

LEG. FINANCE - BILLS 1979 - 1980 1057

HB 177 cont., 1057

1 [COMMISSIONER OF REVENUE] shall deposit this money to the clearing  
2 account. A check or warrant for the payment of a refund shall be issued  
3 from the clearing account.

4 \* Sec. 7. AS 23.20.165(e) is amended to read:

5 (e) An employer shall maintain a record of the amount deducted  
6 from the wages of each employee [OF HIS EMPLOYEES,] and shall furnish a  
7 statement of the deductions to each employee at the times and in the  
8 manner the department [COMMISSIONER] prescribes by regulation. No  
9 deduction may be made from those wages paid to an employee during a  
10 calendar year which are in excess of the wages subject to contributions  
11 under AS 23.20.175. If an [EMPLOYEE IN THE EMPLOY OF TWO OR MORE  
12 EMPLOYERS EARNS WAGES IN ONE CALENDAR YEAR TOTALING MORE THAN THE WAGES  
13 SUBJECT TO CONTRIBUTIONS, OR IF ONE] employer through error makes a  
14 deduction and erroneously pays contributions or interest on employee  
15 [FROM HIS] wages in excess of the wages subject to contributions during  
16 a calendar year, the amount of deductions erroneously paid may be  
17 requested by the employer as an adjustment or refund as prescribed by  
18 AS 23.20.225(a). Employee deductions in excess of the wages subject to  
19 contributions must be refunded to the employee by the employer [IN  
20 EXCESS OF THOSE REQUIRED BY THIS CHAPTER SHALL BE REFUNDED TO THE  
21 EMPLOYEE BY THE COMMISSIONER UPON APPLICATION FOR THEM] in accordance  
22 with regulations adopted [PRESCRIBED] by the department [HIM. APPLICA-  
23 TION MUST BE MADE DURING THE CALENDAR YEAR AFTER THE CALENDAR YEAR IN  
24 WHICH THE DEDUCTIONS ARE MADE].

25 \* Sec. 8. AS 23.20.175(a) is repealed and re-enacted to read:

26 (a) For the purposes of AS 23.20.165 and 23.20.170, after December  
27 31, 1973 and through December 31, 1979, wages do not include that part  
28 of remuneration paid during any calendar year to an individual by an  
29 employer or by his predecessor which exceeds \$10,000.

1 \* Sec. 9. AS 23.20.175(c) is repealed and re-enacted to read:

2 (c) For the purposes of AS 23.20.165 and 23.20.170:

3 (1) after December 31, 1979 and through December 31, 1980,  
4 wages do not include that part of remuneration paid during any calendar  
5 year to an individual by an employer or by his predecessor which exceeds  
6 60 per cent of the average annual wage, as defined in AS 23.20.520(27),  
7 in Alaska for the preceding 12-month period ending June 30 computed to  
8 the nearest multiple of \$1,000;

9 (2) after December 31, 1980 wages do not include that part of  
10 remuneration paid during any calendar year to an individual by an  
11 employer or by his predecessor which exceeds 75 per cent of the average  
12 annual wage, as defined in AS 23.20.520(27), in Alaska for the preceding  
13 12-month period ending June 30 computed to the nearest multiple of  
14 \$1,000.

15 \* Sec. 10. AS 23.20.190(a) is amended to read:

16 (a) An employer required to pay contributions under the provi-  
17 sions of AS 23.20.165 [A PERSON] who fails to file a contribution report  
18 and wage schedule on the date it is due is subject to a penalty, to be  
19 assessed and collected in the same manner as contributions. If the  
20 report is filed within 30 days of the date it is due, the penalty is  
21 five per cent of the contributions due. For each additional 30-day  
22 period or its fraction, the penalty is an additional five per cent of  
23 the contributions due. However, the penalty may not exceed 25 per cent  
24 of the contributions due in the aggregate and may not be less than \$10  
25 [\$2.50] for each reporting period.

26 \* Sec. 11. AS 23.20.190 is amended by adding new subsections to read:

27 (d) An employer who has elected to make reimbursement payments  
28 under AS 23.20.277 who fails to file a contribution report and wage  
29 schedule on the date it is due is subject to a penalty, to be assessed

1 and collected in the same manner provided for failure to file a contri-  
2 bution report and wage schedule under this section. If the report is  
3 filed not later than 30 days after the date it is due, the penalty is  
4 one-tenth of one per cent of the total wages paid for the quarter. For  
5 each additional 30-day period or its fraction, the penalty is an addi-  
6 tional one-tenth of one per cent of the total wages paid for the  
7 quarter. However, the penalty may not exceed one-half of one per cent  
8 of the total wages paid for the quarter in the aggregate and may not be  
9 less than \$10 for each reporting period.

10 (e) The department may require an employer who fails to file a  
11 contribution report and wage schedule on the date it is due to file a  
12 monthly contribution report and wage schedule, with payment, not later  
13 than 30 days after the close of each month. This decision shall be  
14 reviewed annually under regulations adopted by the department. The  
15 monthly contribution report and wage schedule is subject to the same  
16 interest and penalty provisions as provided in this section and AS  
17 23.20.185.

18 \* Sec. 12. AS 23.20.205(b) is amended to read:

19 (b) If the notice is served by mail the notice must be deposited  
20 in the post office, addressed to the delinquent employer at his last  
21 [KNOWN] address of record and the postage paid. The date of service is  
22 considered to be the day of delivery shown on the delivery receipt.  
23 However, if it appears the addressee is deliberately avoiding service,  
24 then the date of service is the day of mailing.

25 \* Sec. 13. AS 23.20.220(a) is amended to read:

26 (a) When a notice of assessment is delivered or mailed to a delin-  
27 quent employer, the employer may within 30 days file a petition in  
28 writing with the department, stating that the assessment is unjust or  
29 incorrect and requesting a hearing on it. The petition shall set out

1 the reasons the assessment is objected to and the amount of contri-  
2 butions which the employer admits is due and must be accompanied by a  
3 bond or deposit of other security in the amount of the assessment to  
4 insure collection. The department may waive the security requirement  
5 if the employer submits proof of solvency or reasonable assurance, as  
6 prescribed by regulations, that the contributions, interest and penal-  
7 ties due are not in jeopardy. If no petition is filed within the time  
8 prescribed, or if the employer fails to provide the required security,  
9 the assessment is prima facie correct. However, the department may  
10 entertain a subsequent application for refund, and, if denied a refund,  
11 a hearing on the application in accordance with AS 23.20.225.

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

13 (f) In this section, "employer" as defined in AS 23.20.520(11),  
14 also includes, but is not limited to, an officer or employee of a cor-  
15 poration or a member or employee of a partnership who, as an officer,  
16 employee, or member, is under a duty to pay the contributions as re-  
17 quired by (a) of this section.

18 \* Sec. 15. AS 23.20.277(h) is amended to read:

19 (h) The amount due, specified in a bill from the department, is  
20 conclusive on the organization unless, not later than 15 days after the  
21 bill was mailed to its last [KNOWN] address of record or otherwise  
22 delivered to it, the organization files an application for redetermi-  
23 nation by the department, setting out the grounds for the application.  
24 The department shall promptly review and reconsider the amount due  
25 specified in the bill and shall thereafter issue a redetermination in  
26 any case in which an application for redetermination has been filed.  
27 Any redetermination is conclusive on the organization unless, not later  
28 than 15 days after the redetermination was mailed to its last [KNOWN]  
29 address of record or otherwise delivered to it, the organization files

1 an appeal to the commissioner, setting out the grounds for the appeal.  
2 Proceedings on appeal to the commissioner from the amount of a bill  
3 rendered under this subsection or a redetermination of the amount shall  
4 be in accordance with the provisions of AS 23.20.410 - 23.20.470  
5 [23.20.455].

6 \* Sec. 16. AS 23.20.277(1) is amended to read:

7 (1) Each employer that is liable for payments in place of contri-  
8 butions shall pay to the department for the fund the amount of regular  
9 benefits plus the amount of one-half of extended benefits paid that are  
10 attributable to service in the employ of that [SUCH AN] employer.  
11 However, a government entity which has elected to make payments under  
12 this section is liable for the amount of regular benefits plus the  
13 full amount of extended benefits which are attributable to service in  
14 the employ of that entity. If benefits paid to an individual are based  
15 on wages paid by more than one employer and one or more of these  
16 employers are liable for payments in place of contributions, the amount  
17 payable to the fund by each employer that is liable for payments shall  
18 be determined by the department in accordance with regulations adopted  
19 [PROMULGATED] by the department.

20 \* Sec. 17. AS 23.20.280(a) is amended to read:

21 (a) An employer is [AND HIS EMPLOYEES ARE] eligible for a rate  
22 determination in accordance with the provisions of AS 23.20.280 -  
23 23.20.310 and the department [COMMISSIONER'S] regulations if the  
24 employer has been subject to this chapter throughout not less than the  
25 four consecutive calendar quarters ending with the computation date and  
26 remains subject to this chapter into the calendar quarter which  
27 immediately precedes the effective date of the rate. No employer [OR  
28 EMPLOYEE] is eligible for a rate determination under AS 23.20.280 -  
29 23.20.310 if, with respect to a calendar quarter in or preceding his

1           qualifying period, the employer has failed to file contribution or  
2 payroll reports or to pay contributions, interest and penalties required  
3 by this chapter within 60 days after the computation date or within 10  
4 days after the department has mailed the employer written notice of the  
5 delinquency or of failure to file reports, or of both, by registered or  
6 certified mail to his last [KNOWN] address of record, whichever is the  
7 later date.

8 \* Sec. 18. AS 23.20.285(b) is amended to read:

9           (b) For the purpose of computing quarterly decline quotients, the  
10 department may, by regulation, prescribe (1) the manner in which wages  
11 paid in the form of annual bonuses or other lump-sum payments for ser-  
12 vice performed over a period of more than three months are apportioned  
13 among the calendar quarters of the calendar year in which the service  
14 was performed; and (2) the method for making adjustments in quarterly  
15 payrolls to eliminate the effect upon quarterly decline quotients re-  
16 sulting from unemployment which would not be compensable by reason of  
17 the labor dispute provision of AS 23.20.383 [AS 23.20.380(9)].

18 \* Sec. 19. AS 23.20.305(a) is amended to read:

19           (a) The department shall promptly notify each employer of his rate  
20 of contributions as determined for a calendar year under AS 23.20.280 -  
21 23.20.310. The determination becomes conclusive upon the employer  
22 unless within 15 days after the notice is mailed to his last [KNOWN]  
23 address of record or delivered to him, the employer files an application  
24 for review and redetermination, setting out his reasons for the applica-  
25 tion.

26 \* Sec. 20. AS 23.20.305(c) is amended to read:

27           (c) If the commissioner denies a review, he shall notify the  
28 employer of the denial and the reasons for the denial. A redetermina-  
29 tion or a denial of review becomes final, unless within 30 days after

1 the notice is mailed to the last [KNOWN] address of record of the  
2 employer, or delivered to him, the employer initiates [PETITION FOR]  
3 judicial review [IS FILED] in accordance with AS 23.20.445.

4 \* Sec. 21. AS 23.20.315(c) is amended to read:

5 (c) The department shall mail or deliver a notice of its determi-  
6 nation made under (a) or (b) of this section to the last [KNOWN] address  
7 of record of the employing unit affected. The notice shall include a  
8 statement of the supporting facts found by the department.

9 \* Sec. 22. AS 23.20.315(d) is amended to read:

10 (d) Within 15 days after a notice of a determination has been  
11 mailed or delivered to the last [KNOWN] address of record of an  
12 employing unit, the employing unit may apply to the department to re-  
13 consider its determination in the light of additional evidence and to  
14 issue a redetermination. The department shall, if the request is  
15 granted, mail or deliver to the last [KNOWN] address of record of the  
16 employing unit affected a notice of the redetermination. The notice  
17 shall include a statement of the supporting facts found by the depart-  
18 ment. If the department denies the request for redetermination, it  
19 shall furnish a notice of the denial of the application.

20 \* Sec. 23. AS 23.20.315(e) is amended to read:

21 (e) Within 15 days after a notice of a determination made under  
22 (a), (b), or (d) of this section or a denial of the application under  
23 (d) of this section has been mailed or delivered to the last [KNOWN]  
24 address of record of an employi.g unit, the employing unit may appeal  
25 from the determination to the department. The department shall give the  
26 parties a reasonable opportunity for a fair hearing as provided in the  
27 case of hearings before appeal tribunals in AS 23.20.410 - 23.20.470.  
28 The decision of the department is final unless, within 30 days after the  
29 decision is mailed or delivered to the last [KNOWN] address of record of

1 a party, the party initiates judicial review in accordance with  
2 AS 23.20.445.

3 \* Sec. 24. AS 23.20.340(a) is amended to read:

4 (a) An examiner designated by the department shall take the claim.  
5 The examiner shall take all evidence pertaining to the eligibility of  
6 the claimant and [AN INITIAL DETERMINATION ON THE CLAIM SHALL BE MADE  
7 PROMPTLY AND SHALL INCLUDE A DETERMINATION WITH RESPECT TO WHETHER  
8 BENEFITS ARE PAYABLE, THE WEEKLY BENEFIT AMOUNT PAYABLE, AND THE MAXIMUM  
9 DURATION OF BENEFITS. WHEN THE PAYMENT OR DENIAL OF BENEFITS IS  
10 DETERMINED BY AS 23.20.380(9), THE EXAMINER] shall promptly transmit all  
11 evidence [WITH RESPECT TO THAT SECTION] to the department. The depart-  
12 ment, or a representative designated by it for the purpose, shall, on  
13 the basis of the evidence submitted and any [THE] additional evidence it  
14 requires, make an initial determination of [AS TO] the claim as to  
15 whether the claimant is eligible for benefits under AS 23.20.350 and the  
16 weekly benefit amount and maximum potential benefit amount.

17 \* Sec. 25. AS 23.20.340(c) is amended to read:

18 (c) The claimant [AND OTHER PARTIES TO THE DETERMINATION] shall be  
19 promptly notified of the initial determination or a subsequent redeter-  
20 mination [(OR OF AN AMENDED INITIAL DETERMINATION)] and the reasons for  
21 it.

22 \* Sec. 26. AS 23.20.340(d) is amended to read:

23 (d) Unless the claimant is determined to be disqualified for  
24 benefits under AS 23.20.375, 23.20.380 and 23.20.381, benefits [BENE-  
25 FITS] shall be promptly paid [OR DENIED] in accordance with the initial  
26 determination or subsequent redetermination.

27 \* Sec. 27. AS 23.20.340(e) is repealed and re-enacted to read:

28 (e) The claimant may file a request for redetermination of the  
29 initial determination within 15 days after he is notified in person of

1 the determination, or not later than 15 days after the date the notice  
2 is mailed to his last address of record. The claimant may file an  
3 appeal from a redetermination not later than 15 days after he is  
4 notified in person of the redetermination or not later than 15 days  
5 after the date the redetermination is mailed to his last address of  
6 record. The period for filing an appeal may be extended for a reason-  
7 able period of time if the claimant shows that the application was  
8 delayed as a result of circumstances beyond the claimant's control.

