualifies him from benefits.

15 \* Sec. 25. AS 23.20 is amended by adding new sections to read:

16 Sec. 23.20.383. LABOR DISPUTE DISQUALIFICATION. (a) An insured  
17 worker is disqualified for waiting-week credit or benefits for a week of  
18 his unemployment if, with respect to that week, the department finds his  
19 unemployment is due to a stoppage of work because of a labor dispute at  
20 the immediate factory, establishment, or other premises at which he is  
21 or was last employed. For the purposes of this section, each separate  
22 department of the same premises which is commonly conducted as a sepa-  
23 rate business in separate premises is considered a separate factory,  
24 establishment, or other premises.

25 (b) This section does not apply if the department finds that

26 (1) the insured worker was not participating in or directly  
27 interested in the labor dispute which caused the stoppage of work, and  
28 he did not belong to a grade or class of workers which, immediately  
29 before the commencement of the stoppage, had members employed at the

1 premises at which the stoppage occurred and which had one or more mem-  
2 bers participating in or directly interested in the dispute; or

3 (2) the labor dispute was caused by the failure or refusal of  
4 an employer to conform to the provisions of an agreement or contract  
5 between the employer and employee, or a law of the state or of the  
6 United States pertaining to hours, wages or other conditions of work.

7 Sec. 23.20.387. DISQUALIFICATION FOR MISREPRESENTATION. (a) An  
8 individual is disqualified for benefits for a period not to exceed 28  
9 weeks if the department finds that the individual has knowingly made a  
10 false statement or misrepresentation or knowingly failed to report a  
11 material fact with intent to obtain or increase any benefits under this  
12 chapter. The length of this period of disqualification and the time  
13 when this period begins shall be determined at the department's discre-  
14 tion, according to the circumstances in each case. The department may  
15 waive this disqualification wholly or in part as it considers proper and  
16 equitable.

17 (b) No person may be disqualified from receiving benefits under  
18 this provision unless there is clear evidence that he has made a false  
19 statement or a misrepresentation of material fact or has failed to  
20 disclose the material facts with the intent to defraud. There must be  
21 evidence of an intention to defraud and the act must be knowing and must  
22 involve material facts before a determination of fraudulent misrepre-  
23 sentation or nondisclosure may be made.

24 Sec. 23.20.388. DISQUALIFICATION FOR BENEFITS UPON CONVICTION OF  
25 FRAUD IN OBTAINING BENEFITS. (a) A person who is guilty of making a  
26 false statement or misrepresentation knowing it is false or of knowingly  
27 failing to disclose a material fact to obtain any benefits or other  
28 payments under this chapter, in addition to any penalties imposed by the  
29 court, is

1 (1) disqualified for any further benefit payments in a cur-  
2 rent benefit year starting with the week number in which the conviction  
3 occurred;

4 (2) disqualified for benefits based upon wages paid to him in  
5 the calendar quarter in which he was convicted and on all prior calendar  
6 quarters of wages which have not been used in a benefit determination;  
7 and

8 (3) disqualified for benefits in any new benefit year after  
9 the conviction until he has reimbursed the fund for the full amount he  
10 received as a result of the false statement or misrepresentation or  
11 failure to report a material fact; however, if he is otherwise eligible  
12 for benefits under sec. 350 of this chapter, he may file for benefits  
13 and arrange to offset the full amount for which he is liable from his  
14 future benefits payable.

15 (b) The provisions of this section are in addition and supple-  
16 mental to all other provisions of this chapter pertaining to disquali-  
17 fications and recovery of improper payment.

18 \* Sec. 26. AS 23.20.390(b) is amended to read:

19 (b) As soon as the department has knowledge of payments of bene-  
20 fits to an individual under the circumstances mentioned in this section,  
21 it shall promptly prepare and deliver or mail to the individual at his  
22 last [KNOWN] address of record a notice of determination of liability  
23 declaring that the individual has been determined liable to refund the  
24 amount of benefits paid under the circumstances mentioned in this sec-  
25 tion. The amount, if not previously collected, shall be deducted from  
26 future benefits payable to the individual. However, if the department  
27 determines that an individual has died, or has acted in good faith in  
28 claiming and receiving benefits to which he was not entitled, or [AND]  
29 that great hardship would result from charging the individual with

1 repayment of the benefits, the department may absolve the individual  
2 from liability to the fund for repayment of the benefits.

3 \* Sec. 27. AS 23.20.407(b) is amended to read:

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

7 (1) 50 per cent of the total amount of total [REGULAR] bene-  
8 fits [, INCLUDING DEPENDENTS' ALLOWANCES,] which were payable to him  
9 under this chapter in his applicable benefit year;

10 (2) 13 weeks of compensation for [TIMES HIS AVERAGE WEEKLY  
11 BENEFIT AMOUNT, INCLUDING DEPENDENTS' ALLOWANCES, WHICH WAS PAYABLE TO  
12 HIM UNDER THIS CHAPTER FOR A WEEK OF] total unemployment in the appli-  
13 cable benefit year; or

14 (3) 39 weeks of compensation for [TIMES HIS AVERAGE WEEKLY  
15 BENEFIT AMOUNT, INCLUDING DEPENDENTS' ALLOWANCES, WHICH WAS PAYABLE TO  
16 HIM UNDER THIS CHAPTER FOR A WEEK OF] total unemployment in the appli-  
17 cable benefit year, reduced by the compensation for total unemployment  
18 for the number of weeks [TOTAL AMOUNT] of total [REGULAR] benefits which  
19 were paid or considered paid to him under this chapter with respect to  
20 the benefit year.

21 \* Sec. 28. AS 23.20.415(a) is amended to read:

22 (a) A party entitled to notice of determination provided in sec.  
23 340 of this chapter may file an appeal from the determination to an  
24 appeal tribunal within the time specified in that section. However, an  
25 appeal from a determination which involves sec. 383 [380(9)] of this  
26 chapter shall be made to the department. The parties to an appeal from  
27 a determination shall include all those entitled to notice of the deter-  
28 mination and a properly designated representative of the department.

29 \* Sec. 29. AS 23.20.420 is amended by adding a new subsection to read:

1 (e) Hearings under this section shall be held in population and  
2 transportation centers which are reasonably accessible to the parties as  
3 determined by the department. If a party does not wish to travel to the  
4 designated hearing location, he may reply to a written interrogatory  
5 form or submit a brief.

6 \* Sec. 30. AS 23.20.435(a) is amended to read:

7 (a) An appeal to the department by a party is a matter of right if  
8 the decision of the appeal tribunal reverses or modifies the deter-  
9 mination of the department, or if a question arising under sec. 383  
10 [380(9)] of this chapter is presented. In all other cases further  
11 appeal to the department is permitted only at the discretion of the  
12 department.

13 \* Sec. 31. AS 23.20.445 is amended to read:

14 Sec. 23.20.445. NOTICE OF DECISION OF DEPARTMENT AND JUDICIAL  
15 REVIEW. Within 60 days after initiation of an appeal under sec. 435 of  
16 this chapter, the department shall make its decision and each [EACH]  
17 party, including the properly designated representative of the depart-  
18 ment, shall be promptly given a copy of the decision and the supporting  
19 findings and conclusions of the department. The decision is final un-  
20 less a party initiates judicial review by filing an action in the  
21 superior court for review within 30 days after the department's decision  
22 has been mailed to each party at his last known address, or delivered to  
23 him. For the purpose of judicial review, an appeal tribunal's decision  
24 from which an application for appeal has been denied by the department  
25 is considered the decision of the department, except that the time for  
26 initiating judicial review runs from the date of the mailing or delivery  
27 of the notice of the denial of the application for appeal by the depart-  
28 ment.

29 \* Sec. 32. AS 23.20.485 is amended to read:

1           Sec. 23.20.485. FALSE STATEMENT TO SECURE BENEFITS. A person who  
2 makes a false statement or misrepresentation knowing it is false or who  
3 knowingly fails to disclose a material fact, with intent to obtain or  
4 increase a benefit or other payment under this chapter or under an  
5 employment security law of another state, of the federal government, or  
6 of a foreign government, either for himself or for another person, upon  
7 conviction, is punishable by a fine of [OR] not more than \$500 [\$200],  
8 or by imprisonment for not more than six months [60 DAYS], or by both.  
9 Each false statement or misrepresentation or failure to disclose a  
10 material fact is a separate offense.

11 \* Sec. 33. AS 23.20.490 is amended to read:

12           Sec. 23.20.490. ACTS OF EMPLOYER PROHIBITED. (a) An employing  
13 unit or referral agency or an officer or agent of an employing unit  
14 or referral agency may not (1) make a false statement or representation  
15 knowing it is false, (2) knowingly fail to disclose a material fact to  
16 prevent or reduce the payment of benefits to an individual entitled to  
17 them, or to avoid or reduce a contribution or other payment required  
18 from an employing unit under this chapter, or (3) knowingly [WILFULLY]  
19 fail or refuse to make a contribution or other payment, or to furnish a  
20 report required by this chapter or by authority granted under this  
21 chapter, or to produce or permit the inspection or copying of records as  
22 required by this chapter.

23           (b) An employing unit or referral agency or officer or agent of an  
24 employing unit or referral agency, upon conviction of violating (a) of  
25 this section, is punishable by a fine of not more than \$1,000 [\$200], or  
26 by imprisonment for not more than one year [60 DAYS], or by both.

27 \* Sec. 34. AS 23.20.520(2) is amended to read:

28           (2) "base period" means the first four of the last five com-  
29 pleted calendar quarters immediately preceding the first day of an

1 individual's benefit year; except that an individual who, immediately  
2 preceding the first day of his benefit year, was unable to work as a  
3 result of injuries compensable under the workmen's compensation Act has  
4 a base period consisting of the first four of the last five completed  
5 quarters immediately preceding his injuries; add lang-

6 \* Sec. 35. AS 23.20.520(12) is amended to read:

7 (12) "employing unit" means one or more departments or other  
8 agencies of the state, a political subdivision of the state, an indivi-  
9 dual or a type of organization, partnership, association, trust, estate,  
10 joint trust company, insurance company or domestic or foreign corpora-  
11 tion, or the receiver, referee in bankruptcy, trustee, or successor of  
12 one of these, or the legal representative of a deceased person, which  
13 has or subsequent to January 1, 1937, had one or more individuals per-  
14 forming service for it within the state; if an employing unit maintains  
15 two or more separate establishments inside the state which fall into  
16 different major divisions, as defined in the Standard Industrial Classi-  
17 fication Manual, each such establishment is considered as a separate  
18 employing unit for the purpose of this chapter [AN INDIVIDUAL PERFORMING  
19 SERVICES INSIDE THE STATE FOR AN EMPLOYING UNIT WHICH MAINTAINS TWO OR  
20 MORE SEPARATE ESTABLISHMENTS INSIDE THE STATE IS CONSIDERED AS EMPLOYED  
21 BY A SINGLE EMPLOYING UNIT FOR THE PURPOSES OF THIS CHAPTER]; notwith-  
22 standing any provision in this chapter, any employing unit which employs  
23 individuals whose services must be covered by the unemployment insurance  
24 laws of this state after December 31, 1971 as a condition of approval of  
25 the unemployment insurance laws of this state under sec. 3304(a) of the  
26 U.S. Internal Revenue Code of 1954, as amended, will be considered an  
27 employer as to those individuals and is subject to contributions on all  
28 wages paid after December 31, 1971, or reimbursement payments to cover  
29 benefits paid based on services performed after December 31, 1971,

enter  
lining  
out

1 depending on the applicable law;

2 \* Sec. 36. AS 23.20.520 is amended by adding new paragraphs to read:

3 (27) "prevailing wage" means the prevailing rate of wages  
4 issued by the department in accordance with AS 36.05.010; if no pre-  
5 vailing rate of wages has been determined for a particular type of work  
6 or for a particular area, the department shall make such a determination  
7 in accordance with regulations adopted by it;

8 (28) "average annual wage" equals TAW ; where TAW is the  
9 SEMP/12

10 total amount of wages paid to workers in the state during the computa-  
11 tion year as computed for purposes of reporting to the United States  
12 Department of Labor; and SEMP is the sum of the 12 monthly reports made  
13 during the computation year of the number of individuals employed as  
14 computed for purposes of reporting to the United States Department of  
15 Labor.

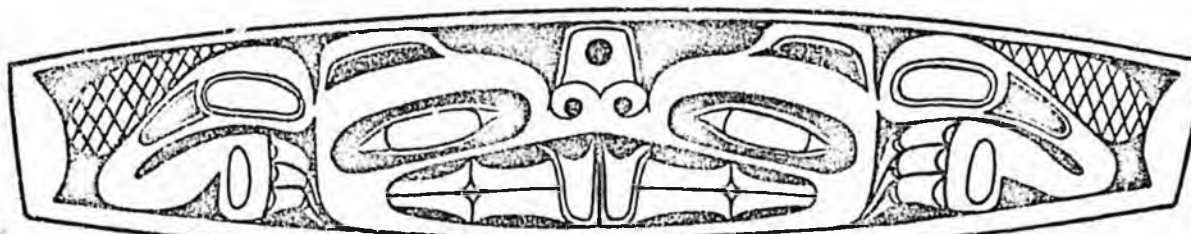
16 \* Sec. 37. AS 23.20.340(g) and 23.20.380 are repealed.

17 \* Sec. 38. Section 1 of this Act takes effect immediately in accordance  
18 with AS 01.10.070(c).

19 \* Sec. 39. Sections 9 - 14, 20 - 26, 28 - 34, and 36 take effect on  
20 July 1, 1978.

21 \* Sec. 40. Sections 2 - 8, 19, and 35 take effect on January 1, 1979.

22 \* Sec. 41. Sections 15 - 18 and 27 take effect on <sup>Jan: 1, 1979</sup> October 1, 1978 and are  
23 applicable to all individuals establishing a benefit year on or after that  
24 date.



