

NFIB

The Voice of Small Business.®

ALASKA

January 23, 2017

The Honorable Andy Josephson
State Capitol Building
Juneau, Alaska 99801-1182

RE: House Bill 38

Dear Representative Josephson:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our opposition to House Bill 38. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

House Bill 38 would extend workers compensation payments beyond the injured worker and dependents. This changes the character of the program and increases its costs for purposes beyond compensating injured workers and dependents. Further, unlike state assistance programs, it adds a Consumer Price Index driven annual increase.

These changes add to the already high costs of the Alaska workers compensation program. For many years, Alaska's premiums to employers were the highest in the nation. Even with the minor reforms of the past few years, we remain the 5th highest at 145% of the median.

Small employers are committed to assisting injured employees through the workers compensation program, and in the event of a death, their dependents. However, the continuing increase in premiums is difficult for small businesses to fund and makes solvency more difficult.

Sincerely yours,



Dennis L. DeWitt
Alaska State Director

Cc: NFIB/AK Leadership Council
House Labor & Commerce Committee