9 \* Sec. 28. AS 23.20.340(f) is repealed and re-enacted to read:

10 (f) If a determination of disqualification under AS 23.20.375,  
11 23.20.380 and 23.20.381 is made, the claimant shall be promptly notified  
12 of the determination and the reasons for it. The claimant may appeal  
13 the determination in the same manner prescribed in this chapter for  
14 appeals of redeterminations. Benefits may not be paid for any week for  
15 which the determination of disqualification was made while a determina-  
16 tion is being appealed. However, if a decision on the appeal allows  
17 benefits to the claimant, those benefits must be paid promptly.

18 \* Sec. 29. AS 23.20.350 is repealed and re-enacted to read:

19 Sec. 23.20.350. AMOUNT OF BENEFITS. (a) To be eligible for  
20 benefits an individual must have been paid wages in his base period  
21 totaling not less than \$1,000 of which \$200 must have been paid in other  
22 than the calendar quarter of his base period in which he was paid the  
23 highest amount of wages, and at least eight times the current weekly  
24 benefit amount must have been paid for employment, whether or not  
25 covered by this chapter, since the beginning of a preceding benefit  
26 year.

27 (b) Subject to (a) and (e) of this section, an individual's weekly  
28 benefit amount is the amount shown in the applicable column B - D  
29 opposite the amount of his total base period wages as shown in column A

1 of the following table:

2 Ratio of Total Base Period Wages to  
3 High Quarter Wages Times 100

4	Total Base	At Least -	100	200	300
5	Period Wages	But Less Than -	200	300	401
6	Columns (A)		(B)	(C)	(D)
7	\$ 0 - 999.99		\$ 00	00	00
8	1,000 - 1,249.99		42	42	42
9	1,250 - 1,499.99		47	47	47
10	1,500 - 1,749.99		50	50	50
11	1,750 - 1,999.99		53	53	53
12	2,000 - 2,249.99		56	56	56
13	2,250 - 2,499.99		59	59	59
14	2,500 - 2,749.99		62	62	62
15	2,750 - 2,999.99		65	65	65
16	3,000 - 3,249.99		68	68	68
17	3,250 - 3,499.99		71	71	71
18	3,500 - 3,749.99		74	74	74
19	3,750 - 3,999.99		77	77	77
20	4,000 - 4,249.99		80	80	80
21	4,250 - 4,499.99		83	83	83
22	4,500 - 4,749.99		86	86	86
23	4,750 - 4,999.99		89	89	89
24	5,000 - 5,249.99		90	92	92
25	5,250 - 5,499.99		90	95	95
26	5,500 - 5,749.99		90	98	98
27	5,750 - 5,999.99		90	100	100
28	6,000 - 6,249.99		90	100	102
29	6,250 - 6,499.99		90	100	104

1	6,500 - 6,749.99	90	100	106
2	6,750 - 6,999.99	90	100	108
3	7,000 or more	90	100	110

4 (c) The maximum potential benefits of an individual in a benefit  
5 year is 26 times his weekly benefit amount.

6 (d) Notwithstanding (b) of this section, the weekly benefit amount  
7 of an individual who has earnings in all four quarters of his base  
8 period and whose high quarter wages are less than four times his lowest  
9 quarter wages is the amount shown in column D opposite the amount of his  
10 total base period wages as shown in column A.

11 (e) An individual who establishes a benefit year is entitled to an  
12 allowance for dependents in addition to the amount shown in the applic-  
13 able column B - D set out in (b) of this section. The allowance for  
14 dependents is \$20 per week for each dependent of the individual, except  
15 that the allowance for dependents may not exceed \$60 for each week of  
16 unemployment. An allowance for dependents may not be paid during a  
17 benefit year to an individual if the dependent has been claimed by  
18 another individual and the allowance for dependents has been paid to the  
19 other individual. Before an allowance for dependents is paid, the  
20 department shall determine that no other individual is receiving bene-  
21 fits for the same dependents and each individual seeking unemployment  
22 benefits shall produce evidence satisfactory to the department that the  
23 dependents claimed are dependents of that person.

24 (f) In this section "dependent" means an individual's unmarried  
25 child, including a stepchild and a legally adopted child, under 18 years  
26 of age who is principally supported by the individual, except that an  
27 individual's unmarried child, including a stepchild and a legally adopt-  
28 ed child, who because of infirmity is prevented from engaging in a gain-  
29 ful occupation and who is principally dependent upon the individual for

1 support is a dependent for the purpose of this section regardless of age.

2 \* Sec. 30. AS 23.20.360 is repealed and re-enacted to read:

3 Sec. 23.20.360. EARNINGS DEDUCTED FROM WEEKLY BENEFIT AMOUNT. An  
4 eligible individual who is unemployed in a week as defined in AS 23.20.-  
5 505 may earn wages for that week equal to the lesser of \$50 or his  
6 weekly benefit amount without a reduction in his benefit for that week.  
7 However, the weekly benefit amount will be reduced dollar for dollar for  
8 any additional earnings. If the reduced benefit amount is not a multi-  
9 ple of \$1, it shall be computed to the next higher multiple of \$1.

10 \* Sec. 31. AS 23.20.370 is amended to read:

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

21 \* Sec. 32. AS 23.20.375(a) is amended to read:

22 Sec. 23.20.375. QUALIFICATION [ELIGIBILITY] FOR BENEFITS. (a) An  
23 insured worker is qualified [ELIGIBLE] for and shall receive waiting-  
24 week credit or benefits, as the case may be, for a week of his unemploy-  
25 ment for [WITH RESPECT TO] which he has not been determined to be dis-  
26 qualified under AS 23.20.378 - 23.20.387 [AS 23.20.380], if [THE WORKER  
27 HAS], in accordance with regulations adopted [PRESCRIBED] by the depart-  
28 ment, the insured worker has, with respect to the week,

29 (1) filed a notice of his unemployment;

1 (2) registered for work; and

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

4 \* Sec. 33. AS 23.20.375(c) is amended to read:

5 (c) Benefits based on service in employment defined in AS 23.20.-  
6 525(a)(4), (5), (6) and (14) are payable in the same amount, on the same  
7 terms and subject to the same conditions as compensation payable on the  
8 basis of other service subject to this chapter; except that, effective  
9 January 1, 1978, benefits based on service in an instructional, research  
10 or principal administrative capacity for an educational institution  
11 and after January 1, 1979 benefits based on service in any other capa-  
12 city for an educational institution other than an institution of higher  
13 education may not be paid to an individual for any week of unemployment  
14 which begins during the period between two successive academic years, or  
15 during a similar period between two regular terms, whether or not  
16 successive, or during a period of paid sabbatical leave provided for in  
17 the individual's contract, if the individual performs services in the  
18 first of those academic years or terms and if there is a contract or  
19 reasonable assurance that the individual will perform services in the  
20 same or a similar capacity for any educational institution in the second  
21 of those academic years or terms.

22 \* Sec. 34. AS 23.20 is amended by adding new sections to read:

23 Sec. 23.20.378. ABLE AND AVAILABLE FOR WORK. (a) An insured  
24 worker is disqualified for waiting-week credit or benefits for a week of  
25 his unemployment if, for that week, the department finds that he was not  
26 able to work, not available for suitable work, or not seeking work. An  
27 insured worker is considered qualified for waiting-week credit or bene-  
28 fits for a week of his unemployment even though he fails to comply with  
29 the provisions of this section if

1 (1) he is unable to work because he is ill or disabled, or he  
2 resides in the state and is not available for work because of his non-  
3 commercial fishing and hunting necessary for his survival or the  
4 survival of his dependents; and

5 (2) a condition described in (1) of this section occurs  
6 during an uninterrupted period of unemployment which follows a week for  
7 which he filed a compensable claim and no work which would have been  
8 suitable for him was offered to him for any part of the week before the  
9 beginning of the illness, disability, or fishing or hunting.

10 (b) A waiver of disqualification on the basis of illness or dis-  
11 ability under (a) of this section may not exceed six consecutive weeks.

12 (c) An insured worker is not disqualified for waiting-week credit  
13 or benefits for a week of unemployment if, for that week and at the  
14 discretion of the director or his designee, a work search is waived due  
15 to lack of work in the area.

16 (d) An insured worker is disqualified for waiting-week credit or  
17 benefits for a week of unemployment while he attends an established  
18 school in a course of study providing academic instruction of nine or  
19 more hours per week, or the equivalent. A disqualification under this  
20 subsection begins with the first week of academic instruction and ends  
21 with the week immediately before the first full week in which the indi-  
22 vidual is no longer attending classes if the period of nonattendance is  
23 anticipated to last at least 60 days. In this subsection, the term  
24 "school" includes primary schools, secondary schools, and institutions  
25 of higher education.

26 Sec. 23.20.379. VOLUNTARY QUIT, DISCHARGE FOR MISCONDUCT, AND  
27 REFUSAL OF WORK. (a) An insured worker is disqualified for waiting-  
28 week credit or benefits for the week in which he first files or re-opens  
29 his claim for benefits and for the next five weeks of continuous unem-

1 ployment immediately following that week if he

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

4 (2) was discharged for misconduct connected with his work.

5 (b) An insured worker is disqualified for waiting-week credit or  
6 benefits for a week and the next five weeks of continuous unemployment  
7 immediately following that week if, for that week, he fails without good  
8 cause

9 (1) to apply for available suitable work to which he was  
10 referred by the employment center; or

11 (2) to accept suitable work when offered to him.

12 (c) The maximum potential duration of benefits for unemployment to  
13 which an insured worker would otherwise have been entitled is reduced by  
14 the number of weeks the insured worker is disqualified for waiting-week  
15 credit or benefits under (a) or (b) of this section.

16 (d) The disqualification and reduction of benefits required in  
17 this section continue until the individual returns to employment and  
18 earns at least six times his weekly benefit amount.

19 \* Sec. 35. AS 23.20.381 is amended by adding a new subsection to read:

20 (e) An insured worker is disqualified for waiting-week credit or  
21 benefits for a week of unemployment if the department finds that for the  
22 week or any part of it he has received or is seeking unemployment bene-  
23 fits under another employment security law other than in accordance with  
24 the reciprocal arrangements between the department and other states or  
25 the federal government. If an appropriate agency makes a final deter-  
26 mination that the worker is not entitled to benefits under the other  
27 law, this subsection does not apply.

28 \* Sec. 36. AS 23.20 is amended by adding new sections to read:

29 Sec. 23.20.383. LABOR DISPUTE DISQUALIFICATION. (a) An insured

1 worker is disqualified for waiting-week credit or benefits for a week of  
2 his unemployment if, for that week, the department finds his unemploy-  
3 ment is due to a labor dispute at the immediate establishment or other  
4 premises at which he is or was last employed. For the purposes of this  
5 section, each separate department of the same premises which is commonly  
6 conducted as a separate business in separate premises is considered a  
7 separate establishment or other premises.

8 (b) This section does not apply if the department finds that (1)  
9 an insured worker was not participating in or directly interested in the  
10 labor dispute which caused his unemployment, and (2) he did not belong  
11 to a grade or class of workers which, immediately before the commence-  
12 ment of the dispute, had members employed at the premises at which the  
13 labor dispute occurred who were participating in or directly interested  
14 in the labor dispute.

15 Sec. 23.20.387. DISQUALIFICATION FOR MISREPRESENTATION. (a) An  
16 individual is disqualified for benefits for a period not to exceed 52  
17 weeks if the department determines that the individual has knowingly  
18 made a false statement or misrepresentation as to a material fact or  
19 knowingly failed to report a material fact with intent to obtain or  
20 increase any benefits under this chapter. The length of this period of  
21 disqualification and the time when this period begins shall be deter-  
22 mined by the department according to the circumstances in each case.  
23 However, in no case may it be less than six weeks.

24 (b) A person may not be disqualified from receiving benefits under  
25 this provision unless there is documented evidence that he has made a  
26 false statement or a misrepresentation as to a material fact or has  
27 failed to disclose a material fact. There must be evidence of an inten-  
28 tion to defraud, and the act must be knowing and must involve material  
29 facts before a determination of fraudulent misrepresentation or nondis-

1 closure may be made.

2 (c) The insured worker shall be notified of the department's  
3 determination under this section as provided in AS 23.20.340(f) and may  
4 appeal the determination as provided in AS 23.20.415.

5 \* Sec. 37. AS 23.20.390(b) is amended to read:

6 (b) The [AS SOON AS THE] department [HAS KNOWLEDGE OF PAYMENTS OF  
7 BENEFITS TO AN INDIVIDUAL UNDER THE CIRCUMSTANCES MENTIONED IN THIS  
8 SECTION, IT] shall promptly prepare and deliver or mail to the indivi-  
9 dual at his last [KNOWN] address of record a notice of determination of  
10 liability declaring that the individual has been determined liable to  
11 refund the amount of benefits to which he is not entitled [PAID UNDER  
12 THE CIRCUMSTANCES MENTIONED IN THIS SECTION]. The amount, if not pre-  
13 viously collected, shall be deducted from future benefits payable to the  
14 individual. However, if the department determines that an individual  
15 has died, or has acted in good faith in claiming and receiving benefits  
16 to which he was not entitled, or [AND] that great hardship would result  
17 from charging the individual with repayment of the benefits, the depart-  
18 ment may absolve the individual from liability to the fund for repayment  
19 of all or a portion of those [THE] benefits.

20 \* Sec. 38. AS 23.20.407 is amended to read:

21 Sec. 23.20.407. WEEKLY EXTENDED BENEFIT AMOUNT; TOTAL PAYABLE.

22 (a) The weekly extended benefit amount payable to an individual for a  
23 week of total unemployment in his eligibility period is an amount equal  
24 to the weekly [BASIC OR AUGMENTED] benefit amount [AMOUNTS] payable to  
25 him during his applicable benefit year.

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

29 (1) 50 per cent of the total amount of regular benefits,

1 including dependents' allowances, which were payable to him under this  
2 chapter in his applicable benefit year;

3 (2) 13 times his [AVERAGE] weekly benefit amount, including  
4 dependents' allowances which was payable to him under this chapter for a  
5 week of total unemployment in the applicable benefit year; or

6 (3) 39 times his [AVERAGE] weekly benefit amount, including  
7 dependents' allowances which was payable to him under this chapter for a  
8 week of total unemployment in the applicable benefit year, reduced by  
9 the total amount of regular benefits which were paid or considered paid  
10 to him under this chapter with respect to the benefit year.