ASSOCIATION OF ALASKA SCHOOL BOARDS

SUITE 3, 204 NORTH FRANKLIN STREET • JUNEAU, ALASKA 99801 • PHONE 586-1083

May 23, 1978

PROPOSED AMENDMENT TO Section 23.20.375. Eligibility for benefits

(c) Benefits based on service in employment defined in Section 525(a)(4),(5),(6) and (14) 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, effective January 1, 1978, benefits based on service in any [an instructional, research or principal administrative] capacity for an educational institution 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 performs services in the first of those academic years or terms and if there is a contract or reasonable assurance that the individual will perform services in the same or a similar capacity for any educational institution in the second of those academic years or terms.  
(am Section 6 ch 122 SLA 1977)

BASE WAGES			WEEKLY BENEFIT AMOUNT			TOTAL BENEFIT AMOUNT			3 DEPENDENTS		
SS	L+M	FIN	NO DEPENDENTS		3 DEPENDENTS		NO DEPENDENTS			3 DEPENDENTS	
			SS	L+M	FIN	L+M	FIN	SS	L+M	FIN	L+M
			(26 wks)	(21 wks)	(21 wks)	(26 wks)	(21 wks)	(21 wks)	(26 wks)	(21 wks)	(21 wks)
	750	750									
		1250		55	85	76	65	1155	980	1596	1820
1450					40	70			1120		1960
		1500	52					1352			
1840	1840				45	75			1260		2100
		2000	60	60		81		1560	1260	1701	
2300					50	80			1400		2240
		2500	65					1690			
2760	2760				60	90			1620		2520
		3000	70	65		86		1920	1365	1806	
3220	3220				70	100			1960		2800
		3500	75	70		91		1950	1470	1911	
3680					75	105			2100		2710
		4000	80					2020			
4140	4140				85	115			2320		3320
		4500	85	75		96		2210	1575	2016	
4600	4600				95	125			2660		3500
5060	5060				90	80	101	2340	1620	2121	
		5250	95	85		106		2470	1785	2226	
5520	5520				105	135			2940		3780
5930	5930				100	90	111	2600	1990	2321	
		6000	105	95		116		2720	1995	2426	
6440	6440					115	145		3220		
6900	6900				110	100	121	2700	2100	2541	4000
		7360			115	105	126	2990	2205	2646	
		7500			110		131		2310	2751	
7820	7820					125	150		2500		4200
		8500	120	115		136		3120	2415	2826	
8740	8740					125	165		3720		4620
9660	9660				125	112	139	3250	2478	2919	
		10,000	130	121		142			2541	2922	
10,580						140	170			3920	4700
		11,000	135					3220			
	11,040					145	175			4060	4900
11,500					124		145		2604	3645	
		12,000	140					3640			
12,420	12,420					150				4200	
13,240					142	127	148	3672	2657	3103	
	13,200				144			3744			
14,260						120	151		3640	4222	
15,180					146			2706			
16,100					147			3220			
17,020					148			3242			
17,940 +					149			3274			
Over					150			3200			

p. 7 lines 17-29 p. 8 line 1

Delete all lines and insert the following:

\* Sec. 18. AS 23.20.350 is amended by adding new subsections to read:

(e) Benefits may not be denied or reduced to any individual solely because he files a claim in another state or because he resides in another state at the time he files a claim for unemployment compensation. However, benefits paid to an individual filing a claim in a state other than Alaska which has an average weekly wage which differs from Alaska's average weekly wage by 10% or greater shall be equal to the percentage his Alaska benefit amounts bears to the applicable Alaska average weekly wage multiplied by the applicable weekly wage of the state in which he is filing a claim. In this subsection, "average weekly wage" of a state means the average annual wage of that state divided by 52.

(4) The average annual wage for each state under (e) of this

section will be computed after June 30 and before December 15 of each year based on the four consecutive calendar quarters ending June 30.

The average annual wage will be rounded to the next higher thousand prior to determining the average weekly wage to be used in (c) of this section. This determination is the applicable average annual wage for the period beginning January 1 of the next year and ending December

31.

# Que conseil

P. 13

Insert the following sections after sec. 36.

\* Sec. 37. Pending a final judicial determination as to the propriety of the United States Secretary of Labor's action, section 18 of this Act is suspended upon the condition and at the time that a withholding, withdrawal, or refusal of certification of the Alaska Employment Security Act by the United States Secretary of Labor under 26 U.S.C. 3304(c) on the grounds that the Alaska Employment Security Act does not comply with the requirements of 26 U.S.C. 3304(a)(9)(A) would otherwise take effect.

\* Sec. 38. Section 18 of this Act is repealed upon the condition and at the time that a <sup>final</sup> judicial determination <sup>is made</sup> that AS 23.20.350(e) and (f), as enacted by section 18 of this Act, are not consistent with the requirements of 26 U.S.C. 3304(a)(9)(A) and that the United States Secretary of Labor may properly withhold, withdraw, or refuse certification of the Alaska Employment Security Act under 26 U.S.C. 3304(c) on the grounds that the Alaska Employment Security Act does not comply with the requirements of 26 U.S.C. 3304(a)(9)(A) becomes final.



Base Period W. Ages	Basic Weekly Amount	Dependents			Weeks of Duration
		(1)	(2)	(3)	
750-1247.77	35	45	55	65	28
1250-1499.77	40	50	60	70	For all claimants
1500-1999.77	45	55	65	75	
2000-2499.77	50	60	70	80	
2500-2999.77	60	70	80	90	
3000-3499.77	70	80	90	100	
3500-3999.77	75	85	95	105	
4000-4499.77	85	95	105	115	
4500-5247.77	95	105	115	125	
5250-5999.77	105	115	125	135	
6000-7499.77	115	125	135	145	
7500-8499.77	125	135	145	150	
8500-9999.77	135	145	155	165	
10,000-14,999.77	140	150	160	170	
15,000-19,999.77	145	155	165	175	
20,000—	150	160	170	175	

8,500 earnings under existing law entitles a claimant to maximum benefits of:

90-100-110-120 or a maximum total of \$3,360 with 3 dependents


The same earnings under existing law would be 115-130-139-136 for 21 weeks for a maximum of \_\_\_\_\_

The same under proposed substitution would be 135-145-155-165 for 21 weeks for a maximum of \$4,630

VS:

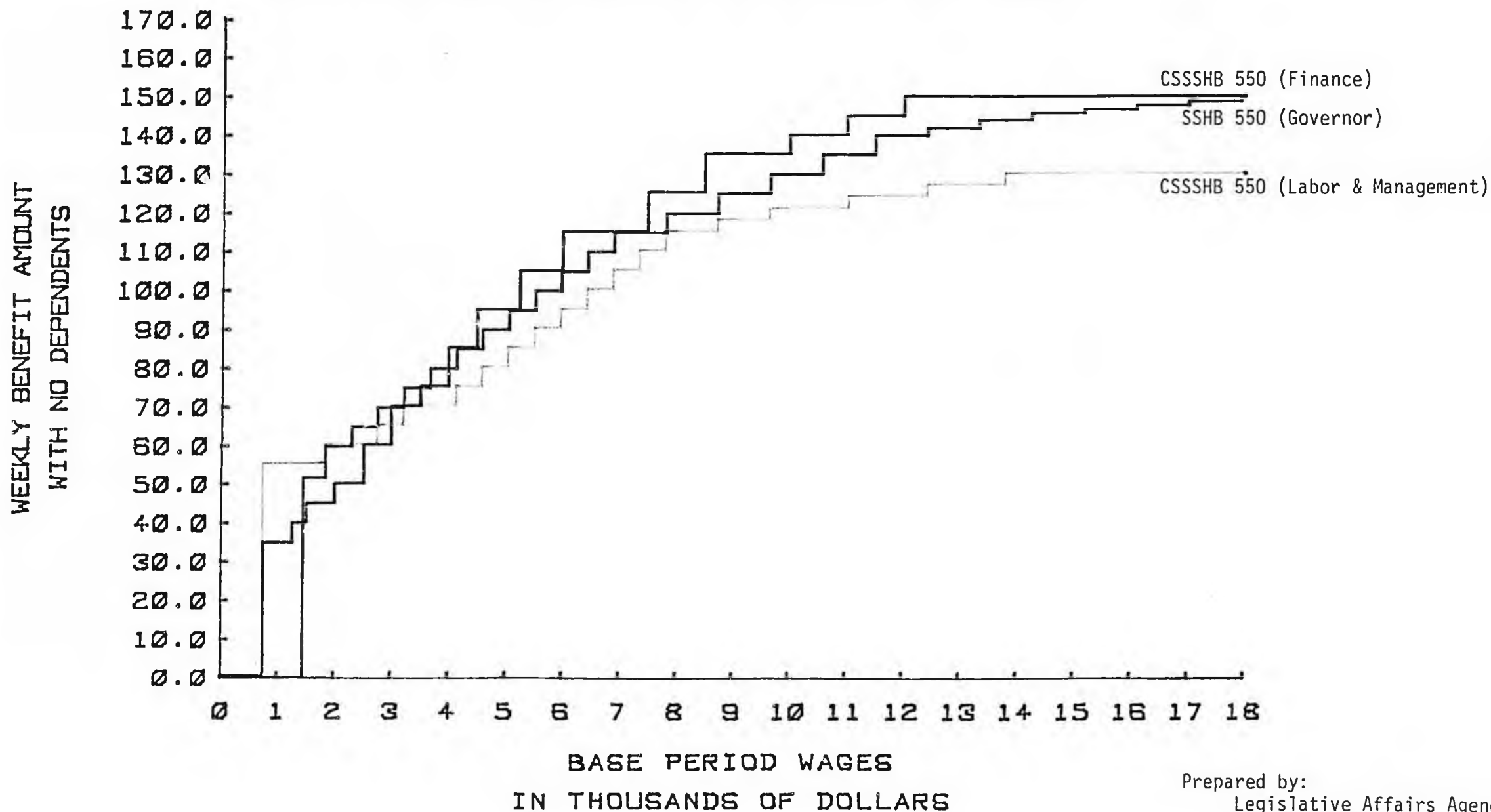
BENEFIT RECEIVED BY WORKERS OF EACH INDUSTRY

INDUSTRY	IN MILLIONS									% OF TOTAL CONTRIBUTION PAID BY THAT INDUSTRY	% OF BENEFIT PAID TO WORKERS OF INDUSTRY	AVERAGE NUMBER OF COVERED EMPLOYEES BY INDUSTRY	% OF TOTAL WORKING FORCE	BENEFITS PAID IN IMMEDIATE CLAIM
	1	5	10	15	20	25	30	35	40					
Agriculture, Forestry & Fisheries	843,945									1.2		922	.7	24,931
MINING	933,407									1.3				
	4,321,927									6.1		4342	3.4	497,725
CONSTRUCTION	1,529,788													
						25,129,939				35.7		26,634	21.1	19,42,119
MANUFACTURING														
		6,252,753							40,102,656	8.9		10,736	8.5	2,363,231
Transportation, Comm. & Pub. Utilities														
		5,222,691								7.1				
TRADE														
		7,586,173								10.8		15,235	12.1	
Finance, Insurance & Real Estate														
		6,926,904								9.4				2,556,787
Services														
		13,804,854								15.3		27,677	22.0	
Misc. & Unclassified														
		6,450,54								8.7				2,303,676
TOTALS														
		2,913,235								4.1		7,458	5.9	589,630
TOTALS														
		1,621,170								2.2				
TOTALS														
		11,322,095								16.1		27,101	21.4	4,016,931
TOTALS														
		9,748,315								13.2				
TOTALS														
		1,319,046								1.9		6276	4.9	
TOTALS														
		1,230,907								1.7				259,754
TOTALS														
		\$ 70,493,987	CONTRIBUTIONS REC'D - FISCAL YR 1977								100%		126,381	100%

EACH  = \$1,000,000.  
 BLACK LINE = CONTRIBUTIONS RECEIVED  
 RED LINE = BENEFIT PAYMENTS

# WEEKLY UI BENEFITS - NO DEPENDENTS

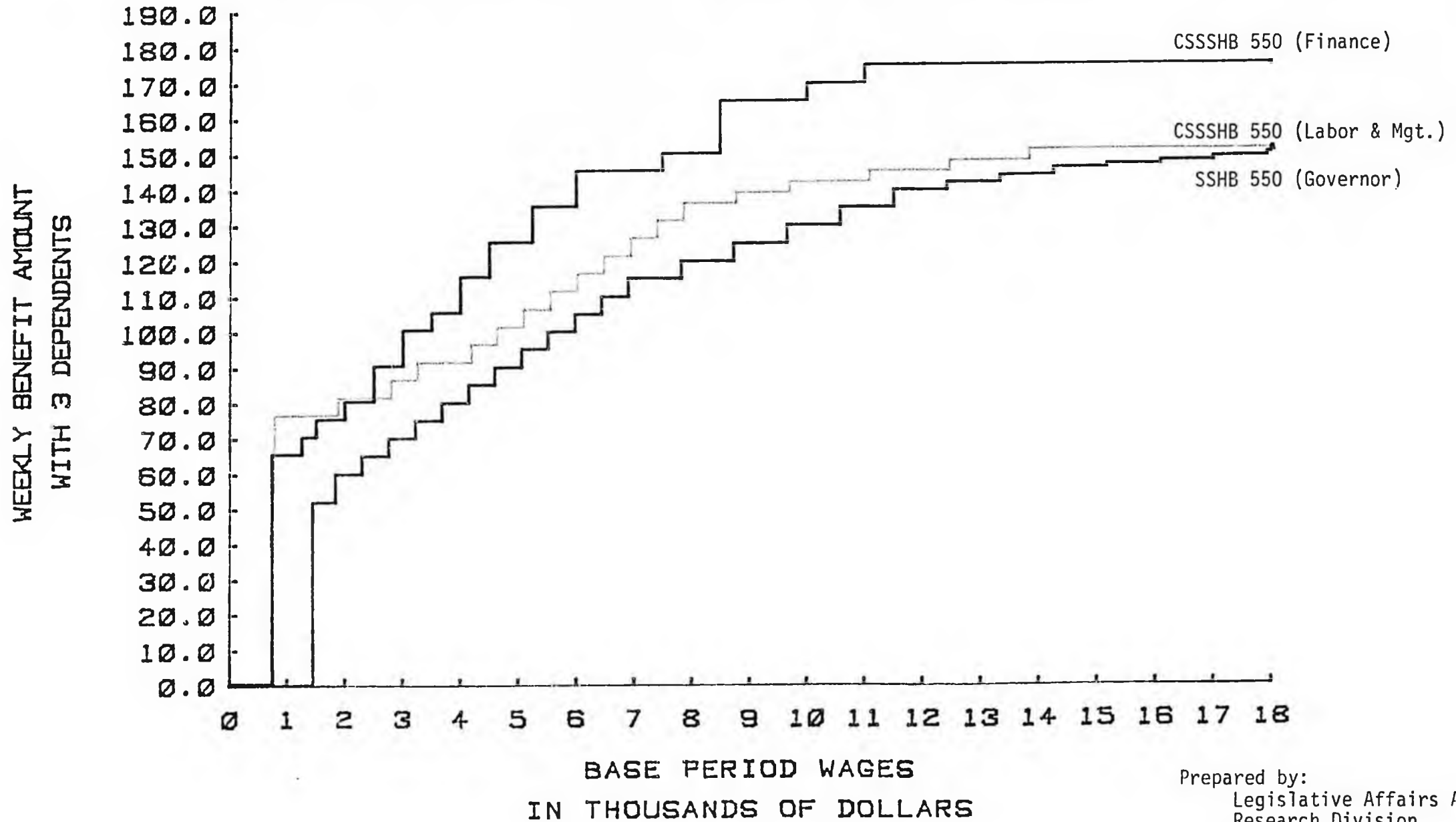
A COMPARISON OF SUBSTITUTE BILLS FOR HB550



