

February 1, 2022

Representatives Neal Foster & Kelly Merrick, Co-Chairs and
Members of the House Finance Committee
Alaska State Capitol
Juneau, Alaska 99801

SENT BY EMAIL: House.Finance@akleg.gov
Representative.Neal.Foster@akleg.gov
Representative.Kelly.Merrick@akleg.gov

RE: OPPOSE HB 30

Dear Representatives Foster, Merrick and Members of the House Finance Committee,

Please join me and the 158 members of the Alaska Municipal League Joint Insurance Association (AMLJIA) in opposing HB 30 (An Act relating to workers' compensation benefits) as currently drafted. It increases workers' compensation costs for Alaskan employers.

The AMLJIA is a Joint Insurance Arrangement, formed under AS 21.76, which permits public entities to pool together to share costs and purchase insurance on a group basis. We are a not-for-profit administrator of a pool of 158 Alaska municipalities and school districts. If it passes, HB30 will affect our members and their employees, as well as the State of Alaska's and your employees.

Section 2 of the bill increases the amount paid in the event of permanent disability or death of an employee. The amounts paid for permanent partial impairment have not changed in many years, and it is appropriate for them to be updated. That said, increasing these payment amounts will result in higher costs for Alaska's employers in the form of higher workers' compensation premiums.

Section 3 of the bill amending .212, requires the employer to provide notification of the death to the personal representative (PR), who is often unknown for some time. This notice includes imposing a requirement to provide the PR with a list of legal counsel and grief counselors. Providing these lists would be more appropriately a function of the Division of Workers' Compensation. Employers are prohibited from directing medical care and similarly should not be held responsible for advising the PR regarding legal counsel or grief counselors.

Extending the death benefits to age 23 is a significant jump from the current age of 19 (and a significant increase in liability). Currently, dependent's death benefits continue for up to 4 years of schooling after age 19. Additionally, moving from \$20,000 to \$150,000 for dependent extended family members under AS 23.30.215 (a) (4) is an excessive increase and does nothing to replace wages for the injured worker.

Sincerely,



Kevin Smith
Executive Director