11 \* Sec. 39. AS 23.20.408(g) is repealed and re-enacted to read:

12 (g) There is a state "off" indicator for a week if, for that week  
13 and the immediately preceding 12 weeks, the rate of insured unemployment  
14 was either (1) less than four per cent; or (2) less than five per cent  
15 and was less than 120 per cent of the average of the rates of insured  
16 unemployment for the corresponding 13-week period in each of the preced-  
17 ing two calendar years.

18 \* Sec. 40. AS 23.20.415(a) is amended to read:

19 (a) A party entitled to notice of determination provided in  
20 AS 23.20.340 may file an appeal from the determination to an appeal  
21 tribunal within the time specified in that section. However, an appeal  
22 from a determination which involves AS 23.20.383 [AS 23.20.380(9)] shall  
23 be made to the department. The parties to an appeal from a determina-  
24 tion shall include all those entitled to notice of the determination and  
25 a properly designated representative of the department.

26 \* Sec. 41. AS 23.20.430 is amended to read:

27 Sec. 23.20.430. NOTICE OF DECISION AND TIME FOR APPEAL. After a  
28 hearing an appeal tribunal shall promptly make findings and conclusions  
29 and on the basis of them shall affirm, modify, or reverse the determina-

1 tion. Each party shall be promptly given a copy of the decision, the  
2 supporting findings and the conclusions. This decision is final unless  
3 further review is initiated under AS 23.20.435 within 15 [10] days after  
4 the decision is mailed to each party at his last [KNOWN] address of  
5 record or delivered to him. The period within which further review may  
6 be initiated may be extended for a reasonable period of time upon a  
7 showing that the application was delayed as a result of circumstances  
8 beyond the party's control [GOOD CAUSE].

9 \* Sec. 42. AS 23.20.435(a) is amended to read:

10 (a) An appeal to the department by a party is a matter of right if  
11 the decision of the appeal tribunal reverses or modifies the determina-  
12 tion of the department, or if a question arising under AS 23.20.383  
13 [AS 23.20.380(9)] is presented. In all other cases further appeal to  
14 the department is permitted only at the discretion of the department.

15 \* Sec. 43. AS 23.20.445 is amended to read:

16 Sec. 23.20.445. NOTICE OF DECISION OF DEPARTMENT AND JUDICIAL  
17 REVIEW. Each party, including the properly designated representative of  
18 the department, shall be promptly given a copy of the decision and the  
19 supporting findings and conclusions of the department. The decision is  
20 final unless a party initiates judicial review by filing an appeal  
21 [ACTION] in the superior court as provided in the Rules of Appellate  
22 Procedure of the State of Alaska [FOR REVIEW WITHIN 30 DAYS AFTER THE  
23 DEPARTMENT'S DECISION HAS BEEN MAILED TO EACH PARTY AT HIS LAST KNOWN  
24 ADDRESS, OR DELIVERED TO HIM]. For the purpose of judicial review, an  
25 appeal tribunal's decision from which an application for appeal has been  
26 denied by the department is considered the decision of the department,  
27 except that the time for initiating judicial review runs from the date  
28 of the mailing or delivery of the notice of the denial of the applica-  
29 tion for appeal by the department.

1 \* Sec. 44. AS 23.20.485 is amended to read:

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

12 \* Sec. 45. AS 23.20.490 is amended to read:

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

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

27 \* Sec. 46. AS 23.20.505 is amended to read:

28       Sec. 23.20.505. UNEMPLOYED INDIVIDUAL. An individual is con-  
29 sidered "unemployed" in a week during which he performs no services and

1 for [WITH RESPECT TO] which no remuneration is payable to him, or in a  
2 week of less than full-time work if the remuneration payable to him for  
3 the week is less than his [BASIC] weekly benefit amount or \$50 [PLUS \$10  
4 OR ONE AND ONE-HALF TIMES HIS BASIC WEEKLY BENEFIT AMOUNT,] whichever  
5 amount is less [GREATER].

6 \* Sec. 47. AS 23.20.520(21) is amended to read:

7 (21) "waiting week" means the first week of unemployment  
8 for which an individual files a claim during his benefit year and for  
9 which no disqualification is imposed under AS 23.20.375, 23.20.380 and  
10 AS 23.20.381 [OCCURRING IN A BENEFIT YEAR];

11 \* Sec. 48. AS 23.20.525(a)(5) is amended to read:

12 (5) service performed before January 1, 1978 in the employ of  
13 a political subdivision of this state or a wholly owned instrumentality  
14 of a political subdivision of this state, if coverage was elected under  
15 AS 23.20.325 [OR AS 23.20.326] or if coverage was elected under AS 23.-  
16 20.326 as it read before January 1, 1978;

17 \* Sec. 49. AS 23.20.525(a)(16)(C)(ii) is amended to read:

18 (ii) if that individual is not an employee of that  
19 other person within the meaning of (10) (A) of this sub-  
20 section [PARAGRAPH];

21 \* Sec. 50. AS 23.20.520(26) is amended to read:

22 (26) "vocational training" means vocational or technical  
23 training in schools or classes, including but not limited to, field or  
24 laboratory work and remedial or related academic instruction, which is  
25 conducted as a program designed to prepare individuals for gainful  
26 employment in trades, skills or crafts; the term "vocational training"  
27 does not include programs of instruction for an individual, including  
28 transfer of credit programs of instruction given at community colleges,  
29 which are intended as credit for a degree from institutions of higher

1     education; [ACADEMIC EDUCATION WHOSE PURPOSE IS TO PREPARE INDIVIDUALS  
2     FOR EMPLOYMENT IN OCCUPATIONS GENERALLY CLASSIFIED AS PROFESSIONAL OR  
3     WHICH REQUIRE A BACCALAUREATE OR HIGHER DEGREE FROM INSTITUTIONS OF  
4     HIGHER LEARNING.]

5     \* Sec. 51. AS 23.20.520 is amended by adding a new paragraph to read:

6             (27) "average annual wage" means the amount determined by  
7     dividing the total wages paid by covered employers during a 12-month  
8     period by the average monthly employment reported by covered employers  
9     for the same period.

10    \* Sec. 52. Chapter 122, sec. 27(a), SLA 1977 is amended to read:

11            (a) Notwithstanding the provisions of AS 23.20.350, benefits may  
12    be paid to an individual after December 31, 1977 on wages earned by that  
13    individual in a category of employment which was not covered under  
14    AS 23.20 at any time during calendar year 1975 and which was service  
15    which is covered under AS 23.20, effective January 1, 1978, as the  
16    result of enactment of sec. 18 [19] of this Act.

17    \* Sec. 53. AS 23.20.340(g), 23.20.380, and 23.20.526(a)(19) are repealed.

18    \* Sec. 54. Sections 29 and 38 of this Act apply only to individuals who  
19    establish a benefit year after December 31, 1979.

20    \* Sec. 55. Sections 2 and 4 - 6 of this Act take effect immediately in  
21    accordance with AS 01.10.070(c).

22    \* Sec. 56. Sections 3, 16, 48, 49 and 52 of this Act take effect  
23    immediately in accordance with AS 01.10.070(c) and are retroactive to  
24    January 1, 1978.

25    \* Sec. 57. Section 33 of this Act takes effect immediately in accordance  
26    with AS 01.10.070(c) and is retroactive to January 1, 1979.

27    \* Sec. 58. Section 39 of this Act takes effect immediately in accordance  
28    with AS 01.10.070(c) and is retroactive to March 3, 1977.

29    \* Sec. 59. Sections 1, 12, 15, 17 - 28, 31, 32, 34 - 37, 40 - 45, 47, 50

1 and 53 of this Act take effect July 1, 1979.

2 \* Sec. 60. Sections 7 - 11, 13, 14, 29, 30, 38, 46 and 51 of this Act  
3 take effect January 1, 1980.

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Kathy:

For HB 177

file

J

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. FCCS CSHB 177 (SLA 80, Ch 9)  
 Title An Act Relating to Unemployment Insurance  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected All State Agencies  
 Program Category Affected All  
 BRU, Program, or Subprogram(s) Affected Budget & Management  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This fiscal note supercedes fiscal note dated 2/12/80 prepared by Jim Souby of the Department of Labor. The result of SLA 80, Ch 9 will be to increase the unemployment insurance benefit rate charged to all agencies from .7% to 1.0% effective 10/01/80, an increase of .3%. Because of opting out of Social Security, all state agency benefits are overbudgeted in FY81 by .52%. This overbudgeting offsets the increase which would be otherwise needed due to enactment of HB 177. A more detailed explanation is included in the attached letter to Jay Hogan from Ronald Lehr, dated April 29, 1980.

IV. DATE 4/22/80 PREPARED BY *Jeff Morrison*  
 AGENCY Budget & Management  
 PHONE 465 - 4580  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

*Recd after R/O of House Finance*

I. REQUEST SCS For HB 177 am  
Bill/Resolution No. \_\_\_\_\_  
Title An Act relating to U.I. and Providing for an Effective date  
Requested by Senator Frank R. Ferguson Date \_\_\_\_\_

II. FISCAL DETAIL  
Agency Affected Division of Budget & Management Directly, all Agencies  
Program Category Affected ALL Indirectly \_\_\_\_\_  
BRU, Program, or Subprogram(s) Affected Division of Budget & Management  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
U.I. Benefits	0	333.8	693.8	748.2	807.1	870.3
TOTAL	0	333.8	693.8	748.2	807.1	870.3

FUNDING (Thousands of Dollars)

GENERAL FUND	0	273.3	568.2	612.8	661.1	712.8
FEDERAL FUNDS	0	15.4	31.9	34.4	37.1	40.0
OTHER (Specify Fund Source)	0	45.1	93.7	101.0	108.9	117.5

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

A. ASSUMPTIONS:

- Effective Date 1-1-80
- State Government ave. annual employment  
Estimates are from Department of Labor econometric model (Labmod) using compound growth rate of .86 percent per year based on (1) 1972 - 1978 Trend, (2) Tighten Fiscal Policy, (3) A shift of some functions from State to Local Government. (Note: This is controlled growth and may be somewhat understated).
- Average wage - for 1978, equals total wage ÷ Average Employment  
Then Grows by 7% per year.

IV. DATE April 4, 1979 PREPARED BY James M. Souby  
AGENCY Department of Labor  
PHONE 465-2720

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

HB 177

4. Current Cost - 0.9% of Payroll is put into reserve fund and is considered current cost.  
(Note: This is conservative - may be about 0.7% when experience can be analyzed)
5. New Cost - Benefit amount will increase an average of 25% to about \$105 per week, therefore State Costs will increase by 25%.

B. FUNDING:

U.I. Benefits costs are assumed to follow same distribution as payroll costs:

General Funds	81.9%
Federal Funds	4.6%
Capital Improvement Project Funds	8.5%
International Airport Revenue Funds	2.9%
Highway working Capital Funds	1.3%
Fish & Game Funds	.6%
Veterans Revolving Loan Funds	.2%

Introduced: 2/14/79  
Referred: Labor & Management  
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 214

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 \* Section 1. AS 23.20.165(e) is amended to read:

10 (e) An employer shall maintain a record of the amount deducted  
11 from the wages of each employee [OF HIS EMPLOYEES,] and shall furnish  
12 a statement of the deductions to each employee at the times and in the  
13 manner the department [COMMISSIONER] prescribes by regulation. No  
14 deduction may be made from those wages paid to an employee during a  
15 calendar year which are in excess of the wages subject to contributions  
16 under AS 23.20.175 [SEC. 175 OF THIS CHAPTER]. If an [EMPLOYEE IN THE  
17 EMPLOY OF TWO OR MORE EMPLOYERS EARNS WAGES IN ONE CALENDAR YEAR  
18 TOTALING MORE THAN THE WAGES SUBJECT TO CONTRIBUTIONS, OR IF ONE]  
19 employer through error makes a deduction and erroneously pays contribu-  
20 tions or interest on employee [FROM HIS] wages in excess of the wages  
21 subject to contributions during a calendar year, the amount of deduc-  
22 tions erroneously paid may be requested by the employer as an adjust-  
23 ment or refund as prescribed by AS 23.20.225(a). Employee deductions  
24 in excess of the wages subject to contributions must be refunded to  
25 the employee by the employer [IN EXCESS OF THOSE REQUIRED BY THIS  
26 CHAPTER SHALL BE REFUNDED TO THE EMPLOYEE BY THE COMMISSIONER UPON  
27 APPLICATION FOR THEM] in accordance with regulations adopted [PRE-  
28 SCRIBED] by the department [HIM]. [APPLICATION MUST BE MADE DURING  
29 THE CALENDAR YEAR AFTER THE CALENDAR YEAR IN WHICH THE DEDUCTIONS ARE

1 MADE.]

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

3 (a) For the purposes of AS 23.20.165 and 23.20.170, after  
4 December 31, 1973 and through December 31, 1979, wages do not include  
5 that part of remuneration paid during any calendar year to an indivi-  
6 dual by an employer or by his predecessor which is in excess of  
7 \$10,000.

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

9 (c) For the purposes of AS 23.20.165 and 23.20.170:

10 (1) after December 31, 1979 and through December 31, 1980,  
11 wages do not include that part of remuneration paid during any calendar  
12 year to an individual by an employer or by his predecessor which is in  
13 excess of an amount obtained by multiplying the average annual wage,  
14 as defined in AS 23.20.520(27), in Alaska for the preceding 12 month  
15 period ending June 30th by 60 per cent and rounding the result to the  
16 nearest multiple of \$1,000;

17 (2) after December 31, 1980 wages do not include that part  
18 of remuneration paid during any calendar year to an individual by an  
19 employer or by his predecessor which is in excess of an amount ob-  
20 tained by multiplying the average annual wage, as defined in AS 23.20.-  
21 520(27), in Alaska for the preceding 12 month period ending June 30th  
22 by 75 per cent and rounding the result to the nearest multiple of  
23 \$1,000.

24 \* Sec. 4. AS 23.20.190(a) is amended to read:

25 (a) An employer required to pay contributions under the provi-  
26 sions of AS 23.20.165 and [A PERSON] who fails to file a contribution  
27 report and wage schedule on the date it is due is subject to a penalty,  
28 to be assessed and collected in the same manner as contributions. If  
29 the report is filed within 30 days of the date it is due, the penalty

1 is five per cent of the contributions due. For each additional 30-day  
2 period or its fraction, the penalty is an additional five per cent of  
3 the contributions due. However, the penalty may not exceed 25 per  
4 cent of the contributions due in the aggregate and may not be less  
5 than \$10 [\$2.50] for each reporting period.

6 \* Sec. 5. AS 23.20.190 is amended by adding new subsections to read:

7 (d) An employer who has elected to make reimbursement payments  
8 under the provisions of AS 23.20.277 and who fails to file a contribu-  
9 tion report and wage schedule on the date it is due is subject to a  
10 penalty, to be assessed and collected in the same manner provided for  
11 contributions under this section. If the report is filed within 30  
12 days of the date it is due, the penalty is one-tenth of one per cent  
13 of the total wages paid for the quarter. For each additional 30-day  
14 period or its fraction, the penalty is an additional one-tenth of one  
15 per cent of the total wages paid for the quarter. However, the penalty  
16 may not exceed one-half of one per cent of the total wages paid for  
17 the quarter in the aggregate and may not be less than \$10 for each  
18 reporting period.