Prepared by:  
Legislative Affairs Agency  
Research Division  
June 1, 1978

# WEEKLY UI BENEFITS - 3 DEPENDENTS

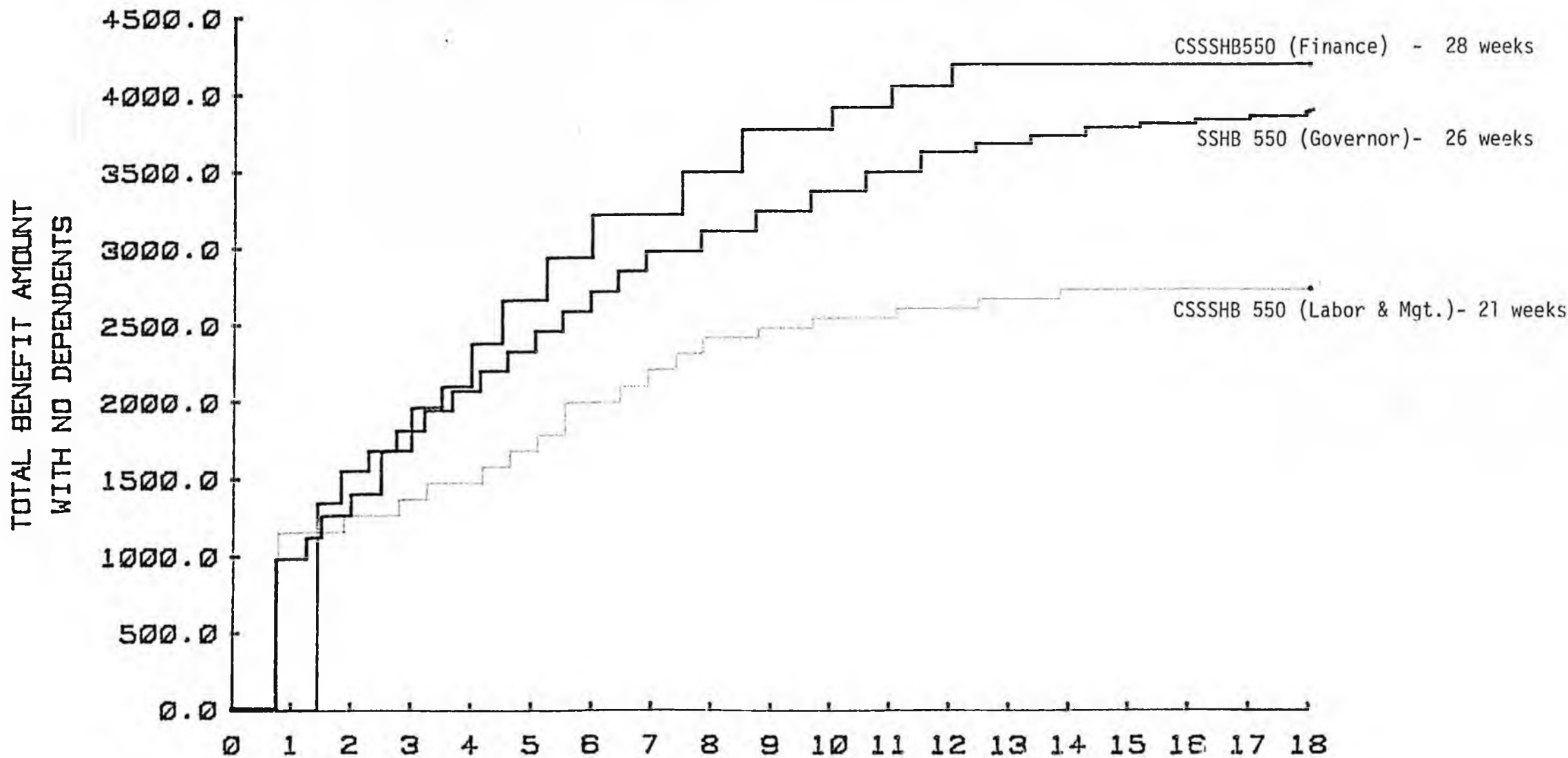
A COMPARISON OF SUBSTITUTE BILLS FOR HB550



Prepared by:  
 Legislative Affairs Agency  
 Research Division  
 June 1, 1978

# TOTAL UI BENEFITS - NO DEPENDENTS

A COMPARISON OF SUBSTITUTE BILLS FOR HB550

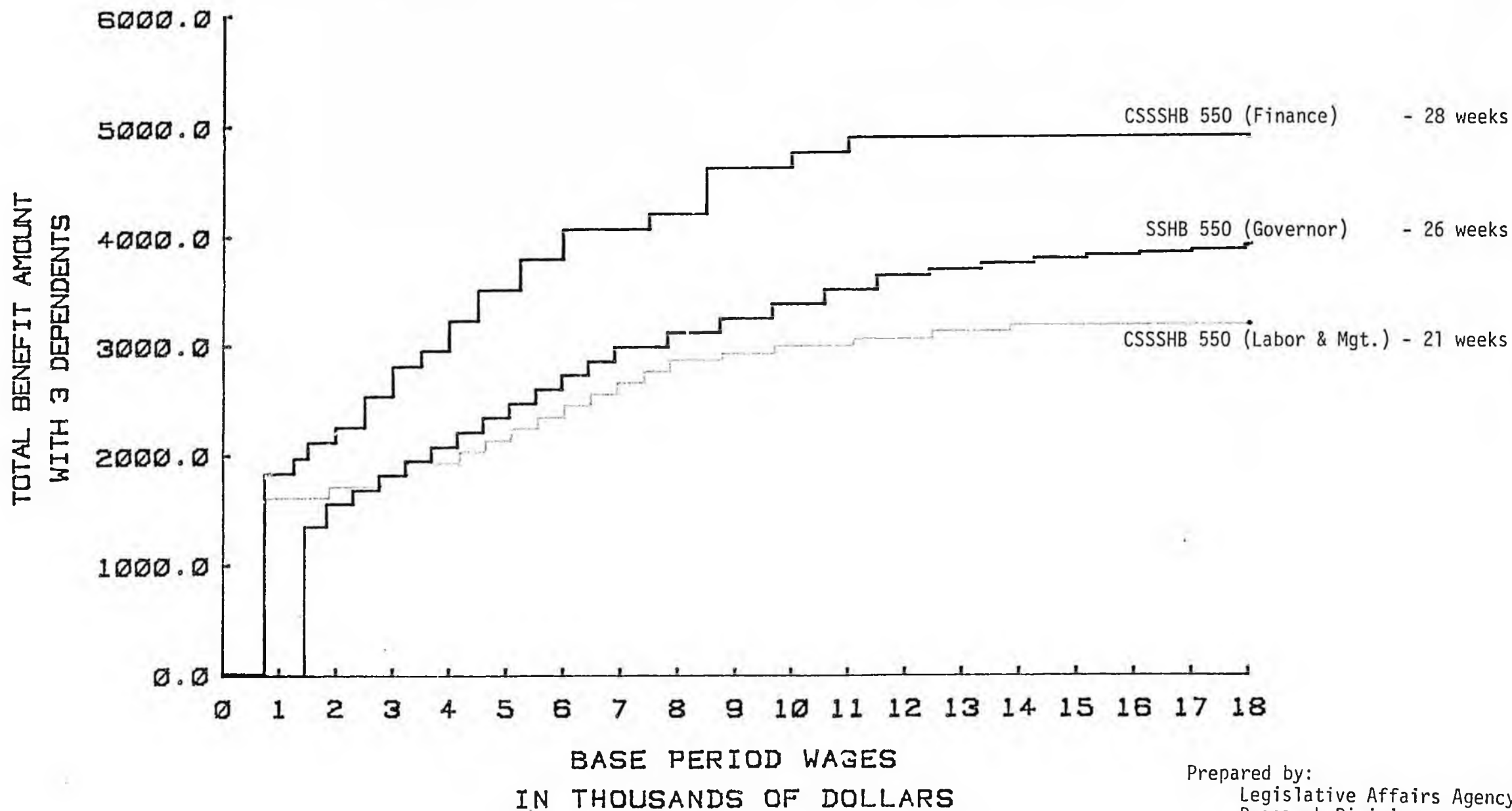


BASE PERIOD WAGES  
IN THOUSANDS OF DOLLARS

Prepared by:  
Legislative Affairs Agency  
Research Division  
June 1, 1978

# TOTAL UI BENEFITS - 3 DEPENDENTS

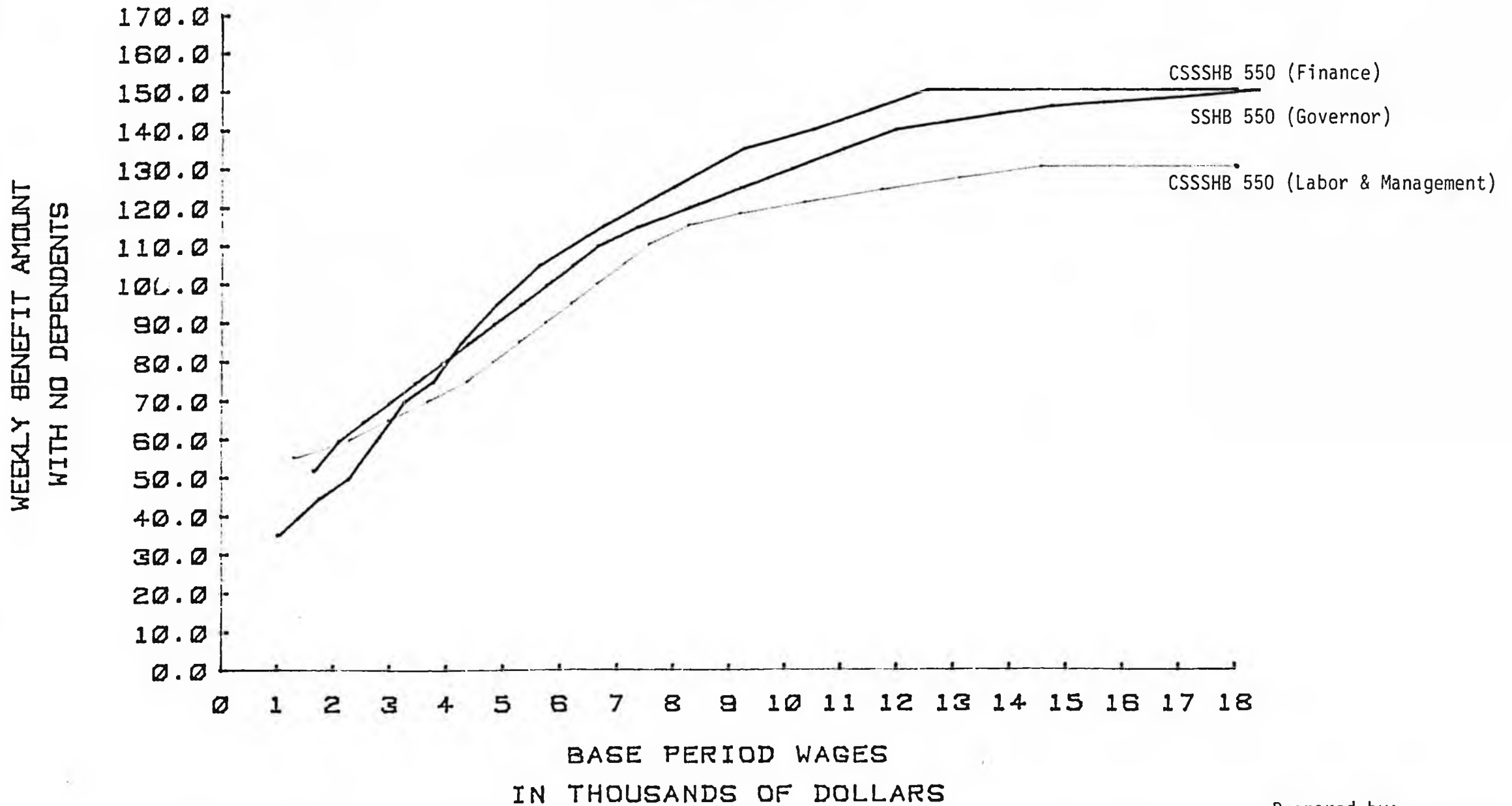
A COMPARISON OF SUBSTITUTE BILLS FOR HB550



