Public Hearing Testimony of
Sharon M. Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
February 26, 2013

Good Afternoon Senator Osten, Representative Tercyak, Senator Markley, Representative Smith and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding ***House Bill 5686/AAC Minimum Base Period Wages and Eligibility for Unemployment Benefits.*** My name is Sharon Palmer and I am the Labor Commissioner.

This bill seeks to increase the required base period wages enabling an individual to be eligible for unemployment benefits to a minimum of $2000.00. (The base period is, generally, the first four quarters of the last five quarters.) Currently, the required amount of base period wages is $600.00. With this bill, a person would have to work longer or earn more wages in the individual's base period in order to be eligible for the minimum weekly unemployment benefit amount. Requiring a higher base period wage would eliminate low wage earners from the receipt of unemployment benefits.

There is no specific language in the bill and I await further language that would clarify the intent of this proposed bill. Once the language is reviewed, DOL will be in a position to determine if such language conforms with federal requirements. Without conformity, the Department would be in danger of losing federal funding. Loss of UI grant monies to the Department would be debilitating, since approximately half of the Department's operations is funded through the UI Grants.

Thank you for the opportunity to present this testimony.