19 (e) An employer who fails to file a contribution report and wage  
20 schedule on the date it is due may be required, at the discretion of  
21 the department, to file a monthly contribution report and wage schedule,  
22 with payment, within 30 days of the close of each month. This decision  
23 shall be reviewed annually pursuant to regulations adopted by the  
24 department. The monthly contribution report and wage schedule is  
25 subject to the same interest and penalty provisions as provided in  
26 this section and AS 23.20.185.

27 \* Sec. 6. AS 23.20.220(a) is amended to read:

28 (a) When a notice of assessment is delivered or mailed to a  
29 delinquent employer, the employer may within 30 days file a petition

1 in writing with the department, stating that the assessment is unjust  
2 or incorrect and requesting a hearing on it. The petition shall set  
3 out the reasons the assessment is objected to and the amount of contri-  
4 butions which the employer admits is due and must be accompanied by a  
5 bond or deposit of other security in the amount of the assessment to  
6 insure collection. The department may waive the security requirement  
7 if the employer submits proof of solvency or reasonable assurance, as  
8 prescribed by regulations, that the contributions, interest and penal-  
9 ties due are not in jeopardy. If no petition is filed within the time  
10 prescribed, or if the employer fails to provide the required security,  
11 the assessment is prima facie correct. However, the department may  
12 entertain a subsequent application for refund, and, if denied a refund,  
13 a hearing on the application in accordance with AS 23.20.225 [SEC. 225  
14 OF THIS CHAPTER].

15 \* Sec. 7. AS 23.20.240 is amended by adding a new subsection to read:

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

20 \* Sec. 8. AS 23.20.285(b) is amended to read:

21 (b) For the purpose of computing quarterly decline quotients,  
22 the department may, by regulation, prescribe (1) the manner in which  
23 wages paid in the form of annual bonuses or other lump-sum payments  
24 for service performed over a period of more than three months are  
25 apportioned among the calendar quarters of the calendar year in which  
26 the service was performed; and (2) the method for making adjustments  
27 in quarterly payrolls to eliminate the effect upon quarterly decline  
28 quotients resulting from unemployment which would not be compensable  
29 by reason of the labor dispute provision of AS 23.20.383 [SEC. 380(9)

1 OF THIS CHAPTER].

2 \* Sec. 9. AS 23.20.350 is repealed and re-enacted to read:

3 Sec. 23.20.350. AMOUNT OF BENEFITS. (a) To be eligible for  
4 benefits an individual must have been paid wages in his base period  
5 totaling not less than \$1,100 of which \$200 must have been paid in  
6 other than the calendar quarter of his base period in which he was  
7 paid the highest amount of wages, and at least eight times the current  
8 weekly benefit amount must have been paid for employment, whether or  
9 not covered by this chapter, since the beginning of a preceding bene-  
10 fit year.

11 (b) Subject to (a) of this section, an individual's weekly  
12 benefit amount is the amount shown in the applicable column (B-D)  
13 opposite the amount of his total base period wages as shown in column  
14 A of the following table:

15 Ratio of Total Base Period Wages to  
16 High Quarter Wages Times 100

17 Total Base	18 At Least -	100	200	300
19 Columns (A)	20 But Less Than -	200	300	401
		(B)	(C)	(D)
21 \$ 0 - 1,099.99		\$ 00	00	00
22 1,100 - 1,149.99		42	42	42
23 1,250 - 1,499.99		47	47	47
24 1,500 - 1,749.99		50	50	50
25 1,750 - 1,999.99		53	53	53
26 2,000 - 2,249.99		56	56	56
27 2,250 - 2,499.99		59	59	59
28 2,500 - 2,749.99		62	62	62
29 2,750 - 2,999.99		65	65	65
		68	68	68

1	3,250 - 3,499.99	71	71	71
2	3,500 - 3,749.99	74	74	74
3	3,750 - 3,999.99	77	77	77
4	4,000 - 4,249.99	80	80	80
5	4,250 - 4,499.99	83	83	83
6	4,500 - 4,749.99	86	86	86
7	4,750 - 4,999.99	89	89	89
8	5,000 - 5,249.99	92	92	92
9	5,250 - 5,499.99	95	95	95
10	5,500 - 5,749.99	98	98	98
11	5,750 - 5,999.99	100	100	100
12	6,000 - 6,249.99	102	102	102
13	6,250 - 6,499.99	104	104	104
14	6,500 - 6,749.99	106	106	106
15	6,750 - 6,999.99	108	108	108
16	7,000 - 7,249.99	110	110	110
17	7,250 - 7,499.99	112	112	112
18	7,500 - 7,749.99	114	114	114
19	7,750 - 7,999.99	116	116	116
20	8,000 - 8,249.99	118	118	118
21	8,250 - 8,499.99	120	120	120
22	8,500 - 8,999.99	120	121	121
23	9,000 - 9,499.99	120	122	122
24	9,500 - 9,999.99	120	123	123
25	10,000 - 10,499.99	120	124	124
26	10,500 - 10,999.99	120	125	125
27	11,000 - 11,499.99	120	126	126
28	11,500 - 11,999.99	120	127	127
29	12,000 - 12,499.99	120	128	128

1	12,500 - 12,999.99	120	129	129
2	13,000 - 13,499.99	120	130	130
3	13,500 - 13,999.99	120	130	131
4	14,000 - 14,499.99	120	130	132
5	14,500 - 14,999.99	120	130	133
6	15,000 - 15,499.99	120	130	134
7	15,500 - 15,999.99	120	130	135
8	16,000 - 16,499.99	120	130	136
9	16,500 - 16,999.99	120	130	137
10	17,000 - 17,499.99	120	130	138
11	17,500 - 17,999.99	120	130	139
12	18,000 or more	120	130	140

13 (c) The maximum potential benefits of an individual in a benefit  
14 year is 26 times his weekly benefit amount.

15 (d) Notwithstanding the provisions of (b) of this section, the  
16 weekly benefit amount of an individual who has earnings in all four  
17 quarters of his base period and whose high quarter wages are less than  
18 four times his lowest quarter wages is the amount shown in column D  
19 opposite the amount of his total base period wages as shown in column  
20 A.

21 \* Sec. 10. AS 23.20.360 is repealed and re-enacted to read:

22 Sec. 23.20.360. EARNINGS DEDUCTED FROM WEEKLY BENEFIT AMOUNT. An  
23 eligible individual who is unemployed in a week as defined in AS 23.20.-  
24 505 may earn wages for that week equal to the lesser of \$50 or his  
25 weekly benefit amount without any reduction in his benefit for that  
26 week. However, the weekly benefit amount will be reduced dollar for  
27 dollar for any additional earnings. If the reduced benefit amount is  
28 not a multiple of \$1, it will be computed to the next higher multiple  
29 of \$1.

1 \* Sec. 11. AS 23.20.370 is amended to read:

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

12 \* Sec. 12. AS 23.20.375(a) is amended to read:

13       Sec. 23.20.375. QUALIFICATION [ELIGIBILITY] FOR BENEFITS. (a)  
14 An insured worker is qualified [ELIGIBLE] for and shall receive waiting-  
15 week credit or benefits, as the case may be, for a week of his unemploy-  
16 ment with respect to which he has not been determined to be disquali-  
17 fied under AS 23.20.378 - 23.20.388 [SEC. 380 OF THIS CHAPTER], if  
18 [THE WORKER HAS], in accordance with regulations adopted [PRESCRIBED]  
19 by the department, the worker has, with respect to the week,

- 20           (1) filed a notice of his unemployment;  
21           (2) registered for work; and  
22           (3) certified for waiting-week credit or filed a claim for  
23 benefits, as the case may be.

24 \* Sec. 13. AS 23.20.375(c) is amended to read:

25       (c) Benefits based on service in employment defined in AS  
26 23.20.525(a)(4) [SEC. 525(a)(4)] (5), (6) and (14) [OF THIS CHAPTER]  
27 are payable in the same amount, on the same terms and subject to the  
28 same conditions as compensation payable on the basis of other service  
29 subject to this chapter; except that, effective January 1, 1979 [1978],

1 benefits based on service in an instructional, research or principal  
2 administrative capacity for an educational institution and benefits  
3 based on service in any other capacity for an educational institution  
4 other than one of higher education may not be paid to an individual  
5 for any week of unemployment which begins during the period between  
6 two successive academic years, or during a similar period between two  
7 regular terms, whether or not successive, or during a period of paid  
8 sabbatical leave provided for in the individual's contract, if the  
9 individual performs services in the first of those academic years or  
10 terms and if there is a contract or reasonable assurance that the  
11 individual will perform services in the same or a similar capacity for  
12 any educational institution in the second of those academic years or  
13 terms.

14 \* Sec. 14. AS 23.20 is amended by adding new sections to read:

15 Sec. 23.20.378. ABLE AND AVAILABLE. (a) An insured worker is  
16 disqualified for waiting-week credit or benefits for a week of his  
17 unemployment if, with respect to that week, the department finds that  
18 he was not able to work, or not available for suitable work, or not  
19 seeking work. However, an insured worker is not disqualified for  
20 waiting-week credit or benefits for a week of his unemployment because  
21 of failure to comply with the provisions of this section if:

22 (1) he is unable to work because he is ill or disabled, or  
23 if he resides in the state and is not available for work because of  
24 his noncommercial fishing and hunting necessary for the survival of  
25 himself or his dependents; and

26 (2) that condition occurs during an uninterrupted period of  
27 unemployment which follows a week for which he filed a compensable  
28 claim and no work which would have been suitable before the period of  
29 fishing, hunting, illness, or disability was offered him for any part

1 of the week for which he is filing.

2 (b) A waiver of disqualification on the basis of illness or  
3 disability under (a) of this section may not exceed six consecutive  
4 weeks.

5 (c) An insured worker is not disqualified for waiting-week  
6 credit or benefits for a week of unemployment if, with respect to that  
7 week and at the discretion of the director or his designee, work  
8 search is waived due to lack of work in the area.

9 (d) An insured worker is disqualified for waiting-week credit or  
10 benefits for a week of unemployment while attending an established  
11 school in a course of study providing academic instruction of nine or  
12 more hours per week, or the equivalent. A disqualification under this  
13 subsection commences with the first week of academic instruction and  
14 ends with the week immediately before the first full week in which the  
15 individual is no longer attending classes if the period of nonattend-  
16 ance is anticipated to last at least 60 days. The term "school"  
17 includes primary schools, secondary schools, and institutions of  
18 higher education.

19 Sec. 23.20.379. VOLUNTARY QUIT, DISCHARGE FOR MISCONDUCT, AND  
20 REFUSAL OF WORK. (a) An insured worker is disqualified for waiting-  
21 week credit or benefits for the week in which he first files or re-  
22 opens his claim for benefits and for the next five weeks of continuous  
23 unemployment immediately following that week if he:

24 (1) left his last suitable work voluntarily without good  
25 cause; or

26 (2) was discharged for misconduct connected with his work.

27 (b) An insured worker is disqualified for waiting-week credit or  
28 benefits for a week and the next five weeks of continuous unemployment  
29 immediately following that week if with respect to that week he has

1 failed without good cause:

2 (1) to apply for available suitable work to which he was  
3 referred by the employment center; or

4 (2) to accept suitable work when offered to him.

5 (c) The maximum potential duration of benefits for unemployment  
6 to which an insured worker would otherwise have been entitled is  
7 reduced by the number of weeks the insured worker is disqualified for  
8 waiting-week credit or benefits under (a) or (b) of this section.

9 (d) The disqualification and reduction of benefits provided in  
10 this section continue until the individual terminates them by returning  
11 to bona fide employment and earning at least six times his weekly  
12 benefit amount.

13 \* Sec. 15. AS 23.20.381 is amended by adding a new subsection to read:

14 (e) An insured worker is disqualified for waiting-week credit or  
15 benefits for a week of employment if, with respect to that week, the  
16 department finds that for the week or any part of it he has received  
17 or is seeking unemployment benefits under another employment security  
18 law in a manner other than in accordance with the reciprocal arrange-  
19 ments between the department and other states or the federal govern-  
20 ment. If an appropriate agency makes a final determination that the  
21 worker is not entitled to benefits under the other law, this subsection  
22 does not apply.

23 \* Sec. 16. AS 23.20 is amended by adding new sections to read:

24 Sec. 23.20.383. LABOR DISPUTE DISQUALIFICATION. (a) An insured  
25 worker is disqualified for waiting-week credit or benefits for a week  
26 of his unemployment if, with respect to that week, the department  
27 finds his unemployment is due to a labor dispute at the immediate  
28 establishment or other premises at which he is or was last employed.  
29 For the purposes of this section, each separate department of the same

1 premises which is commonly conducted as a separate business in separate  
2 premises is considered a separate establishment or other premises.

3 (b) This section does not apply if the department finds that (1)  
4 an insured worker was not participating in or directly interested in  
5 the labor dispute which caused his unemployment, and (2) he did not  
6 belong to a grade or class of workers which, immediately before the  
7 commencement of the dispute, had any members employed at the premises  
8 at which the dispute occurred who were participating in or directly  
9 interested in the dispute.

10 Sec. 23.20.387. DISQUALIFICATION FOR MISREPRESENTATION. (a) An  
11 individual is disqualified for benefits for a period not to exceed 52  
12 weeks if the department finds that the individual has knowingly made a  
13 false statement or misrepresentation as to a material fact or know-  
14 ingly failed to report a material fact with intent to obtain or increase  
15 any benefits under this chapter. The length of this period of dis-  
16 qualification and the time when this period begins shall be determined  
17 by the department according to the circumstances in each case. How-  
18 ever, in no case may it be less than six weeks.

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

26 \* Sec. 17. AS 23.20.390(b) is amended to read:

27 (b) The [AS SOON AS THE] department [HAS KNOWLEDGE OF PAYMENTS  
28 OF BENEFITS TO AN INDIVIDUAL UNDER THE CIRCUMSTANCES MENTIONED IN THIS  
29 SECTION, IT] shall promptly prepare and deliver or mail to the indivi-

1 dual at his last [KNOWN] address of record a notice of determination  
2 of liability declaring that the individual has been determined liable  
3 to refund the amount of benefits to which he is not entitled [PAID  
4 UNDER THE CIRCUMSTANCES MENTIONED IN THIS SECTION]. The amount, if  
5 not previously collected, shall be deducted from future benefits  
6 payable to the individual. However, if the department determines that  
7 an individual has died, or has acted in good faith in claiming and  
8 receiving benefits to which he was not entitled, or [AND] that great  
9 hardship would result from charging the individual with repayment of  
10 the benefits, the department may absolve the individual from liability  
11 to the fund for repayment of all or a portion of those benefits.