Prepared by:  
Legislative Affairs Agency  
Research Division  
June 1, 1978

# AVERAGE WEEKLY UI BENEFITS<sup>\*</sup>

## WITH NO DEPENDENTS

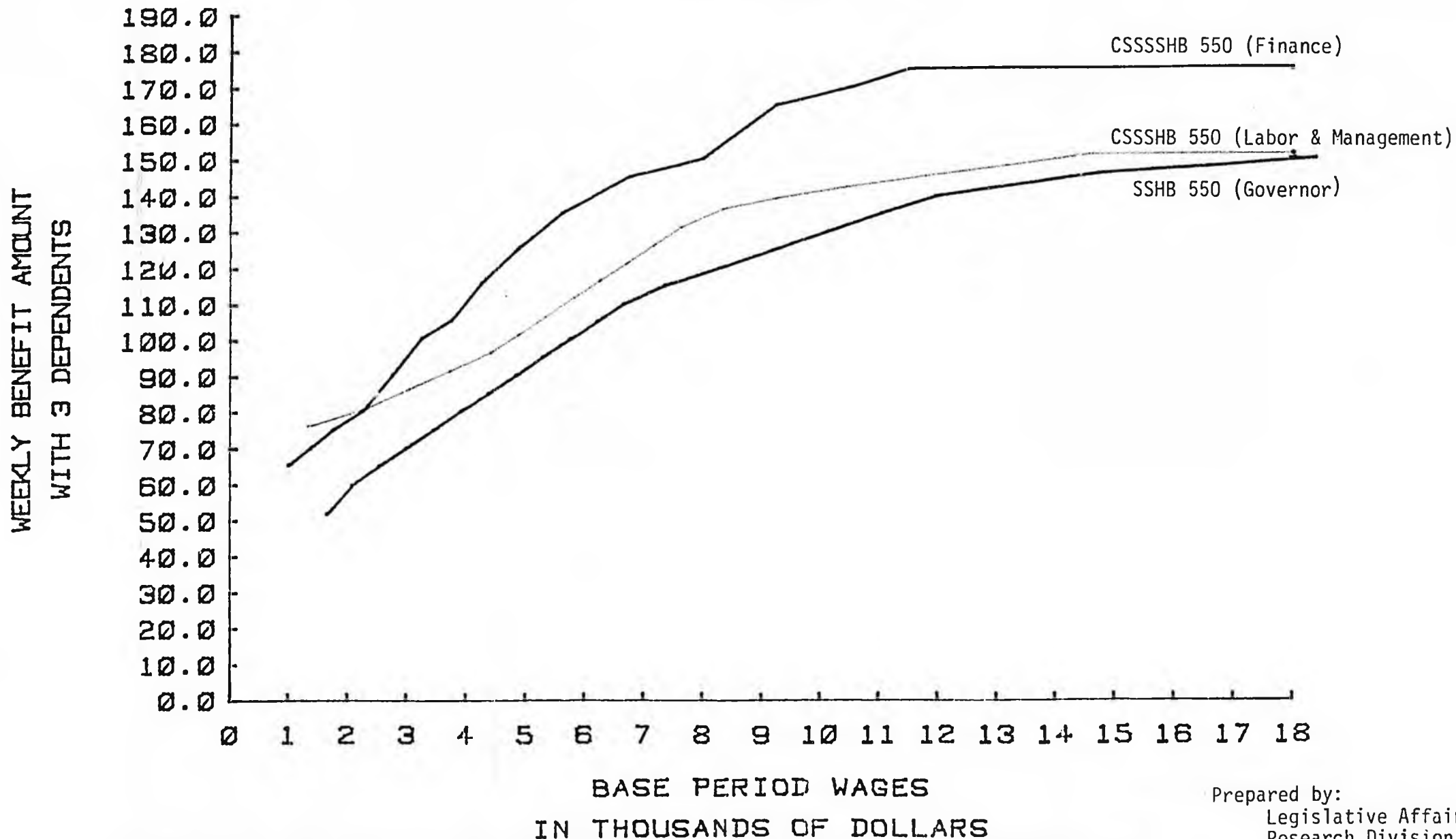


\* The data points for this graph represent the average base wage at each UI benefit level, by the weekly benefit amount.

Prepared by:  
 Legislative Affairs Agency  
 Research Division  
 June 1, 1978

# AVERAGE WEEKLY UI BENEFITS\*

## WITH 3 DEPENDENTS

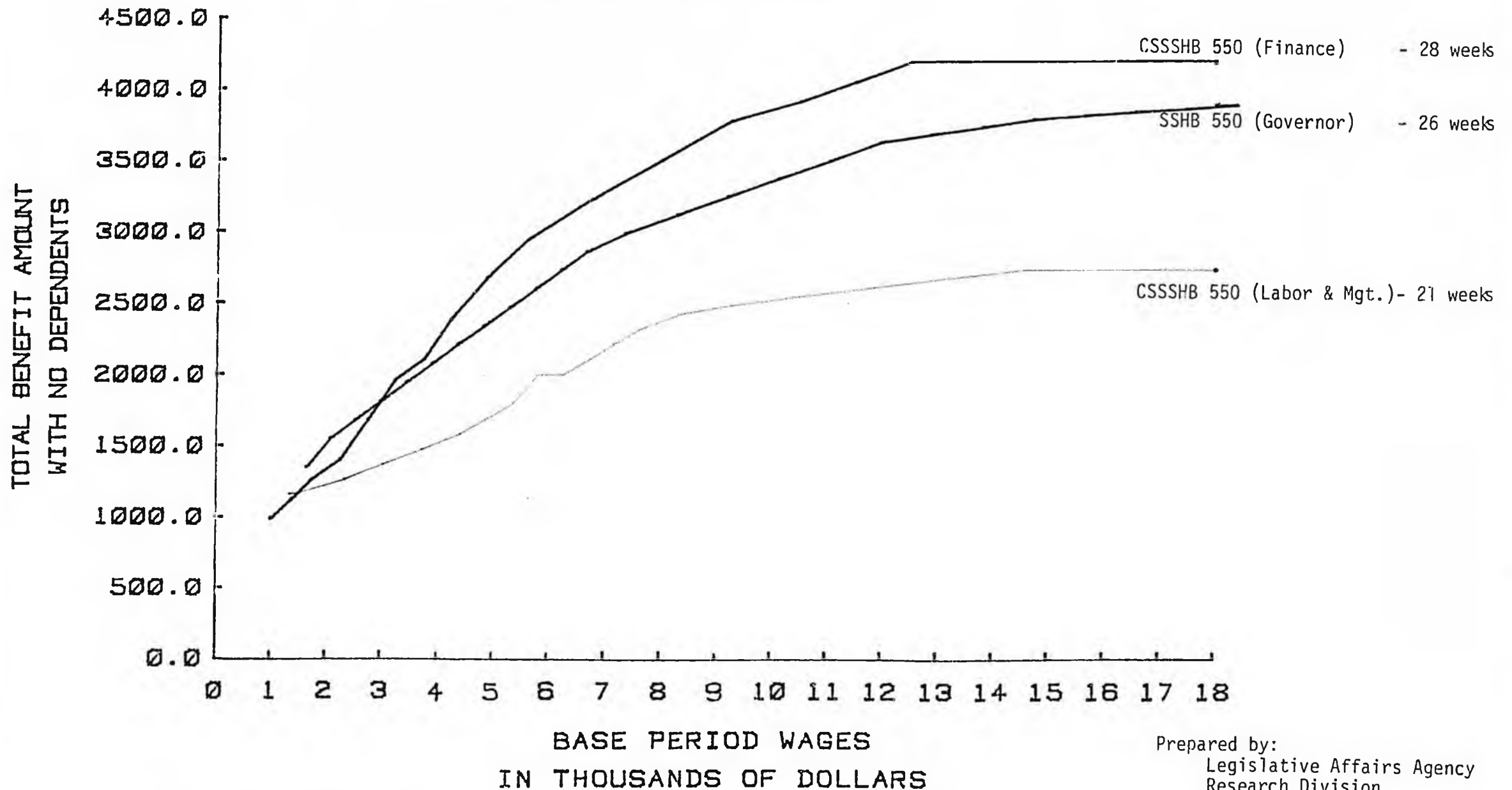


\* The data points for this graph represent the average base wage at each UI benefit level, by the weekly benefit amount.

Prepared by:  
 Legislative Affairs Agency  
 Research Division  
 June 1, 1978

# AVERAGE TOTAL UI BENEFITS\*

## WITH NO DEPENDENTS

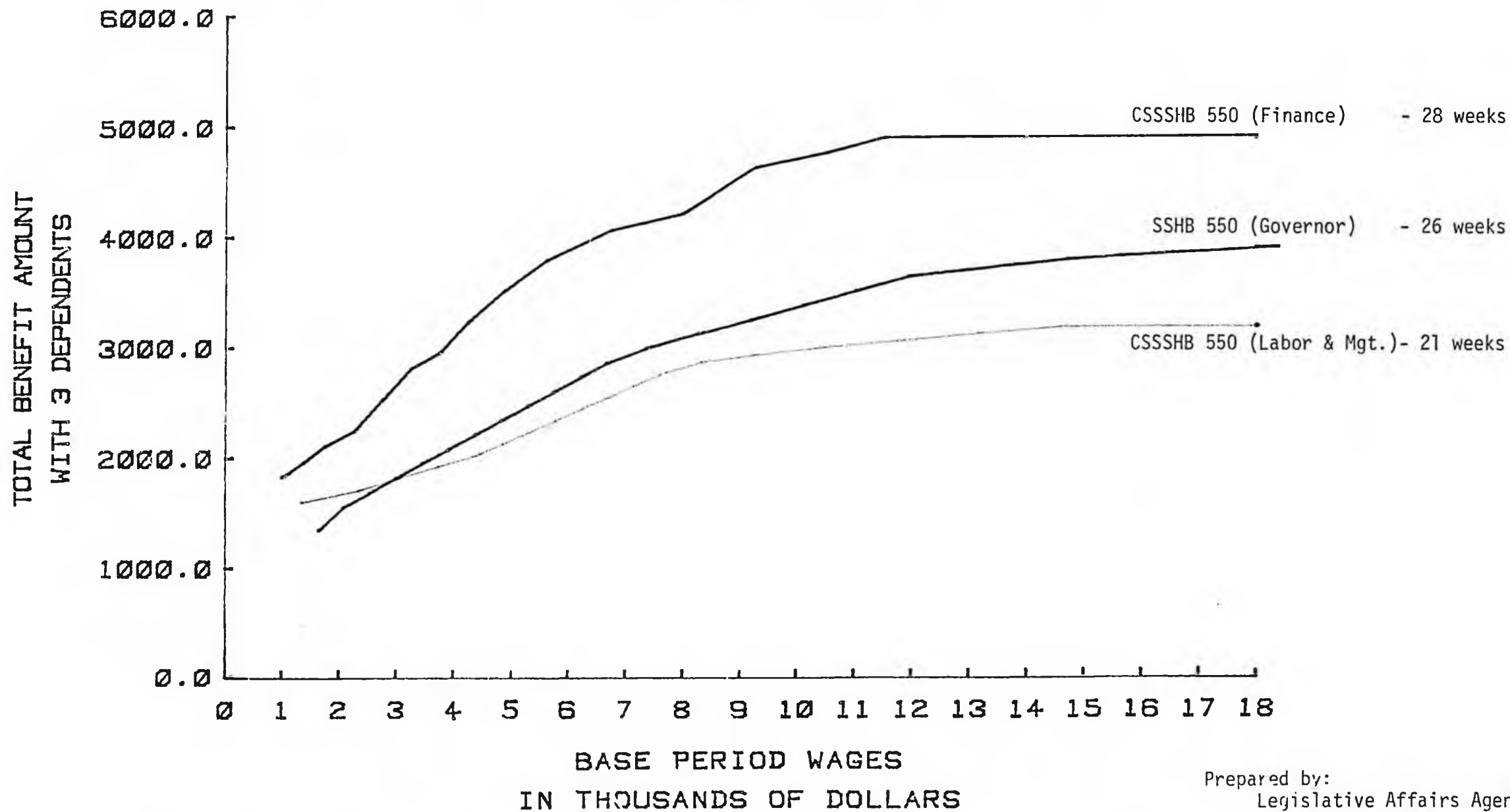


\* The data points for this graph represent the average base wage at each UI benefit level, by the total benefit amount.

Prepared by:  
 Legislative Affairs Agency  
 Research Division  
 June 1, 1978

# AVERAGE TOTAL UI BENEFITS\*

## WITH 3 DEPENDENTS



\* The data points for this graph represent the average base wage at each UI benefit level, by the total benefit amount.

Prepared by:  
 Legislative Affairs Agency  
 Research Division  
 June 1, 1978



**ASSOCIATION OF ALASKA SCHOOL BOARDS**

SUITE 9, 204 NORTH FRANKLIN STREET • JUNEAU, ALASKA 99801 • PHONE 886-1043

**POSITION PAPER ON UNEMPLOYMENT COMPENSATION**

In 1976 P.L. 94-566 mandated that states assume responsibility for providing unemployment compensation effective July 1, 1978.

P.L. 94-566 provides for mandatory exclusion of certain education related jobs from the provisions of unemployment and makes it optional for all other positions in education. Specifically, it would appear that education research and administrative positions are denied benefits under the law and all other positions in education are optional to the states.

Alaska statutes only exclude positions in higher education and contracted employees. All other employees of public school systems are eligible.

There are a couple of pages of exemptions to the provisions of the unemployment compensation law currently enacted into law. Some of these are seasonal in nature while other job categories seem to indicate that unemployment provisions appear to be inappropriate.

Jobs exempted under the law include fishermen, all kinds of agricultural related employees, domestic service, insurance people, higher education and public school teachers when contacted for the following year. Hopefully the Association of Alaska School Boards will be able to show sufficient cause as to why all employees (classified and certificated) of school districts should be exempted from the provisions of the law as it pertains to summer unemployment.

Federal legislation authorizes exemption of classified employees, (cooks, janitors, aides, secretaries) during the summer if they have reasonable assurance of a fall job. We think Alaska should exercise this option.

Section 23.20.010 Policy outlines a guide for interpretation and application of the chapter on unemployment. It confirms that the policy of the state is to reduce economic insecurity because of involuntary unemployment. Unemployment of this type is seen as a serious menace to the health, morals, and welfare of the people of the state.

AASB agrees wholeheartedly with this philosophy and supports unemployment benefits for all school employees unexpectedly out of work, be they teacher or custodian. We do not, however, believe the seasonal unemployment of school people is anymore detrimental than is the unemployment of people in education, hospitals, fisheries or any of the other exempt areas.

No one knows the fiscal impact of this new federal unemployment law on districts. In anticipation, however, districts are budgeting an average of 1% of gross salaries. Of 24 districts sampled, a tab of over two million dollars was computed. A very rough estimate for the entire state could then be approximately 3.5 to 4 million dollars.

When the results of CSHB 550 are computed, certainly another 1.5 to 2 million dollars could be assessed against district budgets.

In a time when we are talking about reduced bilingual education and foundation support funding, hopefully the legislature would see the wisdom of exempting school districts from the burden of an unemployment provision which really does not enhance the states philosophy in this matter.

tution to which section 3309(a)(1) applies, compensation shall not be payable based on such services for any week commencing during the period between two successive academic years (or, when an agreement provides instead for a similar period between two regular but not successive terms, during such period) to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms, and

26 USC 3309.

“(ii) with respect to services in any other capacity for an educational institution (other than an institution of higher education) to which section 3309(a)(1) applies, compensation payable on the basis of such services may be denied to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, and”.

(2) Subsection (d) of section 3309 of such Code is hereby repealed.

Repeal.  
26 USC 3309.

(3) The section heading of section 3309 of such Code is amended to read as follows:

**“SEC. 3309. STATE LAW COVERAGE OF SERVICES PERFORMED FOR NONPROFIT ORGANIZATIONS OR GOVERNMENTAL ENTITIES.”.**

(4) The table of sections for chapter 23 of such Code is amended by striking out the item relating to section 3309 and inserting in lieu thereof the following:

“Sec. 3309. State law coverage of services performed for nonprofit organizations or governmental entities.”.

(5) Section 3304 of such Code is amended by adding at the end thereof the following new subsection:

26 USC 3304.

“(f) DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—For purposes of subsection (a) (6), the term ‘institution of higher education’ means an educational institution in any State which—

“Institution of higher education.”

