



**Summary of Changes
HB 79
Version A to Version N**

Page 1, line 1 to Page 2, line 5: Modifies the title paragraph of the bill to reflect changes made.

Page 2 and 21-22: Deletes Version A sections 2, 4, 41, 44, 46 and 47 relating to second injury fund transition.

Page 4, line 6, Sec. 7: Makes a technical revision inserting “a business entity that is.”

Page 4, lines 6 – 16, Sec. 7: Inserts “actively in charge of the operations of the business entity” and a person that has “the authority to insure the business entity or apply for a certificate of self-insurance” as persons liable for compensation benefits and civil penalties. Clarifies that any person who has at least 10 percent ownership interest in a business entity is subject to liability for compensation benefits and civil penalties.

Page 5, lines 3 -12, Sec. 9: Inserts language clarifying the division’s civil penalty assessment must be based on substantial evidence. Inserts language stating that the civil penalty assessment is based on payroll which includes payments that would be considered wages if the employer had not misclassified its employees.

Page 6, lines 23-24, Sec. 11: Makes a technical revision rewording the civil penalty assessment appeal process language to make it clearer.

Page 7, lines 5-9, Sec. 12: Makes a technical revision to sentence structure.

Page 7, lines 13-18, Sec. 13: Makes a technical revision rewording the insurance reporting language to make it clearer.

Page 8, lines 3-8, Sec. 14: Inserts language clarifying the estimated fee in a preauthorization request may not exceed the Alaska fee schedule maximum.

Page 9, line 12, Sec. 15: Deletes two publications from the reference material list.

Page 9, line 13 to Page 10, line 1, Secs. 16-18: Inserted new bill sections 16-18 to allow electronic filing.

Page 10, line 7, Sec. 19: Deletes language allowing parties to agree to reschedule a hearing.

Page 10, lines 11-14, Sec. 20: Changes who may represent a claimant at a workers' compensation hearing to any person authorized by regulation of the Alaska Workers' Compensation Board.

Page 10, line 31 to Page 11, line 8, Sec. 23: Changes the time an installment of compensation must be paid to every 14 days, and clarifies that a payment grace period is not allowed.

Page 11, lines 22-24, Sec. 24: Inserts language stating the division will let an employee know when an employer has terminated or changed compensation.

Page 12, lines 14-166, Sec. 25: Inserts language stating the division will let an employee know when an employer has denied benefits.

Page 13, lines 1-2, Sec. 26: Makes a technical revision clarifying the penalty for untimely payment is 25 percent of the amount in the preauthorization request.

Page 14, line 6: Deletes Version A section 27 addressing the method by which benefits are paid.

Page 14, lines 28-29, Sec. 29: Inserts language allowing an employee or the workers' compensation benefits guaranty fund to file a lien within one year of knowledge of an employee's injury or death.

Page 15, lines 14-18, Sec. 30: Inserts language setting an end date for notification of possible claims against the second injury fund.

Page 15, lines 19-28, Sec. 31: Inserts language clarifying an employer must meet all statutory requirements for second injury fund reimbursement before submitting a claim for reimbursement to the second injury fund. Clarifies that claim reimbursement may not be submitted for an injury or death that occurs after August 31, 2018, and extends the end date for the fund's acceptance of new reimbursement claims to October 1, 2020.

Page 15, line 29 – Page 18, line 15, Sec. 32: Refines the independent contractor definition.

Page 19, line 13, Sec. 35: Deletes, “or knowingly fails to report a material fact.”

Page 19, line 25, Sec. 36: Deletes amendment to AS 23.30.250(b).

Page 19, line 29, Sec. 36: Deletes “An employee knowingly fails to report a material fact under (a) and (b) of this section if the employee does not disclose the receipt of unemployment or other disability benefits, or other employment, and the employee knowingly receives compensation under this chapter that the employee is not entitled to because of the receipt of the other benefits or other employment.”

Page 20, lines 19-23, Sec. 37: Inserts “a person who” is “actively in charge of the operations of the business entity, or has the authority to insure the business entity or apply for a certificate of self-insurance” as persons liable for failure to secure compensation.

Page 21, lines 9-13, Sec. 38: Inserts “a person who” is “actively in charge of the operations of the business entity, or has the authority to insure the business entity or apply for a certificate of self-insurance” as persons liable for knowingly disposing of assets with intent to avoid the payment of compensation to an employee or the employee’s dependents.

Page 21, line 26, Sec. 40: Deletes “in the service of” and inserts “employed by” in the definition of “employee.”

Page 21, line 27, Sec. 41: Inserts “23.30.155(q)” to the list of repealed statutes.

Page 22, line 9, Sec. 42: Inserts “AS 23.30.110(d), as amended by sec. 20 of this Act.”

Page 22, lines 14-16, Sec. 42: Inserts a new subsection (c) providing the second injury fund provisions in secs. 30-31 apply to notice of any possible claim or a claim for reimbursement submitted on or after the effective date of Secs. 30-31.

Page 22, lines 17-22, Sec. 42: Inserts a new subsection (d) providing the new executive officer and business entity member provisions apply to an insurance policy or contract entered into or renewed on or after the effective date of Sec. 33, which is August 1, 2019.

Page 22, lines 25-28, Sec. 43: Inserts, “Subject to appropriation, the balance of the second injury fund created under AS 23.30.040 lapses into the general fund when all liability for accepted claims under AS 23.30.205 to the second injury fund and claims ordered to be paid from that fund have been satisfied.”

Page 23, lines 4-5, Sec. 45: Provides Secs. 30, 31, and 44 take effect immediately.

Page 23, line 6, Sec. 46: Provides Sec. 34 takes effect September 1, 2018.

Page 23, line 7, Sec. 47: Provides Sec. 33 takes effect August 1, 2019.