12 \* Sec. 18. AS 23.20.407 is amended to read:

13 Sec. 23.20.407. WEEKLY EXTENDED BENEFIT AMOUNT; TOTAL PAYABLE.

14 (a) The weekly extended benefit amount payable to an individual for  
15 a week of total unemployment in his eligibility period is an amount  
16 equal to the weekly [BASIC OR AUGMENTED] benefit amount [AMOUNTS]  
17 payable to him during his applicable benefit year.

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

21 (1) 50 per cent of the total amount of regular benefits [,   
22 INCLUDING DEPENDENTS' ALLOWANCES,] which were payable to him under  
23 this chapter in his applicable benefit year;

24 (2) 13 times his [AVERAGE] weekly benefit amount [, INCLUD-  
25 ING DEPENDENTS' ALLOWANCES,] which was payable to him under this  
26 chapter for a week of total unemployment in the applicable benefit  
27 year; or

28 (3) 39 times his [AVERAGE] weekly benefit amount [, INCLUD-  
29 ING DEPENDENTS' ALLOWANCES,] which was payable to him under this

1 chapter for a week of total unemployment in the applicable benefit  
2 year, reduced by the total amount of regular benefits which were paid  
3 or considered paid to him under this chapter with respect to the  
4 benefit year.

5 \* Sec. 19. AS 23.20.415(e) is amended to read:

6 (a) A party entitled to notice of determination provided in  
7 AS 23.20.340 [SEC. 340 OF THIS CHAPTER] may file an appeal from the  
8 determination to an appeal tribunal within the time specified in that  
9 section. However, an appeal from a determination which involves  
10 AS 23.20.383 [SEC. 380(9) OF THIS CHAPTER] shall be made to the depart-  
11 ment. The parties to an appeal from a determination shall include all  
12 those entitled to notice of the determination and a properly designated  
13 representative of the department.

14 \* Sec. 20. AS 23.20.435(a) is amended to read:

15 (a) An appeal to the department by a party is a matter of right  
16 if the decision of the appeal tribunal reverses or modifies the  
17 determination of the department, or if a question arising under  
18 AS 23.20.383 [SEC. 380(9) OF THIS CHAPTER] is presented. In all other  
19 cases further appeal to the department is permitted only at the dis-  
20 cretion of the department.

21 \* Sec. 21. AS 23.20.485 is amended to read:

22 Sec. 23.20.485. FALSE STATEMENT TO SECURE BENEFITS. A person  
23 who makes a false statement or misrepresentation knowing it is false  
24 or who knowingly fails to disclose a material fact, with intent to  
25 obtain or increase a benefit or other payment under this chapter or  
26 under an employment security law of another state, of the federal  
27 government, or of a foreign government, either for himself or for  
28 another person, upon conviction, is punishable by a fine of [OR] not  
29 more than \$500 [\$200], or by imprisonment for not more than six months

1 [60 DAYS], or by both. Each false statement or misrepresentation or  
2 failure to disclose a material fact is a separate offense.

3 \* Sec. 22. AS 23.20.490 is amended to read:

4 Sec. 23.20.490. ACTS OF EMPLOYER PROHIBITED. (a) An employing  
5 unit or an officer or agent of an employing unit may not (1) make a  
6 false statement or representation knowing it is false, (2) knowingly  
7 fail to disclose a material fact to prevent or reduce the payment of  
8 benefits to an individual entitled to them, or to avoid or reduce a  
9 contribution or other payment required from an employing unit under  
10 this chapter, or (3) knowingly [WILFULLY] fail or refuse to make a  
11 contribution or other payment, or to furnish a report required by this  
12 chapter or by authority granted under this chapter, or to produce or  
13 permit the inspection or copying of records as required by this chapter

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

18 \* Sec. 23. AS 23.20.505 is amended to read:

19 Sec. 23.20.505. UNEMPLOYED INDIVIDUAL. An individual is con-  
20 sidered "unemployed" in a week during which he performs no services  
21 and for [WITH RESPECT TO] which no remuneration is payable to him, or  
22 in a week of less than full-time work if the remuneration payable to  
23 him for the week is less than his [BASIC] weekly benefit amount or \$50  
24 [PLUS \$10 OR ONE AND ONE-HALF TIMES HIS BASIC WEEKLY BENEFIT AMOUNT, ]  
25 whichever amount is less [GREATER].

26 \* Sec. 24. AS 23.20.520(26) is amended to read:

27 (26) "vocational training" means vocational or technical  
28 training in schools or classes, including but not limited to, field or  
29 laboratory work and remedial or related academic instruction, which is

1 conducted as a program designed to prepare individuals for gainful  
2 employment in trades, skills or crafts; the term "vocational training"  
3 does not include programs of instruction for an individual, including  
4 transfer credit programs of instruction given at community colleges,  
5 which are intended primarily to lead toward a degree from institutions  
6 of higher education; [ACADEMIC EDUCATION WHOSE PURPOSE IS TO PREPARE  
7 INDIVIDUALS FOR EMPLOYMENT IN OCCUPATIONS GENERALLY CLASSIFIED AS  
8 PROFESSIONAL OR WHICH REQUIRE A BACCALAUREATE OR HIGHER DEGREE FROM  
9 INSTITUTIONS OF HIGHER LEARNING.]

10 \* Sec. 25. AS 23.20.520 is amended by adding a new paragraph to read:

11 (27) "average annual wage" means the amount determined by  
12 dividing the total wages paid by covered employers during a 12-month  
13 period by the average monthly employment reported by covered employers  
14 for the same period.

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

16 \* Sec. 27. Section 13 of this Act takes effect immediately in accordance  
17 with AS 01.10.070(c) and is retroactive to January 1, 1979.

18 \* Sec. 28. Sections 8, 11, 12, 14 - 17, 19 - 22, 24 and 26 of this Act  
19 take effect on July 1, 1979.

20 \* Sec. 29. Sections 1 - 7, 10, 23, and 25 of this Act take effect on  
21 January 1, 1980.

22 \* Sec. 30. Sections 9 and 18 of this Act take effect on January 1, 1980  
23 but apply only to those individuals who establish a benefit year on or  
24 after that date.

ff-214

February 13, 1979

The Honorable Terry Gardiner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting to you a bill relating to unemployment compensation. The bill proposes a number of important changes to the current provisions of AS 23.20, which sets out the state's employment security program. Among others, the changes address adequacy of unemployment benefits, maintenance of a solvent trust fund and strengthening of qualifications for benefits. A section-by-section description of the bill, prepared by the Department of Labor, is attached.

Sincerely,

*JSH*

Jay S. Hammond  
Governor

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THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST HOUSE BILL NO. 214  
 Bill/Resolution No. \_\_\_\_\_  
 Title An Act relating to U.I.; and providing for an effective date  
 Requested by Office of the Governor Date 2-7-79

costs.

II. FISCAL DETAIL  
 Agency Affected Budget & Management directly & all agencies, indirectly  
 Program Category Affected All State programs  
 BRU, Program, or Subprogram(s) affected B & M directly & all agencies indirectly  
 (Note: If more than one budget component is affected, separate line item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
Benefits - UI	0	467.3	1008.0	1087.1	1172.2	1264.0
<b>TOTAL</b>	<b>0</b>	<b>467.3</b>	<b>1008.0</b>	<b>1087.1</b>	<b>1172.2</b>	<b>1264.0</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	81.9%	0	382.7	825.6	890.3	960.0	1035.2
FEDERAL FUNDS	4.6%	0	21.5	46.4	50.0	53.0	59.1
OTHER (Specify Fund Source)		0	63.1	136.0	146.8	158.3	170.7
OTHER (SEE BELOW)							

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

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

A. Assumptions:

State Av. Emp. - LABMOD assumptions. compound growth rate is 0.86% per year, based on (1) trend from 1972 to 1978, (2) tighter fiscal policy than in the past and (3) a shift of some functions from state to local government Note - this is controlled growth and may be somewhat understated. (LABMOD is Department of Labor's econometric model).

Av. Wage - for 1978, equals Tot. Wage ÷ Av Emp. then grows by 7% per year

Current Cost - 0.9% of payroll is put into reserve fund, this is considered to be current cost (conservative - may be about .7 when experience can be analyzed).

IV. DATE 2/9/79 CONTINUED  
 PREPARED BY James M. Souby  
 AGENCY Labor  
 PHONE 465-2720  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

Pr 214

New Cost - benefit amount will increase an average of 35%, therefore state costs will increase by 35%

B. Funding: for UI Benefits (line 800)

General Funds	81.9%
Veterans Revolving Loan Refund	.2%
Highway Working Capitol Fund	1.3%
Capital Improvement Project Fund	8.5%
Federal Funds	4.6%
Fish & Game	.6%
International Airport Revenue Fund	2.9%

74B 214

SECTION-BY-SECTION ANALYSIS

SECTION 1: AS 23.20.165(e) (EMPLOYEE REFUNDS)

Under the present law an employee pays a maximum of \$80 to the fund (0.8% times the tax base of \$10,000). If he moves from one employer to another and earns over \$10,000, any amount over \$80 which has been withheld is refunded to the employee.

Employees who move from job to job have a greater risk of being unemployed and, therefore, of drawing on the fund. It is proposed that these employees pay taxes on base wages with all employers. Refunds are still allowed for calculation errors.

The method of making refunds for calculation errors has been changed to reflect the actual method: money is credited to the employer's account to be refunded to the employee.

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

This section provides for a two-step increase in the tax base. The first year (CY 80) the tax base will be 60% of the average annual wage in Alaska, and for each succeeding year the tax base will be 75% of the average annual wage.

SECTION 4: AS 23.20.190(a) PENALTY FOR FAILURE TO FILE REPORTS

Housekeeping changes: increases the minimum penalty from \$2.50 to \$10.00.

SECTION 5: AS 23.20.190(d) NEW PROVISION

This section establishes a penalty against reimbursible employers who fail to file their quarterly reports. The penalty is one-tenth of one percent of total wages for the calendar quarter.

AS 23.20.190(e) NEW PROVISION

Each quarter approximately 10% of all 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 6: AS 23.20.220(a) PETITION FOR HEARING

The amendment to this section adds the requirement of a bond or deposit of security to accompany a petition for hearing. This is to ensure payment in cases where a company may go out of business before the petition has been decided.

SECTION 7: 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 uncollectible 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 8: AS 23.20.285(b)

Housekeeping - AS 23.20.380(9) is repealed in this bill and the substance may be found in the new AS 23.20.383.

SECTION 9: AS 23.20.350(a) AMOUNT OF BENEFITS

Under the existing law the minimum qualifying wage for unemployment insurance benefits is \$750 of which \$100 must be earned outside the quarter with the highest wages. The proposal would amend this section to require a minimum qualifying wage of \$1,100 of which \$200 must be paid outside the quarter with the highest wages.

The change in the minimum qualifying wage covers the inflation for the period July, 1973, through 1977.

Language changes are being made for "wages paid" rather than "wages earned" to conform with the method of how wages are reported by employers.

AS 23.20.350(b)

The benefit schedule proposes a minimum weekly benefit amount of \$42 (at earnings of \$1,100) and a maximum weekly benefit amount of \$140 (at earnings of \$18,000). It also introduces a new concept of rewarding higher wage individuals who show a longer attachment to the work force with an increased weekly benefit amount.

There is no allowance for dependents in the proposal.

AS 23.20.350(c)

Under the existing law the duration of benefits ranges from 14-28 weeks depending on the earnings of the individual. The proposal calls for a uniform duration of 26 weeks for all individuals regardless of earnings.

AS 23.20.350(d)

Provides a stipulation whereby claimants with wages in four quarters will not have their weekly benefit amount reduced by having worked large amounts of overtime in one quarter.

SECTION 10: AS 23.20.360 EARNINGS DEDUCTED FROM WEEKLY BENEFIT AMOUNT

Under the current law a claimant may earn up to 50% of his basic weekly benefit amount or \$10, whichever is greater, before any money is deducted from his benefit amount. The proposal would allow claimants to earn up to \$50 or their weekly benefit amount, whichever is lesser, before there is a reduction in their weekly benefit amount.

SECTION 11: AS 23.20.370 BENEFITS OF DECEDENT OR INCOMPETENT

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

SECTION 12: AS 23.20.375(a)

Housekeeping - language and section number changes only.

SECTION 13: AS 23.20.375(c) BENEFITS TO NON-PROFESSIONAL SCHOOL EMPLOYEES)

This section extends the denial of benefits between school terms to non-professional school employees in educational institutions other than institutions of higher education.

SECTION 14: AS 23.20.378 ABLE AND AVAILABLE

Subsection (a) comes from the former AS 23.20.380(1) with one change: a work search will be required in addition to the existing qualifications of being "able and available."

Subsection (b) would limit the waiver of "able and available" for illness or disability to six consecutive weeks.

Subsection (c) allows for waiver of the work search at the discretion of the director. The majority of claimants file in large cities, such as Anchorage, Fairbanks, Juneau, or from out-of-state where work can be found. These claimants will be required to look for work. However, recognizing the conditions existing in rural areas, the requirement of a work search will be based on the condition of the labor market.

Subsection (d) excludes students in academic courses totaling nine or more hours from unemployment insurance benefits.

AS 23.20.379 VOLUNTARY QUIT, DISCHARGE 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. The proposal would amend the provisions to disqualify a claimant for six weeks from the time he files and reduce his potential duration by six weeks.

This disqualification and reduction of duration would be terminated if the individual returns to work and earns six times his weekly benefit amount.

SECTION 15: AS 23.20.381(c)

The former AS 23.20.380(5) - no changes made.

SECTION 16: AS 23.20.383 LABOR DISPUTE DISQUALIFICATION

An amended version of former AS 23.20.380(9). This section deletes the words "stoppage of work" from the existing provisions and also deletes the provision that allows benefits to be paid if the labor dispute is caused by an employer failing to honor either federal or state labor laws.

AS 23.20.387 DISQUALIFICATION FOR MISREPRESENTATION

The present law allows no latitude for disqualifications for misrepresentation: the penalty is 26 weeks regardless of the circumstances. The proposed change is similar in wording to the present law, but allows the department to vary the length of disqualification from 6-52 weeks depending on the circumstances.

SECTION 17: AS 23.20.390

Makes language changes and allows the department to waive overpayments in instances where a claimant has acted in good faith OR if repayment would result in great hardship. The current law states both conditions must be met to waive an overpayment.

SECTION 18: AS 23.20.407 WEEKLY EXTENDED BENEFIT AMOUNT

Language changes - to conform with changes made in AS 23.20.350.

SECTIONS 19 & 20: AS 23.20.415(a) & AS 23.20.435(a)

Housekeeping - section number changes only.

