

ALASKA STATE LEGISLATURE

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Session: January – April
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Official Business

Sponsor Statement HB 214

“An act repealing the Workers’ Compensation Appeals Commission.”

Since 2005 the Workers’ Compensation Appeals Commission has been operating as an effort to streamline the appeals process. The Commission was tasked with hearing appeals of decisions of the Alaska Workers’ Compensation Board to expedite the process and not clog up the Superior Court system, which heard about 30 to 40 appeals annually. In calendar year 2014, the Commission closed 30 cases out of 52 for a 58% closure rate of cases that appeared on the 2014 docket. The average time period from the date of filing to the date of closure for those 30 cases was about five and a half months. This closure rate and average time for closure is not demonstrably better than the process was before the establishment of the Commission.

The Commission is comprised of five members. One member, the chair, must be an attorney experienced in Alaska workers compensation law. The other members are equally divided between representatives of employers and employees. All three member panels of the five member commission hear and decide appeals, with the chair being part of each panel. The statute provides that unless reversed by the Supreme Court, the decisions of the Appeals Commission have the force of legal precedent. From 2005 to 2013, 50% of the Commission’s decisions have been reversed by the Supreme Court. In 2014, seven Commission decisions or orders were appealed to the Supreme Court; all are currently awaiting ruling. In 2014, the Supreme Court decided six appeals of the Commission’s decisions. Five out of six of those decisions were either reversed or partially reversed. The high reversal rate underscores the ineffectiveness of the Commission.

Alaska’s workers deserve a timely, accurate process and the WCAC is simply not well equipped to adjudicate appeals claims. We have tried for the past decade to make the WCAC work for the better of Alaskans but it has proven it is not doing the job it was intended for.

I support the Alaska Department of Labor and Workforce Development’s decision to bring this issue to my attention and agree with their need for the repeal of the Worker’s Compensation Appeals Commission. Thank you for supporting this legislation.