“(1) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

“(2) is legally authorized within such State to provide a program of education beyond high school;

“(3) provides an educational program for it which awards a bachelor’s or higher degree, or provides a program which is acceptable for full credit toward such a degree, or offers a program of training to prepare students for gainful employment in a recognized occupation; and

“(4) is a public or other nonprofit institution.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to certifications of States for 1978 and subsequent years, but only with respect to services performed after December 31, 1977.

26 USC 3304 note.



P. O. Box 1200  
Soldotna, AK 99669  
May 17, 1978

The Honorable Steve Cowper  
House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Cowper:

The enclosed resolution on Unemployment Insurance was approved by the Association of School Business Officials at their statewide convention.

We are very much concerned about the recent inclusion of municipalities in the Unemployment Insurance Program. While we cannot eliminate our forced inclusion as a result of Federal law, we can alter HB 372 to exclude our non-instructional and non-administrative (i.e. classified employees) from drawing benefits during the summer months when they have been given guarantees of employment when school resumes in the fall.

The net effect is classified employees working less than 12 months have been given an unsolicited salary increase. I can assure you that not only will we have the added cost of the unemployment insurance, but we will also have the added cost of higher wages for 12-month employees as they want the amount of unemployment benefits being paid in order to maintain the annual differential for their 3-month additional work effort. Quite frankly, I can't say I blame them as I believe they have a legitimate point.

We believe the additional costs are unwarranted, unnecessary, non-productive, and inflationary. We are not providing more or better educational services with the expenditure of these dollars. We are only escalating our costs.

Most districts have estimated the cost of unemployment insurance to be 1 or 2 percent of their budgeted salary expense. Salaries account for 60 to 65 percent of the total cost of education. Therefore, we are talking about a considerable sum of money on a statewide basis to finance employee's summer fun.

We solicit your support and response to alter the unemployment law so that classified employees are exempt from benefits during the summer months if they have guarantees of employment for the following school year.

Sincerely,

Richard Swarner  
President, Alaska Association  
of School Business Officials

RS:lkw  
Enclosure

ALASKA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

RESOLUTION

ALASKA STATE UNEMPLOYMENT LAWS

WHEREAS, current state unemployment statutes provide that non-instructional and non-administrative school district employees are eligible for unemployment compensation during the summer months regardless of employment status; and

WHEREAS, instructional and administrative personnel are determined to be ineligible for unemployment benefits during the summer months under current state unemployment statutes; and

WHEREAS, non-instructional and non-administrative (classified) employees continue in the employ of their school districts to the same degree as instructional and administrative (certificated) employees; now

THEREFORE BE IT RESOLVED, that the Alaska Association of School Business Officials recommends that HB 372 be modified to exempt both certified and classified school district employees from unemployment benefits during the period between school terms.

4/20/78

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for Sponsor Substitute for HB 550

Title An Act relating to unemployment insurance; and providing for an effective date.

Requested by House Labor & Management Committee Date May 17, 1978

II. FISCAL DETAIL

Agency Affected Labor

Program Category Affected Social Services

Budget Request Unit(s) Affected Employment Security Agency

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES	10.9	32.9				
200 TRAVEL	0	0				
0 CONTRACTUAL	3.5	23.0				
400 COMMODITIES	.8	2.4				
500 EQUIPMENT	0	0				
600 LAND & STRUCTURES	0	0				
700 GRANTS, CLAIMS, ETC.	0	0				
800 U.I. Benefits*	0	1100.	1500	1700	1900	2300
TOTAL	15.2	1158.3	1500	1700	1900	2300

\* Funding to be contained in individual agency BRU's. - NOT to be included in Dept. of Labor Budget.

FUNDING (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
GENERAL FUND	15.2	938.3	1200	1360	1520	1840
FEDERAL FUNDS		110	150	170	190	230
OTHER (Specify)		110	150	170	190	230

POSITIONS

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
FULL TIME						
PART TIME						
TEMPORARY	4 <sup>1</sup>	4 <sup>2</sup>				

<sup>1</sup> for 1 month only -

<sup>2</sup> for 3 months only

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

Assumptions:

- 1). No other changes to AS 23.20
- 2). State coverage on a reimbursable basis.
- 3). State government UI costs are 1/2 those experienced in private business.
- 4). Includes full cost of Extended Benefits. Extended benefits are estimated at 10% of the regular UI costs.
- 5). Growth in state employment is 4%
- 6). Growth in average weekly wage is 5%.

IV. DATE 5/22/78

PREPARED BY J. W. Hoop

AGENCY Labor

PHONE 465-2700

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

FISCAL NOTE

CS SS HB550

Position Analysis

<u>No.</u>	<u>Title</u>	<u>Monthly Salary</u>
1	Systems Analyst II	\$2411.
1	Systems Analyst I	2082.
1	ED Programmer IV	2243.
1	ED Programmer III	1934.

Total Salaries for 4 Month Period =	\$34,680.00
Personal Benefits at 25.9%	<u>8,982.00</u>
Personal Services	\$43,562.00

Contractural (\$28,500)

Expenses in contractual include a prorata portion of office equipment rental, space rental, indirect costs at 24.4% of the basic salaries, Data Processing equipment rental and maintenance, and computer operations time at \$120.00 per CPU hour (estimating 2 hrs. per day for 4 months, or \$11,520 for 48 days of runs). Computer run time includes all compiling, testing and debugging and associated costs for operation staff and documentation of programming.

Commodities: (\$3,200)

Expenses derived from existing data of actual costs to Data Processing.

Base Period Wages	Basic Weekly Amount	Dependents			Weeks of Accruals
		(1)	(2)	(3)	
750-1247.77	35	45	55	65	28
1250-1499.77	40	50	60	70	For all claimants
1500-1777.77	45	55	65	75	
2000-2477.77	50	60	70	80	
2500-2977.77	60	70	80	90	
3000-3477.77	70	80	90	100	
3500-3977.77	75	85	95	105	
4000-4477.77	85	95	105	115	
4500-5347.77	95	105	115	125	
5250-5777.77	105	115	125	135	
6000-7477.77	115	125	135	145	
7500-8477.77	125	135	145	150	
8500-9777.77	135	145	155	165	
10,000-10,977.77	140	150	160	170	
11,000-11,977.77	145	155	165	175	
12,000-	150	160	170	175	

8,500 earnings under existing law entitles a claimant to maximum benefits of:  
 90-100-110-120 OR A MAXIMUM TOTAL OF \$3,360 WITH 2 DEPENDENTS  
 The same earnings under existing law would be 115-130-139-136 FOR 2 WEEKS FOR A MAXIMUM OF \$\_\_\_\_\_  
 The same under proposed substitution would be 135-145-155-165 FOR 2 WEEKS FOR A MAXIMUM OF \$4,620

CS FOR SPONSOR SUBSTITUTE FOR HB 550

SECTION 1

AS 23.20.115 UNAUTHORIZED DISCLOSURE OF INFORMATION

On March 1, 1978, the Department of Labor entered an agreement with the Alaska National Bank of the North known as "Lock Box." This bank will be handling the receipt and transference of employer and employee contributions. The federal government has approved this procedure but requested that we include the proposed language so that the bank handling the employer accounts will be subject to the same penalties as department employees for improperly revealing information.

SECTION 2

AS 23.20.175(a) BASE OF CONTRIBUTIONS

This section provides for a termination date for the current \$10,000 tax base.

SECTION 3

AS 23.20.175(c) BASE OF CONTRIBUTIONS

The present law has a fixed tax base of \$10,000. A fixed tax base raises several problems: in order to raise the tax base the department must go to the Legislature thereby causing a time delay and loss of revenue; and each year a fixed tax base will tax less and less of the total wages earned. When the \$10,000 tax base was first initiated in 1974 it taxed approximately 71% of total wages earned, in 1977 it taxed only 48% of total wages earned.

This bill proposes a new tax base of 75% of the statewide average annual wage. Under this proposal the tax base may change each year, fluctuating with the changes of our economy. A tax base of 75% of the average annual wage will tax about 70% of total wages.

For the first year, however, the tax base will be 60% of the average annual wage. This 2 step increase in the tax base will ease the burden of excessively large tax increases in the first year.

The tax base for each calendar year will be based on the average annual wage for the 12 month period ending on June 30. The tax base for CY 1979 will be based on FY 78.

Estimated tax bases and their impact on employers and employees are as follows:

Current fixed tax base =	\$10,000		
Proposed tax base			
1st year (1979) =	. 6AAW	=	\$14,000
2nd year (1980) =	. 75AAW	=	\$18,000

Annual Earnings	1978		1979		1980	
	ER	EE	ER	EE	ER	FE
	4.0%*	.8%*	4.0%*	.8%*	3.7%*	.7%*
\$10,000	\$400	\$ 80	\$400	\$ 80	\$370	\$ 70
\$15,000	\$400	\$ 80	\$560	\$112	\$555	\$105
\$20,000	\$400	\$ 80	\$560	\$112	\$666	\$126

\*taxes based on average tax wage (rate class 5) - estimated ratio for 1979 and 1980.  
AAW = average annual wage

SECTION 4  
AS 23.20.190 PENALTY FOR FAILURE TO FILE REPORTS

Each quarter approximately 10% of the employers do not file their reports or pay their taxes on time. This section would give the department the option to require monthly contribution reports from employers who are delinquent in filing their quarterly contribution reports.

SECTION 5  
AS 23.20.240 COLLECTION OF DELINQUENT CONTRIBUTIONS

Under the existing law the department cannot hold individual corporate officers liable for contributions due. Almost \$1,000,000 was declared uncollectable last year because the department was unable to hold individual corporate officers liable. The proposal comes from the statutes of the Department of Revenue and will allow the unemployment insurance program to protect its tax revenues to the same extent as the Department of Revenue by expanding the definition of 'employer' in determining liability in cases of default in payments.

SECTION 6  
AS 23.20.285(b)

This is a housekeeping measure. AS 23.20.380(a) has been repealed and the substance found in AS 23.20.383, created in this bill.

SECTIONS 7 & 8

no longer needed.

SECTIONS 9-14

AS 23.20.340 INITIAL DETERMINATIONS

This entire section has been rewritten to clarify between initial monetary and non-monetary determinations. We have also included the allowance of benefits to a claimant during the appeal process if they are monetarily eligible; this is in concurrence with federal court cases.

SECTION 15

AS 23.20.350(a) AMOUNT OF BENEFITS

Language changes only.

SECTION 16, 18

AS 23.20.350(b)

Benefits will be as set forth in the table in this section with the following exception:

A claimant who files in a state which has an average weekly wage (AWW) different from that in Alaska will have his benefit calculated in the following manner:

1.  $\frac{\text{Weekly benefit amount}}{\text{Alaska average weekly wage}} = \text{Ratio}$
2.  $\text{Ratio} \times \text{other state's AWW} = \text{benefit amount}$

For example: Alaska WRA = \$151 (maximum with 3 dependents)

$$1. \quad \frac{151}{440^*} = .34$$

if you file in Washington (est. AWW = \$225)

$$2. \quad .34 \times \$225 = \$77 - \text{weekly benefit amount}$$

\*estimated average weekly wage for 78. The dependents allowance has been made a uniform \$7 for each dependent with a maximum allowance of \$21.

SECTION 17

AS 23.20.350(c)

The maximum duration of benefits is 21 weeks for all claimants earning less than \$13,800 in their base period and 28 weeks for all other claimants.

SECTION 19

AS 23.20.360 EARNINGS DEDUCTED FROM BENEFIT AMOUNT

Under the current law a claimant may earn up to 50% of his base weekly benefit amount or \$10, which ever is greater, before money is deducted from his benefit amount. The proposal allows all claimants to earn up to \$50 before there is a reduction in their benefit amount.

SECTION 20  
AS 23.20.370

BENEFITS OF DECEDENT OF INCOMPETENT

This additional language expands the list of who can receive the benefits which are owed to a deceased or incompetent claimant.

\*\*\*\*\*

The unemployment insurance program is based on the premise that individuals are unemployed through no fault of their own and are members of a work force. With an increase in benefit, major concerns are program integrity and fund solvency. Adequate benefits for all claimants is desired, but not a give-away program. The following sections which are starred are the efforts of the Advisory Council and others to see that the program is used as originally intended.

\*\*\*\*\*

SECTION 21  
AS 23.20.375

QUALIFICATION FOR BENEFITS

An additional requirement for qualification for benefits has been added to this section: Claimants must be willing to accept the prevailing wage in the area in which they are filing. A claimant who demands wages in excess of those prevalent in the area is placing himself outside the work force

SECTION 22  
AS 23.20.375

This proposed section will allow claimants to register for work with an agency other than the department, if that agency has a referral agreement with the department. It also provides that the claimant be known or show proper identification before he may be certified by that agency.

\*\*SECTION 23

AS 23.20.378 ABLE AND AVAILABLE

This section comes from the former AS 23.20.<sup>278</sup>380(i) with two additions/  
changes:

*delete* (1) Work search will be required. The mandatory work search has not been required in the past because unemployment was closely tied to the seasonality of Alaska's economy, but this is no longer true. The majority of claimants are filing in large cities, such as Anchorage, Fairbanks, Juneau or from out-of-state, where work can be found. These claimants will now be required to look for work.

*delete* (2) A waiver of disqualification during periods of illness may only last a maximum of four weeks. The notion of receiving unlimited unemployment insurance through extended periods of illness is contrary to the insurance nature of the program.

AS 23.20.379 VOLUNTARY QUIT, DISCHARGES FOR MISCONDUCT,  
AND REFUSAL OF WORK

Under the existing law when claimants quit voluntarily, are fired for misconduct, or refuse suitable work, they are disqualified for six weeks from the day of the occurrence. No provisions exist to see that these claimants will be required to serve six compensable weeks: they will have to come into the office, file, and show they are actively seeking work during the period of disqualification. The period of disqualification will start when the claimant begins filing for benefits: presently a claimant may wait six weeks after a voluntary quit, etc., before filing for benefits, and then the disqualification period is over. The disqualification can also be terminated if the claimant returns to full-time covered employment and earns at least six times his weekly benefit amount.

SECTION 37

AS 23.20.380 DISQUALIFICATION FOR BENEFITS

This section has been repealed and the substance may be found in the following "new" sections:

AS 23.20.380(1)	AS 23.20.378
AS 23.20.380(2), (3), &(4)	AS 23.20.379
AS 23.20.380(5)	AS 23.20.381(e)
AS 23.20.380(9)	AS 23.20.383
AS 23.20.380(10)	AS 23.20.387

Any changes made in these "new" sections are noted in the narrative.