SECTION 21: AS 23.20.485 FALSE STATEMENT TO SECURE BENEFITS

This section increases the penalties for false statements to secure benefits from \$200 and/or 60 days imprisonment to \$500 and/or six months imprisonment.

SECTION 22: AS 23.20.490 ACTS OF EMPLOYER PROHIBITED

This section increases the penalties for prohibited acts by employers from \$200 and/or 60 days imprisonment to \$1,000 and/or one year imprisonment.

**SECTION 23: AS 23.20.505 UNEMPLOYED INDIVIDUAL**

Housekeeping - to conform with changes made in AS 23.20.360

**SECTION 24: AS 23.20.520(26) DEFINITIONS**

Amends the definition of vocational training.

**SECTION 25: AS 23.20.520(27) DEFINITIONS**

Adds a definition of average annual wage.

**SECTION 26:**

Repeals AS 23.20.380 which is rewritten in sections 378-388 of this bill.

INFORMATION CONCERNING SCS HB 177

4271 Claimants earned \$1,600 or less  
3289 of these claimants had no dependents  
421 had one dependent, 297 had 2 dependents,  
279 had 3 dependents

-----

6460 Claimants earned \$2,600 or less  
5006 of these claimants had no dependents  
613 had 1 dependent, 424 had 2 dependents,  
417 had 3 dependents

-----

8966 Claimants earned \$3,600 or less  
6972 of these claimants had no dependents  
861 had one dependent, 571 had 2 dependents,  
562 had 3 dependents

\*This program increases total contributions in  
excess of \$200 million over the next six years.



Official Business

# Alaska State Legislature

## Senate

### Committee on Labor & Management

*Kelly*  
*Sub in*  
*Each file*

Pouch V  
State Capitol  
Juneau, Alaska 99811

TO: Senator Sackett, Chairman  
Senate Finance Committee

DATE: April 5, 1979

FR: Senator Ferguson, Chairman *S.F.*  
Senate Labor & Management  
Committee

SUBJ: SCS HB 177

In drafting SCS HB 177, the Senate Labor & Management Committee took HB 177 amended without changing it, and then attached the Governor's HB 214 with the following changes:

1. we deleted reference to corporate officers
2. we changed the benefit schedule allowing the minimum to be at \$45 and the maximum to be at \$110 with a dependents allowance of \$20 per dependent with a maximum of 3.

The original Governor's HB 214 was a 35% increase whereas the Labor & Management Committee Substitute is a 24.3% increase.

It's my personal feeling that this is the best compromise for labor and industry, and I believe that you'll find the State Chamber of Commerce and other industry representatives supporting the Labor and Management compromise.

You will also note that the fiscal note for this bill is approximately 1/3 less costly to the State than the original HB 214.

# Statistics For Senate C.S. HB 177

EARNINGS,*	DEPENDENTS	WEEKLY BENEFIT AMOUNT	REGULAR BENEFITS (26 weeks)	EXTENDED BENEFITS (13 weeks)	TOTAL POTENTIAL BENEFITS (39 weeks)
\$1100	0	\$ 42	\$1092	\$ 546	\$ 1638
1100	3	102	2652	1326	3978
3000	0	68	1768	884	2652
3000	3	128	3328	1664	4992
5000	0	92	2392	1196	3588
5000	3	152	3952	1976	5928
7000	0	100	2600	1300	3900
7000	3	160	4160	2080	6240

Approximately 70% of claimants have no dependents.

Approximately 30% of claimants have 1, 2 or 3 dependents, equally divided.

31.49% of claimants earned \$6600 or less. Of those claimants earning \$6600 or less, only 18.59% had dependents. Almost one-third of claimants filed for extended benefits.

Total contributions, 1977	61 million
Total benefits paid, 1978	69 million
Intrastate benefits, 1978	49 million
Interstate benefits, 1978	22 million
Contract construction contribution, 1976	28 million
Contract construction benefits, 1977	49 million

48% of interstate claimants earned \$17,000 or more.

28.3% of all claimants earned \$25,000 or more in 1977.

### INTERSTATE Dependents

0	11,294
1	1,760
2	1,924
3	<u>1,715</u>

### URBAN ALASKA Dependents

0	19,726
1	3,254
2	2,769
3	<u>2,101</u>

### RURAL ALASKA Dependents

0	4,571
1	864
2	880
3	<u>1,035</u>

Duration of benefits of all claimants	19 weeks
Duration of Interstate benefits	21 weeks

70.2% of claimants with no dependents exhaust their benefits.

10.62% of claimants with 1 dependent exhaust their benefits.

10.15% of claimants with 2 dependents exhaust their benefits.

9.03% of claimants with 3 dependents exhaust their benefits.

## *Differences between HB 219 and CS HB 177*

In calculating benefits we have arbitrarily used the benefit schedule in Column (c) because the wage earning ratio will vary from case to case. Wage earning ratio means the relation of wages earned to time earning those wages.

Until earnings in excess of \$5,000 have been achieved there is no difference between Columns B, C and D. Thereafter there is a small difference and claimants benefits may fall in either of these three categories affecting their benefits accordingly.

The Governor's Bill as amended provides for a maximum benefit of \$140.00 per week for claimants with no dependents plus a dependency allowance of \$10.00 per week for each dependent up to a maximum of three dependents.

The largest weekly benefit amount a claimant could draw under the House Bill would be \$170.00 if he had three dependents and \$140.00 with no dependents.

Under the Senate Labor and Management proposal, claimants with no dependents could draw a maximum of \$110.00 per week and claimants with dependents could draw an additional \$20.00 per week for each dependent but could claim no more than three dependents. Thus, the maximum benefit for a claimant would be \$170.00 per week.

The Senate Labor and Management schedule of benefits is identical to the House Labor and Management Bill for those earning up to \$7,000 except that the dependency allowance in the Governor's Bill has a maximum of \$30.00 and the Senate Bill has a maximum of \$60.00.

The Department of Labor estimates that the House Labor and Management Bill will increase costs by approximately 35%. The Senate Labor and Management proposal will increase cost to the employer by approximately 25%.

+ HB 214:

HOUSE BILL 177

ANALYSIS

This bill is a simple, non-controversial bill containing only housekeeping changes to the Employment Security Act.

Sections 1,8,9,11,16 The only change is "last known address" to "last address of record".

Section 2 This is a new section to bur confidentiality provision allowing us to give wage information to AFDC. This section is required by federal law (26 USC 3304(e)).

Section 3 This section has been recommended by the federal government because of our agreement with the National Bank of the North. It extends a penalty to agents of the department who violate our confidentiality provision (AS 23.20.110).

Section 4 Housekeeping AS 23.20.326 was repealed 1/1/78.

Sections 5-7 By bid award, the department has an agreement with the Alaska National Bank of the North to handle the intake of employer contributions and their transmittal to our federal account. The Commissioner of Revenue as treasurer and custodian of the fund has given our department authority to handle the Trust Fund and he receives monthly reports on its activity.

Section 10 Housekeeping. This change should have been made when coverage was extended to state and local government workers (1/1/78).

Sections 17-22 and 30 (repeal of sec 340(g)) AS 23.20 340 has been rewritten both for clarity and in order to conform with a decision of a federal court case (JAVA).

Section 23 This section rewrites the state's extended benefits "off" indicator in compliance with federal law.

Section 24 Extends the period for filing an appeal from 10 days to 15 days and replaces "good cause" with "circumstances beyond the claimant's control."

Section 25 Housekeeping - language change recommended by Department of Law, Attorney General's office.

Section 26 Housekeeping - clarifies the intent of the definition of "waiting week".

Section 27 Housekeeping - Sec 326 no longer exists

Sections 28 & 29 These changes are necessary to comply with federal law (PL 94-566).

Section 30 Repeal of AS 23.20 526(a)(19) - This section defined inactive duty reservists as not employed - the usage is redundant.

Introduced: 2/12/79  
Referred: Labor & Management  
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 177 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST 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 23.20.045(b) is amended to read:

10 (b) Special rules may be adopted, amended, or rescinded by the  
11 department only after public hearing or opportunity to be heard on  
12 them, of which proper notice has been given. A special rule becomes  
13 effective 30 days after notification to or mailing to the last [KNOWN]  
14 address of record of the persons affected by it.

15 \* Sec. 2. AS 23.20.115 is amended to read:

16 Sec. 23.20.115. UNAUTHORIZED DISCLOSURE OF INFORMATION. A  
17 member of the department, [OR] an employee of the department, or an  
18 agent of the department who, in violation of sec. 110 of this chapter,  
19 makes a disclosure of information obtained from an employing unit or  
20 from an individual in the administration of this chapter, or a person  
21 who has obtained a list of applicants for work or of claimants or  
22 recipients of benefits under this chapter and who uses or permits the  
23 use of the list for a purpose not authorized by sec. 110 of this  
24 chapter, upon conviction, is punishable by a fine of not more than  
25 \$200, or by imprisonment for not more than 90 days, or by both.

26 \* Sec. 3. AS 23.20.130(b)(9) is amended to read:

27 (9) reimbursement of benefits paid under secs. 277 and [,]  
28 278 [AND 326] of this chapter, and reimbursement of benefits paid  
29 under sec. 326 of this chapter as it read prior to January 1, 1978; and

1 \* Sec. 4. AS 23.20.135 is amended to read:

2       Sec. 23.20.135. ACCOUNTS AND DEPOSIT. (a) The commissioner of  
3 revenue is ex officio the treasurer and custodian of the fund and  
4 shall administer it as directed by the department. Checks or warrants  
5 shall be issued on the fund in accordance with the regulations which  
6 the department prescribes. The [COMMISSIONER OF REVENUE SHALL MAIN-  
7 TAIN WITHIN THE] fund has three separate accounts:

- 8               (1) a clearing account,  
9               (2) an unemployment trust fund account, and  
10              (3) a benefit account.

11       (b) The department, or its designee, [SHALL FORWARD, UPON  
12 RECEIPT, ALL MONEY PAYABLE TO THE FUND TO THE COMMISSIONER OF REVENUE  
13 WHO] shall immediately deposit, upon receipt, all money payable to the  
14 fund [THEM] in the clearing account. Refunds of contributions errone-  
15 ously collected and payable under secs. 225 and 526(a)(11) [525(c)(11)]  
16 of this chapter may be paid from the clearing account in the same  
17 manner, if they were deposited in the unemployment compensation fund,  
18 or from the training and building fund; however, interest and penalty  
19 payments collected on and after June 30, 1969 may not be refunded from  
20 the unemployment compensation fund. After clearance, all money in the  
21 clearing account shall be immediately deposited with the Secretary of  
22 the Treasury of the United States to the credit of the account of this  
23 state in the unemployment trust fund, established and maintained under  
24 sec. 904 of the Social Security Act, as amended.

25       (c) The benefit account consists of money requisitioned from  
26 this state's account in the unemployment trust fund for the purpose of  
27 paying benefits. Money in the clearing and benefit accounts may be  
28 deposited by the department's designee [COMMISSIONER OF REVENUE],  
29 under the direction of the department, in a bank or public depository

1 in which general funds of the state may be deposited, but no public  
2 deposit insurance charge or premium may be paid out of the fund.  
3 Money in these accounts may not be commingled with other state funds,  
4 but shall be maintained in separate accounts on the books of the  
5 depository bank. The money is secured by the depository law of this  
6 state. Collateral pledged for this purpose shall be kept separate and  
7 distinct from collateral pledged to secure other funds of the state.  
8 The commissioner of revenue is liable on his official bond for the  
9 faithful performance of his duties in connection with the fund. Sums  
10 recovered for losses sustained by the fund shall be deposited in the  
11 fund.

12 \* Sec. 5. AS 23.20.145(b) is amended to read:

13 (b) The department shall from time to time requisition from the  
14 unemployment trust fund amounts not exceeding the amounts standing to  
15 the state's account in the fund which it considers necessary for the  
16 payment of benefits for a reasonable future period. Upon receipt of  
17 an amount the department [COMMISSIONER OF REVENUE] shall deposit the  
18 money to the benefit account. A check or warrant for the payment of  
19 benefits may be issued solely from the benefit account.

20 \* Sec. 6. AS 23.20.145(c) is amended to read:

21 (c) If money in the clearing account is not sufficient to provide  
22 for refunds of contributions erroneously collected and payable under  
23 secs. 225 and 526(a)(11) of this chapter, the department shall with-  
24 draw from the unemployment trust fund the amounts not exceeding the  
25 amount standing to this state's account in the fund which are necessary  
26 for the payment of the refunds, if the erroneously collected interest  
27 and penalties were deposited and retained in the unemployment compensa-  
28 tion fund, but no amounts may be withdrawn from the unemployment trust  
29 fund for the refund of interest and penalty payments collected on and

1 after June 30, 1969. Upon receipt the department, or its designee,  
2 [COMMISSIONER OF REVENUE] shall deposit this money to the clearing  
3 account. A check or warrant for the payment of a refund shall be  
4 issued from the clearing account.

5 \* Sec. 7. AS 23.20.205(b) is amended to read:

6 (b) If the notice is served by mail the notice must be deposited  
7 in the post office, addressed to the delinquent employer at his last  
8 [KNOWN] address of record and the postage paid. The date of service  
9 is considered to be the day of delivery shown on the delivery receipt.  
10 However, if it appears the addressee is deliberately avoiding service,  
11 then the date of service is the day of mailing.

12 \* Sec. 8. AS 23.20.277(h) is amended to read:

13 (h) The amount due, specified in a bill from the department, is  
14 conclusive on the organization unless, not later than 15 days after  
15 the bill was mailed to its last [KNOWN] address of record or otherwise  
16 delivered to it, the organization files an application for redetermi-  
17 nation by the department, setting out the grounds for the application.  
18 The department shall promptly review and reconsider the amount due  
19 specified in the bill and shall thereafter issue a redetermination in  
20 any case in which an application for redetermination has been filed.  
21 Any redetermination is conclusive on the organization unless, not  
22 later than 15 days after the redetermination was mailed to its last  
23 [KNOWN] address of record or otherwise delivered to it, the organiza-  
24 tion files an appeal to the commissioner, setting out the grounds for  
25 the appeal. Proceedings on appeal to the commissioner from the amount  
26 of a bill rendered under this subsection or a redetermination of the  
27 amount shall be in accordance with the provisions of secs. 410 - 470  
28 [455] of this chapter.

29 \* Sec. 9. AS 23.20.277(1) is amended to read:

1 (1) Each employer that is liable for payments in place of contri-  
2 butions shall pay to the department for the fund the amount of regular  
3 benefits plus the amount of one-half of extended benefits paid that  
4 are attributable to service in the employ of that [SUCH AN] employer.  
5 However, a government entity which has elected to make payments under  
6 this section is liable for the amount of regular benefits plus the  
7 full amount of extended benefits which are attributable to service in  
8 the employ of that entity. If benefits paid to an individual are  
9 based on wages paid by more than one employer and one or more of these  
10 employers are liable for payments in place of contributions, the  
11 amount payable to the fund by each employer that is liable for payments  
12 shall be determined by the department in accordance with regulations  
13 adopted [PROMULGATED] by the department.

