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Wayne  
2/10/17

**CS FOR HOUSE BILL NO. 23(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**THIRTIETH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): REPRESENTATIVES JOSEPHSON, Kawasaki, Kito, Tuck, Wool, LeDoux, Grenn, Westlake,  
Kopp**

**A BILL**

**FOR AN ACT ENTITLED**

**"An Act creating a fund in the Department of Public Safety; providing for payment of  
certain medical insurance premiums for surviving dependents of certain peace officers  
or firefighters who die in the line of duty; and providing for an effective date."**

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**\* Section 1.** AS 39 is amended by adding a new chapter to read:

**Chapter 60. Dependent Survivors of Peace Officers and Firefighters.**

**Sec. 39.60.005. Peace officer and firefighter survivors' medical insurance  
premiums.** The state and the municipalities shall pay medical insurance premiums for  
the surviving dependents of peace officers and firefighters eligible under this chapter.

**Sec. 39.60.010. Peace officer and firefighter survivors' fund established.** (a)  
The peace officer and firefighter survivors' fund is established in the general fund for  
the purpose of paying medical insurance premiums for an eligible surviving spouse or  
dependent child of a peace officer or a firefighter. The department may make premium  
payments from the fund to the medical insurance provider for the former employer of

the deceased peace officer or firefighter.

(b) The fund consists of donations and other money appropriated to the fund.

(c) The legislature may appropriate money to the fund. Money in the fund does not lapse.

(d) Money appropriated to the fund may be spent for purposes of the fund without further appropriation.

(e) Nothing in this section creates a dedicated fund.

**Sec. 39.60.020. Powers and duties of the commissioner.** (a) Annually, not later than June 30, the commissioner shall determine the amount of money sufficient to pay premiums under AS 39.60.030 and the associated administrative costs.

(b) The commissioner shall adopt regulations to implement this chapter.

**Sec. 39.60.030. Payment authorized.** The commissioner may use money in the fund to pay medical insurance premiums for a surviving dependent of a state employee who is eligible under AS 39.60.040, 50 percent of the premium for a surviving dependent of an employee of a small municipality eligible under AS 39.60.040, and the department's costs associated with administering the fund.

**Sec. 39.60.040. Eligibility of surviving dependents of peace officers and firefighters for medical insurance premiums.** (a) A surviving dependent of a deceased peace officer or firefighter may apply to the commissioner for payment of medical insurance premiums for a surviving dependent under AS 39.60.030. Not later than 30 days after receiving the application, the commissioner shall determine whether the surviving dependent is eligible under (b) of this section.

(b) A person who is a surviving dependent of an employee who was a peace officer or firefighter is eligible for premium payments under (a) of this section if

(1) at the time of death, the employee was a full-time employee of the state or a municipality;

(2) at the time of death, the surviving dependent was receiving employer-sponsored medical insurance benefits;

(3) the proximate cause of the employee's death is a bodily injury sustained or a hazard undergone while in the performance and within the scope of the employee's duties, as determined by the commissioner; and

(4) the injury or hazard is not the proximate result of wilful negligence by the employee.

(c) A surviving spouse becomes ineligible for premium payments under this section on the earlier of the date the surviving spouse

(1) becomes eligible to receive a major medical insurance coverage benefit by other means; or

(2) is eligible for Medicare.

(d) Except for a child who is totally and permanently disabled, a child who survives the employee becomes ineligible for premium payments under this section on the earlier of the date the surviving dependent child

(1) becomes eligible to receive a major medical insurance coverage benefit by other means; or

(2) reaches 26 years of age.

(e) The amount of a premium payable under this section must be based on the level of medical insurance benefits the deceased employee was receiving at the time of the employee's death. Payment of premiums shall be made to the applicable employer-sponsored medical insurance provider as follows:

(1) the commissioner shall pay

(A) 100 percent for an eligible surviving dependent of a deceased state employee;

(B) 50 percent for an eligible surviving dependent of a deceased employee of a small municipality; and

(2) a large municipality shall pay 100 percent for an eligible surviving dependent of a deceased employee of that municipality.

(3) A small municipality shall pay 50 percent for an eligible surviving dependent of a deceased employee of that small municipality.

**Sec. 39.60.190. Definitions.** In this chapter,

(1) "child" means a biological child, adopted child, or stepchild of an employee;

(2) "commissioner" means the commissioner of public safety or the commissioner's designee;

(3) "department" means the Department of Public Safety;

(4) "dependent" means a surviving spouse or child of an employee;

(5) "firefighter" means an employee occupying a position as a firefighter or fire chief;

(6) "fund" means the peace officer and firefighter survivors' fund established in AS 39.60.010;

(7) "large municipality" means a municipality with a population of 10,000 or more according to the latest figures of the United States Bureau of the Census;

(8) "peace officer" means an employee occupying a position as a peace officer, chief of police, regional public safety officer, correctional officer, correctional superintendent, or probation officer;

(9) "small municipality" means a municipality with a population of less than 10,000 according to the latest figures of the United States Bureau of the Census;

(10) "surviving spouse" means the spouse of an employee who was married to an employee at the time of the employee's death.

**\* Sec. 2.** AS 44.41.020 is amended by adding a new subsection to read:

(g) The Department of Public Safety shall manage and administer the peace officer and firefighter survivors' fund established in AS 39.60.010 in cooperation with the Department of Administration. The Department of Public Safety shall establish standardized procedures and forms for use in administering the peace officer and firefighter survivors' fund.

**\* Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. The commissioner of public safety may adopt regulations necessary to implement secs. 1 and 2 of this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of secs. 1 and 2 of this Act.

**\* Sec. 4.** Section 3 of this Act takes effect immediately under AS 01.10.070(c).

**\* Sec. 5.** Except as provided in sec. 4 of this Act, this Act takes effect July 1, 2017.