



LAWS OF ALASKA

1973

Source

CSHB 252

Chapter No.

43

AN ACT

Relating to employment security; and providing for effective dates.

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

* Section 1. AS 23.20 is amended by adding a new section to read:

Sec. 23.20.022. ACTUARIAL STUDIES. On December 1, 1975 the commissioner shall submit to the governor an actuarial study of the unemployment tax and benefit structures established under this chapter. Thereafter, an actuarial study of the structures shall be submitted to the governor on December 1 of every second year.

* Sec. 2. AS 23.20.165(e) is repealed and re-enacted to read:

(e) An employer shall maintain a record of the amount deducted from the wages of each of his employees, and shall furnish a statement of the deductions to each employee at the times and in the manner the commissioner prescribes by regulation. No deduction may be made from those wages paid to an employee during a calendar year which are in excess of the wages subject to contributions under sec. 175 of this chapter. If an employee in the employ of two or more employers earns wages in one calendar year totaling more than the wages subject to contributions, or if one employer through error makes a deduction from his wages in excess of the wages subject to contributions during a calendar year, the amount of deductions in excess of those required by this chapter shall be refunded to the employee by the commissioner upon application for them in accordance with regulations prescribed by him. Application must be made during the calendar year after the calendar year in which the deductions are made.

- * Sec. 3. AS 23.20.170 is repealed and re-enacted to read:

Sec. 23.20.170. RATE OF CONTRIBUTIONS. (a) Subject to secs. 175 and 280 - 310 of this chapter, beginning October 1, 1960 and continuing through December 31, 1973, an employer shall pay contributions equal to 2.9 per cent and each of his employees shall pay contributions equal to 0.6 per cent of wages paid to him and received by each employee with respect to employment.

(b) Subject to secs. 175 and 280 - 310 of this chapter, beginning January 1, 1974, the standard rate of contributions by employers is 2.7 per cent of wages. Each employer who has not been subject to this chapter for a sufficient period of time to have his rate computed under sec. 290 of this chapter, shall pay contributions at a rate equal to the average industry tax rate as determined by the commissioner, provided that the rate shall not be less than 1.0 per cent. Assignment by the commissioner of employers to industrial classification, for the purposes of this subsection, shall be in accordance with established classification practices found in the "Standard Industrial Classification Manual" issued by the United States Department of Labor to the first digit provided in the Standard Industrial Classification code.

- * Sec. 4. AS 23.20.175(a) is amended to read:

(a) For the purposes of secs. 165 and 170 of this chapter, after December 31, 1959 and through December 31, 1973, wages do not include that part of remuneration which, after remuneration equal to \$7,200 has been paid in a calendar year to an individual by an employer or his predecessor with respect to employment, is paid to the individual by the employer during the calendar year unless that part of the remuneration is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.

- * Sec. 5. AS 23.20.175 is amended by adding a new subsection to read:

(c) For the purposes of secs. 165 and 170 of this chapter, after December 31, 1973, wages do not include that part of remuneration which, after remuneration equal to \$10,000 has been paid in a calendar year to an individual by an employer or his predecessor with respect to employment, is paid to the individual by the employer during the calendar year unless that part of the remuneration is subject to a tax under a federal law imposing a tax against which a credit may be taken for contributions required to be paid into a state unemployment fund.

- * Sec. 6. AS 23.20.280(c) is repealed and re-enacted to read:

(c) An employer who, because of failure to pay contributions or file reports timely, does not qualify for a rate determination under secs. 280 - 310 of this chapter shall pay contributions at the highest rate provided in secs. 280 - 310 of this chapter after taking into account the appropriate reserve multiple of the fund, and his

employees shall pay contributions at the employee rate specified in 290(d) of this chapter.

* Sec. 7. AS 23.20.290(b) is repealed and re-enacted to read:

(b) The department shall segregate the employers into groups in accordance with cumulative ratable payroll. The limits of the groups are those set out in column B of the table in this section. Each of these groups shall be identified by the rate class number in column A which is opposite the figures in column B which represents the percentage limits of each group. An employer shall be assigned to the rate class in which the greater part of the employer's ratable payroll falls. If one-half of the employer's ratable payroll falls in one class, and one-half in another, he shall be assigned to the lower numbered rate class. No employer may be assigned to a higher numbered rate class than is assigned to another employer with the same average quarterly decline quotient.

* Sec. 8. AS 23.20.290 is amended by adding new subsections to read:

(c) The rate of contributions payable by each eligible employer beginning January 1, 1974 and for each succeeding calendar year thereafter shall be the rate opposite the rate class in that column of the table in this section which is appropriate for the calendar year as determined by the reserve multiple of the fund on September 30 of the preceding calendar year.

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

(d) Beginning January 1, 1974 and for each succeeding calendar year the rate of contributions payable by each

employee of a subject employer shall be the designated employee rate in that column of the table in (c) of this section which is appropriate for the year as determined by the reserve multiple on September 30 of the preceding calendar year.

