



March 12, 2022

LEGISLATIVE TESTIMONY

Senate Bill 159

Unemployment Benefits

Senate Labor & Commerce

Senator Costello, Chair

Senator Revak, Vice Chair

Senator Micciche, Member

Senator Stevens, Member

Senator Gray-Jackson, Member

Chair Costello, & Members of Senate Labor & Commerce,

Alaska's economic recovery from the pandemic has not been strong. We have not recovered the jobs lost, and our unemployment trust funds have been greatly reduced.

Too many Alaskans have not returned to the labor force, and by not fully replenishing the funds in our trust, we are putting our economy at risk in the event of future crises.

Other states such as Idaho, North Carolina, Alabama, Florida, and Tennessee have policies in place which promote a healthier economy. Those states link unemployment benefits to economic conditions. In those states, when economic conditions are such that there are simply not many job openings, workers receive payments for longer periods of time. And when employers are hiring and many jobs are available, benefits are provided for a shorter duration.

It's a policy that helps in multiple ways. First, it helps by restoring the funds in our trust so that we can continue to support those who have lost jobs during difficult times. Second, it helps individuals get the support they need and return to the workforce when job



openings exist. And third, it helps to create a market of workers for employers who are trying to hire as they maintain or expand their businesses.

The data from those states which have implemented this policy is strong and compelling. They have continued recovering jobs post-pandemic at a much higher rate than Alaska. Their residents have returned to the workforce, and now their state trust fund balances are on the right trajectory. The data also shows that people who are out of the job market for longer periods of time are less likely to return to work. Thus our policies should encourage workers to return to work as soon as the economy supports the jobs.

As elected officials, you have the power to pass policies that will put our economy on the right path. I encourage you to take a look at policies such as this that will reduce Alaska's labor shortage and improve our economy.

Thank you for the opportunity to testify.



Bethany Marcum
CEO

