



LYN D. ELLIOTT
VICE PRESIDENT,
STATE GOVERNMENT RELATIONS

March 26, 2024

The Honorable Jesse Sumner
and Alaska House Labor & Commerce Committee
Alaska House of Representatives
Alaska State Capitol
120 4th Street
Juneau, Alaska 99801

RE: Senate Bill 147, Reemployment Benefits

Dear Chair Sumner and members of the Committee:

The American Property Casualty Insurance Association (APCIA), representing 82 percent of Alaska's workers' compensation insurance market, promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in Alaska, throughout the U.S., and across the globe.

As introduced, a significant aspect of Senate Bill 147 is that the injured worker's job descriptions for purposes of determining eligibility for reemployment benefits would no longer be governed by the Selected Characteristics of Occupations Defined in the Revised Dictionary of Occupational Titles (SCODRDOT) but would be prepared at the discretion of the assigned vocational counselor or rehabilitation specialist. Presumably the counselor will interview the employee and employer to develop accurate job descriptions, but this proposed legislation does not mandate that. In fact, no guidelines are provided.

The SCODRDOT is admittedly outdated, but as a tool it has eliminated most litigation as to whether job descriptions are accurate. APCIA is concerned that without a replacement standard this change will lead to extensive litigation over job descriptions as insurers and likely attorneys will need to become involved to make sure the job descriptions generated in a given case are accurate. Adjusters will also need to work closely with employers in that regard. Standards as to what should be included in job descriptions would then have to be developed through litigation.

APCIA supports an amendment to Senate Bill 147 to include a replacement authority, such as a federal Department of Labor standard so the eligibility determination is not left up to discretion of the assigned vocational counselor or rehabilitation specialist. We respectfully ask that you consider a replacement authority which APCIA could support.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Lyn D. Elliott".

Lyn D. Elliott

Vice President, State Government Relations

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