ALASKA STATE LEGISLATURE

REPRESENTATIVE ANDY JOSEPHSON

Sponsor Statement for House Bill 30- version B

House Bill 30 (HB 30) aims to bring Alaska's compensation levels for permanent injury and death of workers into the present.

HB 30 allows for workers suffering from permanent work-related injuries or illnesses to receive appropriate compensation by adjusting the base amount used to calculate Permanent Partial Impairment (PPI) for inflation. This figure is currently set at $177,000 in statute and was last adjusted in 2000. HB 30 would increase this about to $273,000 bring Alaska up to the national average; Alaska's PPI compensation rates are currently among the lowest in the country.

HB 30 also conservatively increases the monetary compensation for death benefits in Alaska to account for inflation. The aggregate wage benefit for financially dependent parents, grandchildren, brothers, and sisters of the deceased is increased from an egregiously low limit of $20,000 (set in 1968) to a limit of $150,000. Statutory amounts allotted for funeral expenses and lump sums for a widow or widower (or children if the deceased has no spouse) are also updated.

Lastly, HB 30 addresses the problem of inequitable financial support for individuals who become orphaned after their single parent dies on the job. Currently, financial support is typically cut off when a child turns 19, unless the child chooses to attend University. The bill extends benefits for orphans to the age of 23, allowing those who have opted to enter the military or a trade to receive commensurate benefits to those who enroll in a post-secondary institution. Death benefits only extend past the age of 23 if an individual still is considered a dependent child due to a mental or physical disability.

Alaska's current values for death and partial disability benefits are egregious and warrant serious change. These are numbers that have not been updated in decades. I invite you to discuss this issue with me further and urge you to support this legislation.