\*\*SECTION 24

AS 23.20.381 OTHER DISQUALIFICATIONS

AS 23.20.381(e)

This is the former AS 23.20.380(5)

AS 23.20.381(f)

If an occupation has been abolished due to technological changes as certified by the employment service, then claimants from these occupations must be willing to receive retraining or to accept any job for which they qualify.

SECTION 25

AS 23.20.383 LABOR DISPUTE DISQUALIFICATION

This is the former AS 23.20.380(3)

AS 23.20.387

DISQUALIFICATION FOR MISREPRESENTATION

The present law allows no latitude for disqualifications for misrepresentation: the penalty is 28 weeks regardless of the circumstance. The proposed change is similar in wording to the old, but allows the department to vary the length of the disqualification depending on the circumstances. For example: a first time offender would receive a disqualification of 2-13 weeks; while a second-time offender would receive from 14-26 weeks of disqualification. Included also is a section that stipulates that no disqualification will be imposed unless there is clear-cut evidence of the intent to defraud.

AS 23.20.388

DISQUALIFICATION FOR BENEFITS UPON CONVICTION OF FRAUD IN OBTAINING BENEFITS

There is only a limited provision in the existing law to stop individuals from drawing benefits after a conviction of fraud in obtaining benefits. The proposal suggests: if a claimant has been convicted of fraud, any wages earned prior to the time of conviction will not be used for the computation of benefits. The claimant will have to earn new wages in order to qualify once more for unemployment insurance. Nor will the claimant receive any benefits until he has repaid the benefits that were given to him as a result of fraud, or until he has made arrangements to offset the full amount for which he is liable from future benefits payable. ?

SECTION 26

AS 23.20.390(b) RECOVERY OF IMPROPER PAYMENT

Both acting in good faith and repayment resulting in hardship are valid reasons for waiving an overpayment; therefore 'and' has been replaced with 'or'.

Maintaining consistency with other sections 'last known address' has been changed to 'last address of record.'

SECTION 27

AS 23.20.407(b) WEEKLY EXTENDED BENEFIT AMOUNT; TOTAL PAYABLE

In sections (b) (1), (2), and (3), the dependant's allowance has been deleted as it is treated as an integral part of the weekly benefit amount.

SECTION 28

AS 23.20.415(f)

This is housekeeping: AS 23.20.380(9) has been repealed and the substance may be found in AS 23.20.383.

SECTION 29  
AS 23.20.420 HEARING PROCEDURE AND RECORD

Opportunity for a hearing is required under present law; however, the type of hearing - oral or interrogatory - is not. The majority of appeals are provided oral hearings. But claimants living in the rural areas have used an interrogatory form of hearings and Alaska Legal Services is at present contesting the use of interrogatory appeals. Oral hearings have not been used in the rural areas due to lack of staff and question of funding. Money for appeals is allocated by the federal government by the number of appeals processed; it is not known if the federal government would cover the cost of travel, and extra referees needed, to give oral hearings in the rural area.

Because of the possibility that the added cost might be required to come from the state's general fund, the Advisory Council recommended that the interrogatory form of hearing may be used for rural claimants.

SECTION 30  
AS 23.20.435(a)

This is housekeeping: AS 23.20.380(9) has been repealed and the substance will be found in AS 23.20.383.

SECTION 31  
AS 23.20.445 NOTICE OF DECISION OF DEPARTMENT AND JUDICIAL REVIEW

All Commissioner appeals must be made within 60 days after the initiation of the appeal

SECTION 32  
AS 23.20.485 FALSE STATEMENT TO SECURE BENEFITS

This section has been changed to comply with the changes in sections 387 and 388; and stiffer fines and penalties have been added.

SECTION 33  
AS 23.20.490 ACTS OF EMPLOYER PROHIBITED

This section is expanded to include referral agencies as their agents to be responsible under the law. It also increases the fines and penalties for employing units or referral agencies from \$200 or 30 days in jail to \$1,000 or one year in jail.

SECTION 34  
AS 23.20.520(2) DEFINITIONS

The department heard no testimony on this expansion of the base period and does not know the intent.

SECTION 35  
AS 23.20.520 (120)

Multiple employers: the purpose of this proposal is to strengthen the identification of an establishment's function and to enable proper identification of an average industrial tax rate upon which new employer tax rates are based. This would also result in a closer identification of the tax rates and experience rating system with the employing unit itself, rather than a corporate structure. Extra administration dollars would result by defining employing units as multiple employers because part of our funding is based on the number of employers participating in the program. (Creating an additional 100-500 employers would give the department approximately \$11,400 additional dollars for administration costs.)

SECTION 36  
AS 23.20.115

Definitions have been added for the following terms:

- 1) prevailing wage
- 2) average annual wage

SECTION 38

AS 23.20.115 is enacted immediately as the 'Lock Box' agreement to which this is linked was initiated on March 1, 1973.

SECTION 39

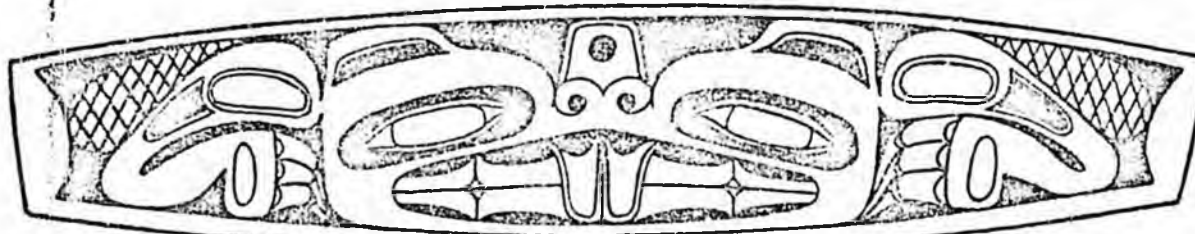
All sections pertaining to disqualifications will become effective on July 1, 1978.

SECTION 40

All sections pertaining to tax will be effective as of January 1, 1979, at the start of the new tax year.

SECTION 41

The new weekly benefit amounts will begin on October 1, 1978 and will be applicable to all individuals establishing a benefit year on or after that date.



ASSOCIATION OF ALASKA SCHOOL BOARDS

SUITE 3, 104 NORTH FRANKLIN STREET - JUNEAU, ALASKA 99801 - PHONE 586-1033

May 23, 1978

PROPOSED AMENDMENT TO Section 23.20.375. Eligibility for benefits

(c) Benefits based on service in employment defined in Section 525(a)(4),(5),(6) and (14) 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, effective January 1, 1978, benefits based on service in any [an instructional, research or principal administrative] capacity for an educational institution 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 performs services in the first of those academic years or terms and if there is a contract or reasonable assurance that the individual will perform services in the same or a similar capacity for any educational institution in the second of those academic years or terms.  
(am Section 6 ch 122 SLA 1977)

## STATE OF ALASKA

AUDIT DIVISION  
POUCH W—ALASKA OFFICE BUILDING

## THE LEGISLATURE

FINANCE DIVISION  
POUCH WF—STATE CAPITOL

BUDGET AND AUDIT COMMITTEE

JUNEAU 99801

May 23, 1978

M E M O R A N D U M

TO: Rep. Russ Meekins, Chairman  
UI Subcommittee  
House Finance Committee

FROM: Milton B. Barker MB  
Fiscal Analyst  
Legislative Finance Division

SUBJECT: HB 550

After an initial review of HB 550 with Department of Labor staff, I have the following comments on SSHB 550 and CSHB 550:

1. There are two technical errors in CSHB 550. In Sections 7 and 8, 1981 should be 1979, and Section 37 should be included in the Section 39 effective date clause.
2. The only portions of this bill being mandated by the Feds are Sections 10-16 of SSHB and 9-14 and Item 1 of Section 37 in CSHB, which make certain administrative procedures regarding eligibility applicable only to monetary eligibility as opposed to other criteria such as being available for work, etc.
3. There is some chance that the Feds won't accept the words in Section 18 that make benefit amounts dependent upon the State in which the recipient files. This could substantially reduce UI costs because 40% of current recipients are out-of-state. Moreover, out-of-state claimants seem to like living on Alaskan UI rather than finding jobs. As an example:

The State has, at its option, provided for an extended period of benefits, 12 weeks, past the original 26 weeks of UI benefits available. High unemployment generally and/or seasonal unemployment which during the winter in many areas can run longer than six months provides the rationale for this. The percent of rural Alaskan claimants

exhausting their regular benefits and going on extended benefits is 18.4% while in urban Alaska it is only 8.2%, for an in-state average of 10.5%. However, 16.6% of out-of-state claimants who should be able to find a job as readily as urban Alaskans, exhaust their regular benefits.

4. Because the Feds have encouraged the State to raise the general level of benefits, some leverage over the Feds acceptance of #2 above might be gained by making the change in benefits contained in Section 18 contingent upon Federal acceptance of #2.
5. The increase in benefits in SSHB 550 does not result in a net increase in benefits for claimants with dependents as a result of Sec. 20 which repeals the dependents allowance. Labor has prepared an amendment (Table 1) to further increase benefits so that claimants with dependents would experience increased benefits. Table 2 shows what the benefits would be with this amendment.

The CS would retain dependents allowances. The Department wishes to drop them because a court suit brought under the State's right-to-privacy law prohibits the State from requiring proof in the form of birth certificates.

6. Table 3 shows first the maximum benefits offered under various proposals, both absolutely and as a percent of the 1979 average weekly wage. The percents would remain the same for the SS over future years since benefits are figured as a percent of weekly wages. The fixed amounts under current law and the CS would fall as a percent of weekly wages as weekly wages increase in the future. In other words, the SS has a built-in COLA assuming wages keep pace with inflation.

The average cost of benefits shown in Table 3 is just an index of the total cost of all benefits to be paid during 1979-1984.

Table 3 also shows tax rate schedules projected over the next six years for the various UI alternatives, given the benefit levels and wage base. The Department would like to arrive at a reserve multiple of 1.15 in 1985. The reserve multiple is the ratio of UI trust funds available to the maximum liability for benefits expected in the following year based on the historical Alaskan high water mark for benefits in relation to payroll. Currently, the reserve multiple is at .5; the fund is considered insolvent at anything less than 1.15.

The actual tax rates in effect are taken from Section 8 of the bill and depend on the level of the reserve multiple. However, Sections 8 and 9 of SSHB 550 set the rates for 1979 and 1980 at the level of Column G which is below current rates (Column D). This lowering of rates for two years is designed to soften the initial impact of the tax increases arising from the increased wage base. However, the SS results in a reserve multiple in 1985 only slightly better than under current law. CSHB 550 does not provide for any such lowering of interim rates.

An increase in benefits may be funded by an increase in tax rates, or an increase in the wage base to which they apply, or some combination of both. Currently, the wage base is fixed at \$10,000. The CS would define the wage base as 60% of the annual average wage in 1979 and 75% thereafter. The SS would make it 75% from 1979 on, but the Department of Labor wants to amend it to make it 60% for 1979 as in the CS.

Table 3 projects the wage base under the various proposals and then the taxes for employers and employees for 1979 through 1984 by applying the rates in the maximum rate class in the projected tax schedule for each year to that year's wage base. The \$560 tax under either bill would be 40% greater than the \$400 under current law in 1979. The \$666 tax in 1980 would be a 67% increase over the \$400 in 1979 or 80% over the \$370 projected under current law for 1980.

7. Sec. 17 of SSHB raises the amount of wages earned to be eligible. Total earnings required in the base period would be raised to \$1,450 from \$750. The base period is the first four of five calendar quarters prior to the quarter in which one files. Using the minimum wage of \$3.30 per hour, the \$1,450 requirement implies a minimum of 11 weeks of work in the base period to qualify. The \$1,450 figure was picked to include cannery workers who receive a seasonal guarantee of \$1,477. However, Labor estimates that there would be 1,000 other workers disqualified by virtue of the raise to \$1,450. Table 4 shows the percentage breakdown of claimants by earnings bracket. The CS leaves the earnings requirement at \$750.
8. Currently, a person who works for more than one employer during a year and as a result has more than the maximum employee contribution withheld is entitled to a refund

of amounts above the maximum. Sec. 2 of SSHB 550 would disallow such refunds on the theory that persons who work for more than one employer during the year are more likely to claim UI. The department issued between 10,000 and 11,000 such refunds in 1977. Even if refunds were to be continued, the number of them would drop significantly because the wage base for taxes is increased by SSHB 550 from \$10,000 to almost \$20,000. 36% of those receiving refunds under the old \$10,000 base made less than \$20,000 and would no longer receive a refund in any event. Alaska is one of three states that require employee contributions. The CS dropped Section 2.

9. Section 6 of SSHB and 5 of CSHB allow Labor to hold individual corporate officers liable for UI contributions due from the corporation. Revenue currently can do this for individual income tax withholding due the State. Both monies are considered trust funds, not corporate funds. Revenue cannot hold corporate officers liable for corporate income taxes; this would remove the limited liability that is the rationale of the corporate form.
10. Section 23 of SSHB and 21 of CSHB would require a claimant to accept the prevailing wage in his line of work from the beginning of his eligibility for benefits. Currently, the Department also administratively requires a claimant to look for work outside his field of training or experience after 14 weeks of benefits and to accept any job he is physically qualified to perform after 26 weeks when extended benefits begin. However, the Department is flexible on the 14 or 26 weeks depending on individual circumstances; they rely on the authority in AS 23.20.380 which broadly defines eligibility. One situation where discretion is used is not requiring a union member to accept a non-union job. State and Federal law would require him to resign from his union with penalties were he to do this. Section 27 of SSHB would require a person to accept any job for which they are fit by training or experience and physically capable of performing after 26 weeks. CSHB has no such provision.
11. AS 23.20.135 assigns custody of UI funds to the Commissioner of Revenue although Labor has actually held this responsibility for many years. Labor will provide an amendment for SSHB 550 to correct this.
12. The current UI law has a maximum duration of benefits that increases with base period wages up to a limit of 28 weeks for \$1900 of base period wages (AS 23.20.350(c)). SSHB

would allow all claimants up to 26 weeks under Sec. 19. CSHB would limit those with base period wages less than \$13,800 to 21 weeks, allowing 28 weeks for all others.

13. Several less significant differences between the SS and CS are as follows:

- a) Section 22 of the CS adds requirements concerning personal identification of claimants;
- b) The CS drops the proposed AS 23.20.378(b) in Section 25 of the SS which would allow the local employment security supervisor to waive mandatory work searches due to areawide lack of work;
- c) Under AS 23.20.387 the CS would disqualify a claimant 26 weeks and the CS 28 weeks for fraudulent acts;
- d) The CS adds Sections 31 through 34 dealing with various items.