14 \* Sec. 10. AS 23.20.280(a) is amended to read:

15 (a) An employer is [AND HIS EMPLOYEES ARE] eligible for a rate  
16 determination in accordance with the provisions of secs. 280 - 310 of  
17 this chapter and the department's [COMMISSIONER'S] regulations if the  
18 employer has been subject to this chapter throughout not less than the  
19 four consecutive calendar quarters ending with the computation date  
20 and remains subject to this chapter into the calendar quarter which  
21 immediately precedes the effective date of the rate. No employer [OR  
22 EMPLOYEE] is eligible for a rate determination under secs. 280 - 310  
23 of this chapter if, with respect to a calendar quarter in or preceding  
24 his qualifying period, the employer has failed to file contribution or  
25 payroll reports or to pay contributions, interest and penalties  
26 required by this chapter within 60 days after the computation date or  
27 within 10 days after the department has mailed the employer written  
28 notice of the delinquency or of failure to file reports, or of both,  
29 by registered or certified mail to his last [KNOWN] address of record,

1           whichever is the later date.

2 \* Sec. 11. AS 23.20.305(a) is amended to read:

3           (a) The department shall promptly notify each employer of his  
4 rate of contributions as determined for a calendar year under secs.  
5 280 - 310 of this chapter. The determination becomes conclusive upon  
6 the employer unless within 15 days after the notice is mailed to his  
7 last [KNOWN] address of record or delivered to him, the employer files  
8 an application for review and redetermination, setting out his reasons  
9 for the application.

10 \* Sec. 12. AS 23.20.305(c) is amended to read:

11           (c) If the commissioner denies a review, he shall notify the  
12 employer of the denial and the reasons for the denial. A redetermina-  
13 tion or a denial of review becomes final, unless within 30 days after  
14 the notice is mailed to the last [KNOWN] address of record of the  
15 employer, or delivered to him, the employer initiates [PETITION FOR]  
16 judicial review [IS FILED] in accordance with sec. 445 of this chapter.

17 \* Sec. 13. AS 23.20.315(c) is amended to read:

18           (c) The department shall mail or deliver a notice of its determi-  
19 nation made under (a) or (b) of this section to the last [KNOWN]  
20 address of record of the employing unit affected. The notice shall  
21 include a statement of the supporting facts found by the department.

22 \* Sec. 14. AS 23.20.315(d) is amended to read:

23           (d) Within 15 days after a notice of a determination has been  
24 mailed or delivered to the last [KNOWN] address of record of an  
25 employing unit, the employing unit may apply to the department to  
26 reconsider its determination in the light of additional evidence and  
27 to issue a redetermination. The department shall, if the request is  
28 granted, mail or deliver to the last [KNOWN] address of record of  
29 the employing unit affected a notice of the redetermination. The

1 notice shall include a statement of the supporting facts found by  
2 the department. If the department denies the request for redetermina-  
3 tion, it shall furnish a notice of the denial of the application.

4 \* Sec. 15. AS 23.20.315(e) is amended to read:

5 (e) Within 15 days after a notice of a determination made  
6 under (a), (b), or (d) of this section or a denial of the applica-  
7 tion under (d) of this section has been mailed or delivered to the  
8 last [KNOWN] address of record of an employing unit, the employing  
9 unit may appeal from the determination to the department. The depart-  
10 ment shall give the parties a reasonable opportunity for a fair  
11 hearing as provided in the case of hearings before appeal tribunals  
12 in secs. 410 - 470 of this chapter. The decision of the department  
13 is final unless, within 30 days after the decision is mailed or  
14 delivered to the last [KNOWN] address of record of a party, the  
15 party initiates judicial review in accordance with sec. 445 of this  
16 chapter.

17 \* Sec. 16. AS 23.20.340(a) is amended to read:

18 (a) An examiner designated by the department shall take the  
19 claim. The examiner shall take all evidence pertaining to the monetary  
20 eligibility of the claimant and [AN INITIAL DETERMINATION ON THE CLAIM  
21 SHALL BE MADE PROMPTLY AND SHALL INCLUDE A DETERMINATION WITH RESPECT  
22 TO WHETHER BENEFITS ARE PAYABLE, THE WEEKLY BENEFIT AMOUNT PAYABLE,  
23 AND THE MAXIMUM DURATION OF BENEFITS. WHEN THE PAYMENT OR DENIAL OF  
24 BENEFITS IS DETERMINED BY SEC. 380(9) OF THIS CHAPTER, THE EXAMINER]  
25 shall promptly transmit all evidence [WITH RESPECT TO THAT SECTION] to  
26 the department. The department, or a representative designated by it  
27 for the purpose, shall, on the basis of the evidence submitted and any  
28 [THE] additional evidence it requires, make an initial monetary deter-  
29 mination of [AS TO] the claim as to whether the claimant is eligible

1 for benefits under sec. 350 of this chapter and the weekly benefit  
2 amount and maximum potential benefit amount.

3 \* Sec. 17. AS 23.20.340(b) is amended to read:

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

10 \* Sec. 18. AS 23.20.340(c) is amended to read:

11 (c) The claimant [AND OTHER PARTIES TO THE DETERMINATION] shall  
12 be promptly notified of the initial monetary determination or a sub-  
13 sequent monetary redetermination [(OR OF AN AMENDED INITIAL DETERMINA-  
14 TION)] and the reasons for it.

15 \* Sec. 19. AS 23.20.340(d) is amended to read:

16 (d) Unless the claimant is determined to be disqualified for  
17 benefits under secs. 375, 380 and 381 of this chapter, benefits [BENE-  
18 FITS] shall be promptly paid [OR DENIED] in accordance with the initial  
19 monetary determination or subsequent redetermination.

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

21 (e) The claimant may file a request for redetermination of the  
22 initial monetary determination within 15 days after personal notifica-  
23 tion of the determination, or after the date the notice is mailed to  
24 his last address of record. The claimant may file an appeal from a  
25 monetary redetermination within 15 days after personal notification of  
26 the redetermination or after the date the redetermination is mailed to  
27 his last address of record. The period for filing an appeal may be  
28 extended for a reasonable period of time upon a showing that the  
29 application was delayed as a result of circumstances beyond the claim-

1 ant's control.

2 \* Sec. 21. AS 23.20.340(f) is repealed and re-enacted to read:

3 (f) If a determination of disqualification under secs. 375, 380  
4 and 381 of this chapter is made, the claimant shall be promptly  
5 notified of the determination and the reasons for it. The claimant  
6 may appeal the determination in the same manner prescribed in this  
7 chapter for appeals of monetary redeterminations. Benefits may not be  
8 paid for any weeks with respect to which the determination of dis-  
9 qualification was made while a determination is being appealed. How-  
10 ever, if a decision on the appeal allows benefits to the claimant,  
11 those benefits must be paid promptly.

12 \* Sec. 22. AS 23.20.408(g) is repealed and re-enacted to read:

13 (g) There is a state "off" indicator for a week if, for the  
14 period consisting of that week and the immediately preceding 12 weeks,  
15 the rate of insured unemployment was either (1) less than four per  
16 cent; or (2) less than five per cent and was less than 120 per cent of  
17 the average of the rates of insured unemployment for the corresponding  
18 13-week period in each of the preceding two calendar years.

19 \* Sec. 23. AS 23.20.430 is amended to read:

20 Sec. 23.20.430. NOTICE OF DECISION AND TIME FOR APPEAL. After  
21 a hearing an appeal tribunal shall promptly make findings and conclu-  
22 sions and on the basis of them shall affirm, modify, or reverse the  
23 determination. Each party shall be promptly given a copy of the  
24 decision, the supporting findings and the conclusions. This decision  
25 is final unless further review is initiated under sec. 435 of this  
26 chapter within 15 [10] days after the decision is mailed to each party  
27 at his last [KNOWN] address of record or delivered to him. The period  
28 within which further review may be initiated may be extended for a  
29 reasonable period of time upon a showing that the application was

1 delayed as a result of circumstances beyond the party's control [GOOD  
2 CAUSE].

3 \* Sec. 24. AS 23.20.445 is amended to read:

4 Sec. 23.20.445. NOTICE OF DECISION OF DEPARTMENT AND JUDICIAL  
5 REVIEW. Each party, including the properly designated representative  
6 of the department, shall be promptly given a copy of the decision and  
7 the supporting findings and conclusions of the department. The  
8 decision is final unless a party initiates judicial review by filing  
9 an appeal [ACTION] in the superior court as provided in the applicable  
10 Rules of Appellate Procedure of the State of Alaska [FOR REVIEW WITHIN  
11 30 DAYS AFTER THE DEPARTMENT'S DECISION HAS BEEN MAILED TO EACH PARTY  
12 AT HIS LAST KNOWN ADDRESS, OR DELIVERED TO HIM]. For the purpose of  
13 judicial review, an appeal tribunal's decision from which an application  
14 for appeal has been denied by the department is considered the decision  
15 of the department, except that the time for initiating judicial review  
16 runs from the date of the mailing or delivery of the notice of the  
17 denial of the application for appeal by the department.

18 \* Sec. 25. AS 23.20.520(21) is amended to read:

19 (21) "waiting week" means the first week of unemployment  
20 for which an individual files a claim during his benefit year and for  
21 which no disqualification is imposed under secs. 375, 380 and 381 of  
22 this chapter [OCCURRING IN A BENEFIT YEAR];

23 \* Sec. 26. AS 23.20.525(a)(5) is amended to read:

24 (5) service performed before January 1, 1978 in the employ  
25 of a political subdivision of this state or a wholly owned instrumental-  
26 ity of a political subdivision of this state, if coverage was elected  
27 under sec. 325 [OR SEC. 326] of this chapter or if coverage was elected  
28 under sec. 326 of this chapter as it read prior to January 1, 1978;

29 \* Sec. 27. AS 23.20.525(a)(16)(C)(ii) is amended to read:

1 (ii) if that individual is not an employee of  
2 that other person within the meaning of paragraph (10) [(A)]  
3 of this subsection [PARAGRAPH];

4 \* Sec. 28. Chapter 122, sec. 27(a), SLA 1977 is amended to read:

5 (a) Notwithstanding the provisions of AS 23.20.350, benefits may  
6 be paid to an individual after December 31, 1977 on wages earned by  
7 that individual in a category of employment which was not covered  
8 under AS 23.20 at any time during calendar year 1975 and which was  
9 service which is covered under AS 23.20, effective January 1, 1978, as  
10 the result of enactment of sec. 18 [19] of this Act.

11 \* Sec. 29. AS 23.20.340(g) and 23.20.526(a)(19) are repealed.

12 \* Sec. 30. Sections 1, 7, 8, 10 - 21, 23 - 25 and 29 of this Act take  
13 effect on July 1, 1979.

14 \* Sec. 31. Sections 2 and 4 - 6 of this Act take effect immediately  
15 in accordance with AS 01.10.070(c).

16 \* Sec. 32. Sections 3, 9, 26, 27 and 28 of this Act take effect  
17 immediately in accordance with AS 01.10.070(c) and are retroactive to  
18 January 1, 1978.

19 \* Sec. 33. Section 22 of this Act takes effect immediately in accord-  
20 ance with AS 01.10.070(c) and is retroactive to March 3, 1977.

Introduced: 2/12/79  
Referred: Labor & Management and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 177

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - FIRST 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 23.20.045(b) is amended to read:

10

(b) Special rules may be adopted, amended, or rescinded by the  
11 department only after public hearing or opportunity to be heard on  
12 them, of which proper notice has been given. A special rule becomes  
13 effective 30 days after notification to or mailing to the last [KNOWN]  
14 address of record of the persons affected by it.

15

\* Sec. 2. AS 23.20.110 is amended by adding a new subsection to read:

16

(e) Upon request of an agency of this or another state which  
17 administers or operates a state plan for aid and services to needy  
18 families with children approved under Part A of Title IV of the  
19 Social Security Act, the department shall provide wage information  
20 which is necessary (as determined under regulations of the Secretary  
21 of Health, Education and Welfare) for the purposes of determining an  
22 individual's eligibility for aid or services, or the amount of that  
23 aid or those services.

24

\* Sec. 3. AS 23.20.115 is amended to read:

25

Sec. 23.20.115. UNAUTHORIZED DISCLOSURE OF INFORMATION. A  
26 member of the department, [OR] an employee of the department, or an  
27 agent of the department who, in violation of sec. 110 of this chapter,  
28 makes a disclosure of information obtained from an employing unit or  
29 from an individual in the administration of this chapter, or a person

1 who has obtained a list of applicants for work or of claimants or  
2 recipients of benefits under this chapter and who uses or permits the  
3 use of the list for a purpose not authorized by sec. 110 of this  
4 chapter, upon conviction, is punishable by a fine of not more than  
5 \$200, or by imprisonment for not more than 90 days, or by both.

6 \* Sec. 4. AS 23.20.130(b)(9) is amended to read:

7 (9) reimbursement of benefits paid under secs. 277 and [,]  
8 278 [AND 326] of this chapter, and reimbursement of benefits paid  
9 under sec. 326 of this chapter as it read prior to January 1, 1978; and

10 \* Sec. 5. AS 23.20.135 is amended to read:

11 Sec. 23.20.135. ACCOUNTS AND DEPOSIT. (a) The commissioner of  
12 revenue is ex officio the treasurer and custodian of the fund and  
13 shall administer it as directed by the department. Checks or warrants  
14 shall be issued on the fund in accordance with the regulations which  
15 the department prescribes. The [COMMISSIONER OF REVENUE SHALL MAIN-  
16 TAIN WITHIN THE] fund has three separate accounts:

- 17 (1) a clearing account;  
18 (2) an unemployment trust fund account; and  
19 (3) a benefit account.

20 (b) The department, or its designee, [SHALL FORWARD, UPON  
21 RECEIPT, ALL MONEY PAYABLE TO THE FUND TO THE COMMISSIONER OF REVENUE  
22 WHO] shall immediately deposit, upon receipt, all money payable to the  
23 fund [THEM] in the clearing account. Refunds of contributions errone-  
24 ously collected and payable under secs. 225 and 526(a)(11) [525(c)(11)]  
25 of this chapter may be paid from the clearing account in the same  
26 manner, if they were deposited in the unemployment compensation fund,  
27 or from the training and building fund; however, interest and penalty  
28 payments collected on and after June 30, 1969 may not be refunded from  
29 the unemployment compensation fund. After clearance, all money in the

1 clearing account 'l be immediately deposited with the Secretary of  
2 the Treasury of the United States to the credit of the account of this  
3 state in the unemployment trust fund, established and maintained under  
4 sec. 904 of the Social Security Act, as amended.