* Sec. 9. AS 23.20.310 is amended by adding new paragraphs to read:

(6) "reserve multiple" means the ratio of the reserve rate to the highest benefit cost rate;

(7) "reserve rate" means the percentage which the total amount available for benefits in the unemployment fund on September 30, immediately following the computation date, bears to payroll as defined in this section of subject employers for the consecutive 12 calendar-month period ending on the computation date;

(8) "benefit cost rate" means the percentage which the total amount of benefits paid out of the unemployment insurance fund, for any consecutive 12 calendar-month period, bears to aggregate payroll of subject employers for the four most recently completed calendar quarters of the immediately preceding 12-month period;

(9) "highest benefit cost rate" means 4.33 per cent (the benefit cost rate for the 12 months ending on August 31, 1958).

* Sec. 10. AS 23.20.350 is repealed and re-enacted to read:

Sec. 23.20.350. AMOUNT OF BENEFITS. (a) To qualify for benefits an individual shall have earned wages in his base period totaling not less than \$750 of which \$100 must have been earned in other than the calendar quarter of his base period in which he earned the highest amount of wages, and at least eight times the weekly benefit amount shall have been earned in employment whether or not covered by this chapter, subsequent to the beginning of a preceding benefit year.

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

Total Base Period Wages	Basic Weekly Benefit Amount	Augmented Weekly Benefit Amount with the Following Dependents			Benefit Duration Factor
		One	Two	Three	
		Columns (A)	(B)	(C)	
\$0-749.99	\$00	\$00	\$00	\$00	00
750-799.99	18	28	36	36	14
800-899.99	19	29	38	38	16
900-1099.99	20	30	40	40	18
1100-1299.99	21	31	41	42	20
1300-1499.99	22	32	42	44	22
1500-1699.99	23	33	43	46	24
1700-1899.99	24	34	44	48	26
1900-2099.99	25	35	45	50	28
2100-2199.99	26	36	46	52	28
2200-2299.99	27	37	47	54	28
2300-2399.99	28	38	48	56	28
2400-2499.99	29	39	49	58	28
2500-2599.99	30	40	50	60	28
2600-2699.99	31	41	51	61	28
2700-2799.99	32	42	52	62	28
2800-2899.99	33	43	53	63	28
2900-2999.99	34	44	54	64	28
3000-3099.99	35	45	55	65	28
3100-3199.99	36	46	56	66	28
3200-3299.99	37	47	57	67	28
3300-3399.99	38	48	58	68	28
3400-3499.99	39	49	59	69	28
3500-3599.99	40	50	60	70	28
3600-3699.99	41	51	61	71	28
3700-3799.99	42	52	62	72	28
3800-3899.99	43	53	63	73	28
3900-3999.99	44	54	64	74	28
4000-4099.99	45	55	65	75	28
4100-4199.99	46	56	66	76	28
4200-4299.99	47	57	67	77	28
4300-4399.99	48	58	68	78	28
4400-4499.99	49	59	69	79	28
4500-4599.99	50	60	70	80	28
4600-4699.99	51	61	71	81	28
4700-4799.99	52	62	72	82	28
4800-4899.99	53	63	73	83	28
4900-4999.99	54	64	74	84	28
5000-5099.99	55	65	75	85	28
5100-5199.99	56	66	76	86	28
5200-5299.99	57	67	77	87	28
5300-5399.99	58	68	78	88	28
5400-5499.99	59	69	79	89	28
5500-5599.99	60	70	80	90	28
5600-5699.99	61	71	81	91	28
5700-5799.99	62	72	82	92	28
5800-5899.99	63	73	83	93	28
5900-5999.99	64	74	84	94	28
6000-6099.99	65	75	85	95	28
6100-6199.99	66	76	86	96	28
6200-6299.99	67	77	87	97	28
6300-6399.99	68	78	88	98	28
6400-6499.99	69	79	89	99	28

6500-6599.99	70	80	90	100	28
6600-6699.99	71	81	91	101	28
6700-6799.99	72	82	92	102	28
6800-6899.99	73	83	93	103	28
6900-6999.99	74	84	94	104	28
7000-7099.99	75	85	95	105	28
7100-7199.99	76	86	96	106	28
7200-7299.99	77	87	97	107	28
7300-7399.99	78	88	98	108	28
7400-7499.99	79	89	99	109	28
7500-7599.99	80	90	100	110	28
7600-7699.99	81	91	101	111	28
7700-7799.99	82	92	102	112	28
7800-7899.99	83	93	103	113	28
7900-7999.99	84	94	104	114	28
8000-8099.99	85	95	105	115	28
8100-8199.99	86	96	106	116	28
8200-8299.99	87	97	107	117	28
8300-8399.99	88	98	108	118	28
8400-8499.99	89	99	109	119	28
8500 and Over	90	100	110	120	28

(c) The maximum potential benefits of an individual in a benefit year is the product of his weekly benefit amount, as shown in the applicable column B, C, D or E multiplied by the benefit duration factor in column F on the line on which, in column A, his total base period wages appear.

(d) "Dependent" means an individual's unmarried child, including a stepchild and a legally adopted child, under 18 years of age who is principally supported by the individual. An individual's unmarried child, including a stepchild and a legally adopted child, who because of infirmity is prevented from engaging in a gainful occupation and who is principally dependent upon the individual for support, is considered a dependent for the purpose of this provision regardless of age. For the duration of a benefit year no dependent who has been claimed by a claimant and allowed as a dependent may be included as a dependent of another claimant.

* Sec. 11. Sec. 10 of this Act takes effect on July 1, 1973 and applies only to benefit years beginning on that date or later.

* Sec. 12. Secs. 1 - 9 of this Act take effect January 1, 1974.