TABLE 1.

<u>Weekly Benefit Rate Class</u>	<u>Total Base Period Wages*</u>	<u>Weekly Benefit Factor</u>
0	0 - \$1449	0
1	\$1450 - .0799999	.00226
2	.08 - .0999999	.00261
3	.10 - .1199999	.00283
4	.12 - .1399999	.00304
5	.14 - .1599999	.00326
6	.16 - .1799999	.00348
7	.18 - .1999999	.00370
8	.20 - .2199999	.00391
9	.22 - .2399999	.00413
10	.24 - .2599999	.00435
11	.26 - .2799999	.00457
12	.28 - .2999999	.00478
13	.30 - .3399999	.00500
14	.34 - .3799999	.00522
15	.38 - .4199999	.00543
16	.42 - .4599999	.00565
17	.46 - .4999999	.00587
18	.50 - .5399999	.00609
19	.54 - .5799999	.00617
20	.58 - .6199999	.00626
21	.62 - .6599999	.00634
22	.66 - .6999999	.00639
23	.70 - .7399999	.00643
24	.74 - .7799999	.00643
25 <	.78 +	.00652

\* Expressed as a proportion of the statewide average annual wage.

TABLE 2

<u>Weekly Benefit Rate Class</u>	<u>Base Period Wages</u>	<u>Weekly Benefit</u>
0	0 - 1449.99	\$ 0
1	1450 - 1839.99	52
2	1840 - 2299.99	60
3	2300 - 2759.99	65
4	2760 - 3219.99	70
5	3220 - 3679.99	75
6	3680 - 4139.99	80
7	4140 - 4599.99	85
8	4600 - 5059.99	90
9	5060 - 5519.99	95
10	5520 - 5979.99	100
11	5980 - 6439.99	105
12	6440 - 6899.99	110
13	6900 - 7819.99	115
14	7820 - 8739.99	120
15	8740 - 9659.99	125
16	9660 - 10579.99	130
17	10580 - 11499.99	135
18	11500 - 12419.99	140
19	12420 - 13339.99	142
20	13340 - 14259.99	144
21	14260 - 15179.99	146
22	15180 - 16099.99	147
23	16100 - 17019.99	148
24	17020 - 17939.99	149
25	17940 +	150

TABLE 3

	Weekly Maximum Benefit (Single Individual)	Maximum Benefit as a % of Avg. Weekly Wage In 1979	Average 1979-1984 Relative Cost of Benefits	TAX SCHEDULE						Estimated Reserve Multiple in 1984
				1979	1980	1981	1982	1983	1984	
Current Law	\$90	19%	1.00	D	E	E	E	F	F	.872
SSHB 550	variable (\$150 in 1979)	31%	1.51	G	G	D	D	E	F	1.004
SSHB 550 amended*	variable (\$163 in 1979)	34%	1.51	D	E	E	E	F	F	.884
CSHB 550	\$130	27%	1.44	D	E	E	F	F	G	1.025

	TAX BASE						MAXIMUM EMPLOYER TAX PER EMPLOYEE					
	1979	1980	1981	1982	1983	1984	1979	1980	1981	1982	1983	1984
Current Law	\$10,000	10,000	10,000	10,000	10,000	10,000	\$400	\$370	\$370	\$370	\$330	\$330
SSHB 550 amended*	14,000	18,000	19,000	20,000	21,000	22,000	560	666	703	740	693	726
CSHB 550	14,000	18,000	19,000	20,000	21,000	22,000	560	666	703	660	693	660

	MAXIMUM EMPLOYEE TAX					
	1979	1980	1981	1982	1983	1984
Current Law	80	70	70	70	70	70
SSHB 550 amended*	112	126	133	140	147	154
CSHB 550	112	126	133	140	147	132

\* The calculations for this version of HB 550 assume acceptance of amendments proposed by the Department of Labor to (1) eliminate the two-year freeze at G; (2) change the 1979 wage base to 60% of the average annual wage; and (3) increase benefits as proposed in Tables 1 and 2.



tion to which section 3309(a)(1) applies, compensation shall not be payable based on such services for any week commencing during the period between two successive academic years (or, when an agreement provides instead for a similar period between two regular but not successive terms, during such period) to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms, and

26 USC 3309.

“(ii) with respect to services in any other capacity for an educational institution (other than an institution of higher education) to which section 3309(a)(1) applies, compensation payable on the basis of such services may be denied to any individual for any week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, and”.

(2) Subsection (d) of section 3309 of such Code is hereby repealed.

Repeal.  
26 USC 3309.

(3) The section heading of section 3309 of such Code is amended to read as follows:

**“SEC. 3309. STATE LAW COVERAGE OF SERVICES PERFORMED FOR NONPROFIT ORGANIZATIONS OR GOVERNMENTAL ENTITIES.”**

(4) The table of sections for chapter 23 of such Code is amended by striking out the item relating to section 3309 and inserting in lieu thereof the following:

“Sec. 3309. State law coverage of services performed for nonprofit organizations or governmental entities.”

(5) Section 3304 of such Code is amended by adding at the end thereof the following new subsection:

26 USC 3304.

“(f) DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—For purposes of subsection (a)(6), the term ‘institution of higher education’ means an educational institution in any State which—

“Institution of higher education.”

“(1) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

“(2) is legally authorized within such State to provide a program of education beyond high school;

“(3) provides an educational program for it which awards a bachelor’s or higher degree, or provides a program which is acceptable for full credit toward such a degree, or offers a program of training to prepare students for gainful employment in a recognized occupation; and

“(4) is a public or other nonprofit institution.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to certifications of States for 1978 and subsequent years, but only with respect to services performed after December 31, 1977.

26 USC 3304 note.

Introduced: 3/8/78  
Referred: Labor & Management and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 550

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND 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 23.20.115 is amended to read:

10 Sec. 23.20.115. UNAUTHORIZED DISCLOSURE OF INFORMATION. A  
11 member of the department, [OR] an employee of the department, or an  
12 agent of the department who, in violation of sec. 110 of this chapter,  
13 makes a disclosure of information obtained from an employing unit or  
14 from an individual in the administration of this chapter, or a person  
15 who has obtained a list of applicants for work or of claimants or  
16 recipients of benefits under this chapter and who uses or permits the  
17 use of the list for a purpose not authorized by sec. 110 of this  
18 chapter, upon conviction, is punishable by a fine of not more than  
19 \$200, or by imprisonment for not more than 90 days, or by both.

20 \* Sec. 2. AS 23.20.165(e) is amended to read:

21 (e) An employer shall maintain a record of the amount deducted  
22 from the wages of each of his employees[, ] and shall furnish a state-  
23 ment of the deductions to each employee at the times and in the manner  
24 the commissioner prescribes by regulation. No deduction may be made  
25 from those wages paid to an employee during a calendar year which are  
26 in excess of the wages subject to contributions under sec. 175 of this  
27 chapter. If an [EMPLOYEE IN THE EMPLOY OF TWO OR MORE EMPLOYERS EARNS  
28 WAGES IN ONE CALENDAR YEAR TOTALING MORE THAN THE WAGES SUBJECT TO  
29 CONTRIBUTIONS, OR IF ONE] employer through error makes a deduction and

1 erroneously pays contributions or interest on his employee [FROM HIS]  
2 wages in excess of the wages subject to contributions during a calendar  
3 year, the amount of deductions erroneously paid may be requested by  
4 the employer as an adjustment or refund as prescribed by sec. 225(a)  
5 of this chapter. Employee deductions in excess of the wage subject to  
6 contribution shall be refunded to the employee by the employer [IN  
7 EXCESS OF THOSE REQUIRED BY THIS CHAPTER SHALL BE REFUNDED TO THE  
8 EMPLOYEE BY THE COMMISSIONER UPON APPLICATION FOR THEM] in accordance  
9 with regulations prescribed by the department [HIM]. [APPLICATION  
10 MUST BE MADE DURING THE CALENDAR YEAR AFTER THE CALENDAR YEAR IN WHICH  
11 THE DEDUCTIONS ARE MADE.]

12 \* Sec. 3. AS 23.20.175(a) is repealed and re-enacted to read:

13 (a) For the purposes of secs. 165 and 170 of this chapter, after  
14 December 31, 1973 and through December 31, 1978, wages do not include  
15 that part of remuneration paid during any calendar year to an individual  
16 by an employer or by his predecessor which is in excess of \$10,000.

17 \* Sec. 4. AS 23.20.175(c) is repealed and re-enacted to read:

18 (c) For the purposes of secs. 165 and 170 of this chapter, after  
19 December 31, 1978, wages do not include that part of remuneration paid  
20 during any calendar year to an individual by an employer or by his  
21 predecessor which is in excess of 75 per cent of the statewide average  
22 annual wage.

23 \* Sec. 5. AS 23.20.190 is amended by adding a new subsection to read:

24 (d) A person who fails to file a contribution report on the date  
25 it is due may be required, at the discretion of the department, to  
26 file a monthly contribution report, with payment, within 30 days of  
27 the close of each month. This monthly contribution report is subject  
28 to the same interest and penalty provisions as provided in secs.  
29 185(a) and 190(a) of this chapter, but it may not be required for

1 longer than one year at a time.

2 \* Sec. 6. AS 23.20.240 is amended by adding a new subsection to read:

3 (f) In this section, "employer" includes, but is not limited to,  
4 an officer or employee of a corporation or a member or employee of a  
5 partnership who, as an officer, employee, or member, is under a duty  
6 to perform the act in respect to which the violation occurs.

7 \* Sec. 7. AS 23.20.285(b) is amended to read:

8 (b) For the purpose of computing quarterly decline quotients,  
9 the department may, by regulation, prescribe (1) the manner in which  
10 wages paid in the form of annual bonuses or other lump-sum payments  
11 for service performed over a period of more than three months are  
12 apportioned among the calendar quarters of the calendar year in which  
13 the service was performed; and (2) the method for making adjustments  
14 in quarterly payrolls to eliminate the effect upon quarterly decline  
15 quotients resulting from unemployment which would not be compensable  
16 by reason of the labor dispute provision of sec. 383 [380(9)] of this  
17 chapter.

18 \* Sec. 8. AS 23.20.290(c) is amended to read:

19 (c) The rate of contributions payable by each eligible employer  
20 beginning January 1, 1981 [1974] and for each succeeding calendar year  
21 [THEREAFTER] is the rate opposite the rate class in that column of the  
22 table in this subsection [SECTION] which is appropriate for the calendar  
23 year as determined by the reserve multiple of the fund on September 30  
24 of the preceeding calendar year. The rate of contributions beginning  
25 January 1, 1979 and through December 31, 1980, is set out in column G  
26 of the table.

27 A B C D E F G H I J K L  
28 Rate Employer's  
29 Class Cumulative If the Reserve Multiple of the Fund is:

Payroll Limits		Equal to or More Than											
(Per cent of State Total Ratable Payroll)		More Than											
		Less Than											
		Equal to											
		More Than											
		or Less Than											
1	0	10	3.0	2.6	2.3	1.9	1.6	1.3	1.1	.9	.8	.6	
2	10	20	3.3	2.9	2.6	2.2	1.9	1.6	1.4	1.2	1.1	.9	
3	20	30	3.6	3.2	2.9	2.5	2.2	1.9	1.7	1.5	1.4	1.2	
4	30	40	3.9	3.5	3.2	2.8	2.5	2.2	2.0	1.8	1.7	1.5	
5	40	50	4.4	4.0	3.7	3.3	3.0	2.7	2.5	2.3	2.2	2.0	
6	50	60	4.7	4.3	4.0	3.6	3.3	3.0	2.8	2.6	2.5	2.3	
7	60	70	5.0	4.6	4.3	3.9	3.6	3.3	3.1	2.9	2.8	2.6	
8	70	80	5.2	4.8	4.5	4.1	3.8	3.5	3.3	3.1	3.0	2.8	
9	80	90	5.3	4.9	4.6	4.2	3.9	3.6	3.4	3.2	3.1	2.9	
10	90	100	5.5	5.1	4.8	4.4	4.1	3.8	3.6	3.4	3.3	3.1	
			.8	.8	.7	.7	.6	.6	.5	.5	.4	.3	

\* Sec. 9. AS 23.20.290(d) is amended to read:

(d) Beginning January 1, 1981 [1974] and for each succeeding calendar year the rate of contributions payable by each employee of a subject employer is the designated employee rate in that column of the table in (c) of this section which is appropriate for the year as determined by the reserve multiple on September 30 of the preceding calendar year. The rate of contributions beginning January 1, 1979 and through December 31, 1980, is set out in column G of the table.

1 \* Sec. 10. AS 23.20.340(a) is amended to read:

2 (a) An examiner designated by the department shall take the  
3 claim. The examiner shall take all evidence pertaining to the monetary  
4 eligibility of the claimant and [AN INITIAL DETERMINATION ON THE CLAIM  
5 SHALL BE MADE PROMPTLY AND SHALL INCLUDE A DETERMINATION WITH RESPECT  
6 TO WHETHER BENEFITS ARE PAYABLE, THE WEEKLY BENEFIT AMOUNT PAYABLE,  
7 AND THE MAXIMUM DURATION OF BENEFITS. WHEN THE PAYMENT OR DENIAL OF  
8 BENEFITS IS DETERMINED BY SEC. 380(9) OF THIS CHAPTER. THE EXAMINER]  
9 shall promptly transmit all evidence [WITH RESPECT TO THAT SECTION] to  
10 the department. The department, or a representative designated by it  
11 for the purpose, shall, on the basis of the evidence submitted and any  
12 [THE] additional evidence it requires, make an initial monetary deter-  
13 mination of [AS TO] the claim as to whether the claimant is eligible  
14 for benefits under sec. 350 of this chapter and the weekly benefit  
15 rate class.

16 \* Sec. 11. AS 23.20.340(b) is amended to read:

17 (b) Within one year from the date of the initial monetary deter-  
18 mination, the department, on its motion, may reconsider the monetary  
19 determination if it finds an error in computation or identity or finds  
20 that additional wages pertinent to the claimant's insured status  
21 become available, or that the initial monetary determination is a  
22 result of a nondisclosure or misrepresentation of a material fact.

23 \* Sec. 12. AS 23.20.340(c) is amended to read:

24 (c) The claimant [AND OTHER PARTIES TO THE DETERMINATION] shall  
25 be promptly notified of the initial monetary determination (or of an  
26 amended initial monetary determination) and the reasons for it.

27 \* Sec. 13. AS 23.20.340(d) is amended to read:

28 (d) Unless the claimant is determined to be disqualified for  
29 benefits under secs. 375 - 388 of this chapter, benefits [BENEFITS]

1 shall be promptly paid or denied in accordance with the initial  
2 monetary determination.