5 (c) The benefit account consists of money requisitioned from  
6 this state's account in the unemployment trust fund for the purpose of  
7 paying benefits. Money in the clearing and benefit accounts may be  
8 deposited by the department's designee [COMMISSIONER OF REVENUE],  
9 under the direction of the department, in a bank or public depository  
10 in which general funds of the state may be deposited, but no public  
11 deposit insurance charge or premium may be paid out of the fund.  
12 Money in these accounts may not be commingled with other state funds,  
13 but shall be maintained in separate accounts on the books of the  
14 depository bank. The money is secured by the depository law of this  
15 state. Collateral pledged for this purpose shall be kept separate and  
16 distinct from collateral pledged to secure other funds of the state.  
17 The commissioner of revenue is liable on his official bond for the  
18 faithful performance of his duties in connection with the fund. Sums  
19 recovered for losses sustained by the fund shall be deposited in the  
20 fund.

21 \* Sec. 6. AS 23.20.145(b) is amended to read:

22 (b) The department shall from time to time requisition from the  
23 unemployment trust fund amounts not exceeding the amounts standing to  
24 the state's account in the fund which it considers necessary for the  
25 payment of benefits for a reasonable future period. Upon receipt of  
26 an amount the department [COMMISSIONER OF REVENUE] shall deposit the  
27 money to the benefit account. A check or warrant for the payment of  
28 benefits may be issued solely from the benefit account.

29 \* Sec. 7. AS 23.20.145(c) is amended to read:

1 (c) If money in the clearing account is not sufficient to provide  
2 for refunds of contributions erroneously collected and payable under  
3 secs. 225 and 526(a)(11) of this chapter, the department shall with-  
4 draw from the unemployment trust fund the amounts not exceeding the  
5 amount standing to this state's account in the fund which are necessary  
6 for the payment of the refunds, if the erroneously collected interest  
7 and penalties were deposited and retained in the unemployment compensa-  
8 tion fund, but no amounts may be withdrawn from the unemployment trust  
9 fund for the refund of interest and penalty payments collected on and  
10 after June 30, 1969. Upon receipt the department, or its designee,  
11 [COMMISSIONER OF REVENUE] shall deposit this money to the clearing  
12 account. A check or warrant for the payment of a refund shall be  
13 issued from the clearing account.

14 \* Sec. 8. AS 23.20.205(b) is amended to read:

15 (b) If the notice is served by mail the notice must be deposited  
16 in the post office, addressed to the delinquent employer at his last  
17 [KNOWN] address of record and the postage paid. The date of service  
18 is considered to be the day of delivery shown on the delivery receipt.  
19 However, if it appears the addressee is deliberately avoiding service,  
20 then the date of service is the day of mailing.

21 \* Sec. 9. AS 23.20.277(h) is amended to read:

22 (h) The amount due, specified in a bill from the department, is  
23 conclusive on the organization unless, not later than 15 days after  
24 the bill was mailed to its last [KNOWN] address of record or otherwise  
25 delivered to it, the organization files an application for redetermi-  
26 nation by the department, setting out the grounds for the application.  
27 The department shall promptly review and reconsider the amount due  
28 specified in the bill and shall thereafter issue a redetermination in  
29 any case in which an application for redetermination has been filed.

1 Any redetermination is conclusive on the organization unless, not  
2 later than 15 days after the redetermination was mailed to its last  
3 [KNOWN] address of record or otherwise delivered to it, the organiza-  
4 tion files an appeal to the commissioner, setting out the grounds for  
5 the appeal. Proceedings on appeal to the commissioner from the amount  
6 of a bill rendered under this subsection or a redetermination of the  
7 amount shall be in accordance with the provisions of secs. 410 - 470  
8 [455] of this chapter.

9 \* Sec. 10. AS 23.20.277(1) is amended to read:

10 (1) Each employer that is liable for payments in place of contri-  
11 butions shall pay to the department for the fund the amount of regular  
12 benefits plus the amount of one-half of extended benefits paid that  
13 are attributable to service in the employ of that [SUCH AN] employer.  
14 However, a government entity which has elected to make payments under  
15 this section is liable for the amount of regular benefits plus the  
16 full amount of extended benefits which are attributable to service in  
17 the employ of that entity. If benefits paid to an individual are  
18 based on wages paid by more than one employer and one or more of these  
19 employers are liable for payments in place of contributions, the  
20 amount payable to the fund by each employer that is liable for payments  
21 shall be determined by the department in accordance with regulations  
22 adopted [PROMULGATED] by the department.

23 \* Sec. 11. AS 23.20.280(a) is amended to read:

24 (a) An employer is [AND HIS EMPLOYEES ARE] eligible for a rate  
25 determination in accordance with the provisions of secs. 280 - 310 of  
26 this chapter and the department's [COMMISSIONER'S] regulations if the  
27 employer has been subject to this chapter throughout not less than the  
28 four consecutive calendar quarters ending with the computation date  
29 and remains subject to this chapter into the calendar quarter which

1 immediately precedes the effective date of the rate. No employer [OR  
2 EMPLOYEE] is eligible for a rate determination under secs. 280 - 310  
3 of this chapter if, with respect to a calendar quarter in or preceding  
4 his qualifying period, the employer has failed to file contribution or  
5 payroll reports or to pay contributions, interest and penalties  
6 required by this chapter within 60 days after the computation date or  
7 within 10 days after the department has mailed the employer written  
8 notice of the delinquency or of failure to file reports, or of both,  
9 by registered or certified mail to his last [KNOWN] address of record,  
10 whichever is the later date.

11 \* Sec. 12. AS 23.20.305(a) is amended to read:

12 (a) The department shall promptly notify each employer of his  
13 rate of contributions as determined for a calendar year under secs.  
14 280 - 310 of this chapter. The determination becomes conclusive upon  
15 the employer unless within 15 days after the notice is mailed to his  
16 last [KNOWN] address of record or delivered to him, the employer files  
17 an application for review and redetermination, setting out his reasons  
18 for the application.

19 \* Sec. 13. AS 23.20.305(c) is amended to read:

20 (c) If the commissioner denies a review, he shall notify the  
21 employer of the denial and the reasons for the denial. A redetermina-  
22 tion or a denial of review becomes final, unless within 30 days after  
23 the notice is mailed to the last [KNOWN] address of record of the  
24 employer, or delivered to him, the employer initiates [PETITION FOR]  
25 judicial review [IS FILED] in accordance with sec. 445 of this chapter.

26 \* Sec. 14. AS 23.20.315(c) is amended to read:

27 (c) The department shall mail or deliver a notice of its determi-  
28 nation made under (a) or (b) of this section to the last [KNOWN]  
29 address of record of the employing unit affected. The notice shall

1 include a statement of the supporting facts found by the department.

2 \* Sec. 15. AS 23.20.315(d) is amended to read:

3 (d) Within 15 days after a notice of a determination has been  
4 mailed or delivered to the last [KNOWN] address of record of an  
5 employing unit, the employing unit may apply to the department to  
6 reconsider its determination in the light of additional evidence and  
7 to issue a redetermination. The department shall, if the request is  
8 granted, mail or deliver to the last [KNOWN] address of record of  
9 the employing unit affected a notice of the redetermination. The  
10 notice shall include a statement of the supporting facts found by  
11 the department. If the department denies the request for redetermina-  
12 tion, it shall furnish a notice of the denial of the application.

13 \* Sec. 16. AS 23.20.315(e) is amended to read:

14 (e) Within 15 days after a notice of a determination made  
15 under (a), (b), or (d) of this section or a denial of the applica-  
16 tion under (d) of this section has been mailed or delivered to the  
17 last [KNOWN] address of record of an employing unit, the employing  
18 unit may appeal from the determination to the department. The depart-  
19 ment shall give the parties a reasonable opportunity for a fair  
20 hearing as provided in the case of hearings before appeal tribunals  
21 in secs. 410 - 470 of this chapter. The decision of the department  
22 is final unless, within 30 days after the decision is mailed or  
23 delivered to the last [KNOWN] address of record of a party, the  
24 party initiates judicial review in accordance with sec. 445 of this  
25 chapter.

26 \* Sec. 17. AS 23.20.340(a) is amended to read:

27 (a) An examiner designated by the department shall take the  
28 claim. The examiner shall take all evidence pertaining to the monetary  
29 eligibility of the claimant and [AN INITIAL DETERMINATION ON THE CLAIM

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

12 \* Sec. 18. AS 23.20.340(b) is amended to read:

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

19 \* Sec. 19. AS 23.20.340(c) is amended to read:

20 (c) The claimant [AND OTHER PARTIES TO THE DETERMINATION] shall  
21 be promptly notified of the initial monetary determination or a sub-  
22 sequent monetary redetermination [(OR OF AN AMENDED INITIAL DETERMINA-  
23 TION)] and the reasons for it.

24 \* Sec. 20. AS 23.20.340(d) is amended to read:

25 (d) Unless the claimant is determined to be disqualified for  
26 benefits under secs. 375, 380 and 381 of this chapter, benefits [BENE-  
27 FITS] shall be promptly paid [OR DENIED] in accordance with the initial  
28 monetary determination or subsequent redetermination.

29 \* Sec. 21. AS 23.20.340(e) is repealed and re-enacted to read:

1 (e) The claimant may file a request for redetermination of the  
2 initial monetary determination within 15 days after personal notifica-  
3 tion of the determination, or after the date the notice is mailed to  
4 his last address of record. The claimant may file an appeal from a  
5 monetary redetermination within 15 days after personal notification of  
6 the redetermination or after the date the redetermination is mailed to  
7 his last address of record. The period for filing an appeal may be  
8 extended for a reasonable period of time upon a showing that the  
9 application was delayed as a result of circumstances beyond the claim-  
10 ant's control.

11 \* Sec. 22. AS 23.20.340(f) is repealed and re-enacted to read:

12 (f) If a determination of disqualification under secs. 375, 380  
13 and 381 of this chapter is made, the claimant shall be promptly  
14 notified of the determination and the reasons for it. The claimant  
15 may appeal the determination in the same manner prescribed in this  
16 chapter for appeals of monetary redeterminations. Benefits may not be  
17 paid for any weeks with respect to which the determination of dis-  
18 qualification was made while a determination is being appealed. How-  
19 ever, if a decision on the appeal allows benefits to the claimant,  
20 those benefits must be paid promptly.

21 \* Sec. 23. AS 23.20.408(g) is repealed and re-enacted to read:

22 (g) There is a state "off" indicator for a week if, for the  
23 period consisting of that week and the immediately preceding 12 weeks,  
24 the rate of insured unemployment was either (1) less than four per  
25 cent; or (2) less than five per cent and was less than 120 per cent of  
26 the average of the rates of insured unemployment for the corresponding  
27 13-week period in each of the preceding two calendar years.

28 \* Sec. 24. AS 23.20.430 is amended to read:

29 Sec. 23.20.430. NOTICE OF DECISION AND TIME FOR APPEAL. After

1 a hearing an appeal tribunal shall promptly make findings and conclu-  
2 sions and on the basis of them shall affirm, modify, or reverse the  
3 determination. Each party shall be promptly given a copy of the  
4 decision, the supporting findings and the conclusions. This decision  
5 is final unless further review is initiated under sec. 435 of this  
6 chapter within 15 [10] days after the decision is mailed to each party  
7 at his last [KNOWN] address of record or delivered to him. The period  
8 within which further review may be initiated may be extended for a  
9 reasonable period of time upon a showing that the application was  
10 delayed as a result of circumstances beyond the party's control [GOOD  
11 CAUSE].

12 \* Sec. 25. AS 23.20.445 is amended to read:

13 Sec. 23.20.445. NOTICE OF DECISION OF DEPARTMENT AND JUDICIAL  
14 REVIEW. Each party, including the properly designated representative  
15 of the department, shall be promptly given a copy of the decision and  
16 the supporting findings and conclusions of the department. The  
17 decision is final unless a party initiates judicial review by filing  
18 an appeal [ACTION] in the superior court as provided in the applicable  
19 Rules of Appellate Procedure of the State of Alaska [FOR REVIEW WITHIN  
20 30 DAYS AFTER THE DEPARTMENT'S DECISION HAS BEEN MAILED TO EACH PARTY  
21 AT HIS LAST KNOWN ADDRESS, OR DELIVERED TO HIM]. For the purpose of  
22 judicial review, an appeal tribunal's decision from which an application  
23 for appeal has been denied by the department is considered the decision  
24 of the department, except that the time for initiating judicial review  
25 runs from the date of the mailing or delivery of the notice of the  
26 denial of the application for appeal by the department.

27 \* Sec. 26. AS 23.20.520(21) is amended to read:

28 (21) "waiting week" means the first week of unemployment  
29 for which an individual files a claim during his benefit year and for

1 which no disqualification is imposed under secs. 375, 380 and 381 of  
2 this chapter [OCCURRING IN A BENEFIT YEAR];

3 \* Sec. 27. AS 23.20.525(a)(5) is amended to read:

4 (5) service performed before January 1, 1978 in the employ  
5 of a political subdivision of this state or a wholly owned instrumental-  
6 ity of a political subdivision of this state, if coverage was elected  
7 under sec. 325 [OR SEC. 326] of this chapter or if coverage was elected  
8 under sec. 326 of this chapter as it read prior to January 1, 1978;

9 \* Sec. 28. AS 23.20.525(a)(16)(C)(ii) is amended to read:

10 (ii) if that individual is not an employee of  
11 that other person within the meaning of paragraph (10) [(A)]  
12 of this subsection [PARAGRAPH];

13 \* Sec. 29. Chapter 122, sec. 27(a), SLA 1977 is amended to read:

14 (a) Notwithstanding the provisions of AS 23.20.350, benefits may  
15 be paid to an individual after December 31, 1977 on wages earned by  
16 that individual in a category of employment which was not covered  
17 under AS 23.20 at any time during calendar year 1975 and which was  
18 service which is covered under AS 23.20, effective January 1, 1978, as  
19 the result of enactment of sec. 18 [19] of this Act.

20 \* Sec. 30. AS 23.20.340(g) and 23.20.526(a)(19) are repealed.

21 \* Sec. 31. Sections 1, 8, 9, 11 - 22, 24 - 26 and 30 of this Act take  
22 effect on July 1, 1979.

23 \* Sec. 32. Sections 2 - 3 and 5 - 7 of this Act take effect immediately  
24 in accordance with AS 01.10.070(c).

25 \* Sec. 33. Sections 4, 10, 27, 28 and 29 of this Act take effect  
26 immediately in accordance with AS 01.10.070(c) and are retroactive to  
27 January 1, 1978.

28 \* Sec. 34. Section 23 of this Act takes effect immediately in accord-  
29 ance with AS 01.10.070(c) and is retroactive to March 3, 1977.