3 \* Sec. 14. AS 23.20.340(e) is amended to read:

4 (e) The claimant [OR OTHER PARTY TO THE DETERMINATION] may file  
5 an appeal from the initial monetary determination within 10 days after  
6 notification of the determination, or after the date the notice is  
7 mailed to his last [KNOWN] address of record. If the claimant is  
8 eligible for benefits under sec. 350 of this chapter [BENEFITS ARE  
9 ALLOWED BY THE INITIAL DETERMINATION], but the record of the case  
10 indicates that a disqualification under secs. 375 - 388 exists [HAS  
11 BEEN ALLEGED] or may exist, benefits may not be paid before a determina-  
12 tion of the disqualification has been made [THE EXPIRATION OF THE  
13 PERIOD FOR APPEAL].

14 \* Sec. 15. AS 23.20.340(f) is repealed and re-enacted to read:

15 (f) If a determination of disqualification under secs. 375 - 388  
16 of this chapter is made, the claimant shall be promptly notified of  
17 the denial and the reasons for it and may appeal the determination in  
18 the same manner prescribed in this chapter for appeals of initial  
19 monetary determinations. Benefits may not be paid while a determina-  
20 tion of disqualification is being appealed. If a final appeal deci-  
21 sion allows benefits to the claimant, those benefits must be paid  
22 promptly.

23 \* Sec. 16. AS 23.20.340(g) is repealed.

24 \* Sec. 17. AS 23.20.350(a) is amended to read:

25 (a) To be eligible [QUALIFY] for benefits an individual must  
26 [SHALL] have earned wages in his base period totaling not less than  
27 \$1,450 [\$750] of which at least \$400 [\$100] must have been earned in  
28 a calendar quarter other than the calendar quarter of his base period  
29 in which he earned the highest amount of wages, and at least eight

1 times the weekly benefit amount must [SHALL] have been earned in  
 2 employment, whether or not covered by this chapter, subsequent to the  
 3 beginning of a preceding benefit year.

4 \* Sec. 18. AS 23.20.350(b) is repealed and re-enacted to read:

5 (b) Except as provided in (a) of this section, an individual's  
 6 weekly benefit amount is determined in the following manner. Each  
 7 claimant will be given a weekly benefit rate class (column A) based on  
 8 his total base period wages (column B). This establishes his corre-  
 9 sponding weekly benefit factor (column C) for his benefit year. An  
 10 individual's benefit amount for a given week is determined by multi-  
 11 plying his established weekly benefit factor times the average annual  
 12 wage of the state in which the individual filed his claim for benefits  
 13 for that week. If the benefit amount is not a multiple of \$1, it is  
 14 computed to the next higher multiple of \$1. The average annual wage  
 15 for each state shall be determined by the department in accordance  
 16 with regulations adopted by it. The average annual wage for each  
 17 state shall be determined after June 30 and before December 15 of each  
 18 year based on the four consecutive calendar quarters ending June 30.  
 19 This determination is the applicable average annual wage for the  
 20 period beginning with January 1 of the next year and ending December  
 21 31.

22 Column A	Column B	Column C
23 Weekly	Total Base Period	Weekley Benefit
24 Benefit	Wages (Expressed as a	Factor
25 Rate Class	proportion of the statewide	
	average annual wage)	
27 0	0 - .0499	0
28 1	.05 - .0799	.00208
29 2	.08 - .1199	.00224

1	3	.12 - .1599	.00248
2	4	.16 - .1999	.00272
3	5	.20 - .2399	.00296
4	6	.24 - .2799	.00320
5	7	.28 - .3199	.00352
6	8	.32 - .3599	.00384
7	9	.36 - .3999	.00416
8	10	.40 - .4299	.00448
9	11	.44 - .4799	.00476
10	12	.48 - .5199	.00504
11	13	.52 - .5599	.00532
12	14	.56 - .5999	.00560
13	15	.60 - .6399	.00576
14	16	.64 - .6799	.00588
15	17	.68 - .7199	.00596
16	18	.72 - and above	.00600

\* Sec. 19. AS 23.20.350(c) is repealed and re-enacted to read:

(c) The maximum duration of benefits payable under this chapter is uniform for all claimants and is the equivalent of compensation for 26 weeks of total unemployment.

\* Sec. 20. AS 23.20.350(d) is repealed.

\* Sec. 21. AS 23.20.360 is amended to read:

Sec. 23.20.360. EARNINGS DEDUCTED FROM WEEKLY BENEFIT AMOUNT.

An eligible individual who is unemployed in a week shall be paid with respect to that week a benefit in an amount equal to his [BASIC OR AUGMENTED] weekly benefit amount less that part of the remuneration, whether or not covered by this chapter, payable to him with respect to that week which is in excess of \$50 [\$10 OR ONE-HALF OF HIS BASIC WEEKLY BENEFIT AMOUNT, WHICHEVER AMOUNT IS GREATER]. If the adjusted

1 benefit amount is not a multiple of \$1, it is computed to the next  
2 higher multiple of \$1.

3 \* Sec. 22. AS 23.20.370 is amended to read:

4 Sec. 23.20.370. BENEFITS OF DECEDENT OR INCOMPETENT. Benefits  
5 due and payable to a deceased or judicially declared incompetent  
6 person shall be paid, in accordance with regulations prescribed by the  
7 department, to persons in the following order: spouse, child, [OR]  
8 parent, sister or brother, aunt or uncle, payment to whom the depart-  
9 ment finds will best carry out the purposes of this chapter. The  
10 regulations need not conform to the statutes applicable to the descent  
11 and distribution of decedent's estates. A receipt from the person to  
12 whom the department makes payment fully discharges the fund and the  
13 department from liability for the benefits.

14 \* Sec. 23. AS 23.20.375(a) is amended to read:

15 Sec. 23.20.375. QUALIFICATION [ELIGIBILITY] FOR BENEFITS. (a)  
16 An insured worker is qualified [ELIGIBLE] for and shall receive wait-  
17 ing-week credit or benefits, as the case may be, for a week of his  
18 unemployment with respect to which he has not been determined to be  
19 disqualified under secs. 378 - 388 [SEC. 380] of this chapter, if [THE  
20 WORKER HAS], in accordance with regulations prescribed by the depart-  
21 ment, the worker has, with respect to the week:[,]

22 (1) filed a notice of his unemployment;

23 (2) registered for work; [AND]

24 (3) agreed to accept the prevailing wage for his work in the  
25 area in which he is filing; and

26 (4) certified for waiting-week credit or filed a claim for  
27 benefits, as the case may be.

28 \* Sec. 24. AS 23.20.375 is amended by adding a new subsection to read:

29 (d) An insured worker may register for work with a referral

1 agency other than the department if that agency has a referral agree-  
2 ment with the department made in accordance with regulations prescribed  
3 by the department.

4 \* Sec. 25. AS 23.20 is amended by adding new sections to read:

5 Sec. 23.20.378. ABLE AND AVAILABLE. (a) An insured worker is  
6 disqualified for waiting-week credit or benefits for a week of his  
7 unemployment if, with respect to that week, the department finds that  
8 he was not able to work, not available for suitable work, or not  
9 actively seeking work. An insured worker is not considered disqualified  
10 for waiting-week credit or benefits for a week of his unemployment  
11 because of failure to comply with the provisions of this section if:

12 (1) he is unable to work because he is ill or disabled or  
13 he resides in the state and is not available for work because of his  
14 noncommercial fishing and hunting necessary for the survival of himself  
15 or his dependents; and

16 (2) the condition described in (1) of this subsection  
17 occurs during an uninterrupted period of unemployment which follows a  
18 week for which he filed a compensable claim and no suitable work was  
19 offered him for any part of that week before the beginning of the  
20 fishing, hunting, illness, or disability; however, a waiver of dis-  
21 qualification on the basis of illness is only available for a maximum  
22 of four consecutive weeks.

23 (b) An insured worker is not disqualified for waiting-week  
24 credit or benefits for a week of unemployment if, with respect to that  
25 week and at the discretion of the local employment security supervisor,  
26 mandatory work search is waived due to a lack of work in the area.

27 Sec. 23.20.379. VOLUNTARY QUIT, DISCHARGE FOR MISCONDUCT, AND  
28 REFUSAL OF WORK. (a) An insured worker is disqualified for waiting-  
29 week credit or benefits for a week of his unemployment if he:

1 (1) left his last suitable work voluntarily without good  
2 cause;

3 (2) was discharged or suspended for misconduct connected  
4 with his last work;

5 (3) failed without good cause to apply for available suit-  
6 able work to which he was referred by the employment office or other  
7 referral agency which has an agreement with the department under sec.  
8 375(d) of this chapter during a week claimed; or

9 (4) failed to accept suitable work when offered to him  
10 during a week claimed.

11 (b) The disqualification provided in (a) of this section con-  
12 tinues until terminated by one of the following:

13 (1) the individual has filed claims for six otherwise com-  
14 pensable weeks of unemployment subsequent to the date the disqualify-  
15 ing act occurred; or

16 (2) the individual has returned to full time covered employ-  
17 ment and earned at least six times his weekly benefit amount.

18 \* Sec. 26. AS 23.20.380 is repealed.

19 \* Sec. 27. AS 23.20.381 is amended by adding new subsections to read:

20 (e) An insured worker is disqualified for benefits if the depart-  
21 ment finds that after 26 weeks of continuous unemployment the indivi-  
22 dual will not accept available training or employment for which he is  
23 fit by training, or experience and physically capable of performing.

24 (f) An insured worker is disqualified for waiting-week credit or  
25 benefits for a week of unemployment if, with respect to that week, the  
26 department finds that for the week or any part of it he has received  
27 or is seeking unemployment benefits under another unemployment security  
28 law in a manner other than in accordance with the reciprocal arrange-  
29 ments between the department and other states or the federal government.

1 If the appropriate agency makes a final determination that the worker  
2 is not entitled to benefits under the other law, this subsection does  
3 not apply.

4 (g) An insured worker whose occupation has been abolished due to  
5 technological changes, as certified by the employment service office,  
6 must be willing to be placed in any job for which he is fit by training  
7 or experience, or he must be willing to be placed in a training program.  
8 Failure of such an insured worker to comply with the requirements of  
9 this section disqualifies him from benefits.

10 \* Sec. 28. AS 23.20 is amended by adding a new section to read:

11 Sec. 23.20.383. LABOR DISPUTE DISQUALIFICATION. (a) An insured  
12 worker is disqualified for waiting-week credit or benefits for a week  
13 of his unemployment if, with respect to that week, the department  
14 finds his unemployment is due to a stoppage of work because of a labor  
15 dispute at the immediate factory, establishment, or other premises at  
16 which he is or was last employed. For the purposes of this section,  
17 each separate department of the same premises which is commonly con-  
18 ducted as a separate business in separate premises is considered a  
19 separate factory, establishment, or other premises.

20 (b) This section does not apply if the department finds that:

21 (1) the insured worker was not participating in or directly  
22 interested in the labor dispute which caused the stoppage of work, and  
23 he did not belong to a grade or class of workers of which, immediately  
24 before the commencement of the stoppage, had members employed at the  
25 premises at which the stoppage occurred and which had one or more  
26 members participating in or directly interested in the dispute; or

27 (2) the labor dispute was caused by the failure or refusal  
28 of an employer to conform to the provisions of an agreement or con-  
29 tract between the employer and employee, or a law of the state or of

1 the United States pertaining to hours, wages or other conditions of  
2 work.

3 \* Sec. 29. AS 23.20.385 is amended by adding a new subsection to read:

4 (d) After 26 compensable weeks, and subject to the provisions of  
5 this section, suitable work includes any employment for which the  
6 claimant is fit by training or experience and physically capable of  
7 performing.

8 \* Sec. 30. AS 23.20 is amended by adding new sections to read:

9 Sec. 23.20.387. DISQUALIFICATION FOR MISREPRESENTATION. (a) An  
10 individual is disqualified for benefits for a period not to exceed 26  
11 weeks if the department finds that the individual has wilfully made a  
12 false statement or misrepresentation or wilfully failed to report a  
13 material fact in order to obtain any benefits under this chapter. The  
14 length of this period of disqualification and the time when this  
15 period begins shall be determined at the department's discretion,  
16 according to the circumstances in each case. The department may waive  
17 this disqualification wholly or in part as it considers proper and  
18 equitable.

19 (b) No person may be disqualified from receiving benefits under  
20 this provision unless there is clear evidence that he has made a false  
21 statement or a misrepresentation of material fact or has failed to  
22 disclose the material facts with the intent to defraud. There must be  
23 evidence of an intention to defraud and the act must be wilfull and  
24 knowing and must involve material facts before a determination of  
25 fraudulent misrepresentation or nondisclosure may be made.

26 Sec. 23.20.388. DISQUALIFICATION FOR BENEFITS UPON CONVICTION OF  
27 FRAUD IN OBTAINING BENEFITS. (a) A person who is guilty of making a  
28 false statement or misrepresentation knowing it is false or of knowingly  
29 failing to disclose a material fact to obtain any benefits or other

1 payments under this chapter, in addition to any penalties imposed by  
2 the court, is:

3 (1) disqualified for any further benefit payments in a cur-  
4 rent benefit year starting with the week number in which the conviction  
5 occurred;

6 (2) disqualified for benefits based upon wages paid to him  
7 in the calendar quarter in which he was convicted and on all prior  
8 calendar quarters of wages which have not been used in a benefit  
9 determination; and

10 (3) disqualified for benefits in any new benefit year after  
11 the conviction until he has reimbursed the fund for the full amount he  
12 received as a result of the false statement or misrepresentation or  
13 failure to report a material fact; however, if he is otherwise eligible  
14 for benefits under sec. 350 of this chapter, he may file for benefits  
15 and arrange to offset the full amount for which he is liable from his  
16 future benefits payable.

17 (b) The provisions of this section are in addition and supple-  
18 mental to all other provisions of this chapter pertaining to dis-  
19 qualifications and recovery of improper payment.

20 \* Sec. 31. AS 23.20.390(b) is amended to read:

21 (b) As soon as the department has knowledge of payments of bene-  
22 fits to an individual under the circumstances mentioned in this section,  
23 it shall promptly prepare and deliver or mail to the individual at his  
24 last [KNOWN] address of record a notice of determination of liability  
25 declaring that the individual has been determined liable to refund the  
26 amount of benefits paid under the circumstances mentioned in this  
27 section. The amount, if not previously collected, shall be deducted  
28 from future benefits payable to the individual. However, if the  
29 department determines that an individual has died, or has acted in