

SENATE BILL NO. 66

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/20/19

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the division of labor standards and safety; relating to the division of
2 workers' compensation; establishing the division of workers' safety and compensation;
3 and providing for an effective date."

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

5 * **Section 1.** AS 18.20.410(b) is amended to read:

6 (b) Immediately after declaring a temporary nurse staffing emergency under
7 (a) of this section, a health care facility shall file with the division of **workers' safety**
8 **and compensation** [LABOR STANDARDS AND SAFETY], Department of Labor
9 and Workforce Development, a report that includes a copy of the signed writing
10 required under (a) of this section. A report under this subsection is a public document.

11 * **Sec. 2.** AS 18.20.450(a) is amended to read:

12 (a) A health care facility shall file with the division of **workers' safety and**
13 **compensation** [LABOR STANDARDS AND SAFETY], Department of Labor and
14 Workforce Development, a semiannual report on a form provided by the department.

1 The report for the six-month period ending June 30 must be filed before the following
 2 August 1, and the report for the six-month period ending December 31 must be filed
 3 before the following February 1. The report must include, for each nurse employed by
 4 the health care facility or under contract with the health care facility, the number of
 5 overtime hours worked and the number of hours the nurse was on call. A health care
 6 facility that does not employ a nurse who worked overtime hours or who was on call
 7 during the reporting period is not required to describe hours worked as overtime and
 8 on-call hours for individual nurses but may instead complete the report by stating on
 9 the form that there are no reportable hours.

10 * **Sec. 3.** AS 18.60.055 is amended to read:

11 **Sec. 18.60.055. Division of workers' safety and compensation [LABOR**
 12 **STANDARDS AND SAFETY].** As established by AS 23.10.075, there is in the
 13 department a division of **workers' safety and compensation** [LABOR STANDARDS
 14 AND SAFETY]. Minimum qualifications shall be established for employees of the
 15 department acting as safety inspectors under AS 18.60.010 - 18.60.105. These
 16 qualifications must include, as a minimum requirement, at least five years general
 17 work experience in the field they are assigned to inspect. Training in safety principles,
 18 codes, and standards may be substituted for work experience up to a maximum of
 19 three years.

20 * **Sec. 4.** AS 18.60.058(a) is amended to read:

21 (a) In the event of an employment accident that is fatal to an employee or that
 22 results in an employee's in-patient hospitalization, an employee's loss of an eye, or an
 23 employee's amputation, the employer shall report the accident. The report must be
 24 made by telephone or in person to the nearest office of the division of **workers' safety**
 25 **and compensation** [LABOR STANDARDS AND SAFETY] or by telephone to the
 26 federal toll-free number provided by the division. The report must relate the name of
 27 the establishment, the location of the accident, the time of the accident, a contact
 28 person and the telephone number of the contact person, a brief description of the
 29 accident, the number of fatalities or injured employees, and the extent of any injuries.
 30 The report must be made immediately but in no event later than eight hours after
 31 receipt by the employer of information that the accident has occurred. However, if the

1 employer first receives information of a fatality, in-patient hospitalization, loss of an
 2 eye, or amputation eight or more hours after the accident but not later than 30 days
 3 after the accident, the employer must make the report not later than eight hours after
 4 receiving the information. This subsection does not apply to an employer that first
 5 receives information of a fatality, in-patient hospitalization, loss of an eye, or
 6 amputation more than 30 days after the accident.

7 * **Sec. 5.** AS 18.60.235(a) is amended to read:

8 (a) In addition to the deputy inspectors employed under AS 18.60.230 and the
 9 special inspectors commissioned under AS 18.60.240, the commissioner of labor and
 10 workforce development may appoint an employee of the Department of Labor and
 11 Workforce Development as an approved inspector if the employee has completed
 12 training by the chief inspector and has passed an examination that has been approved
 13 by the director of the division of **workers' safety and compensation** [LABOR
 14 STANDARDS AND SAFETY] to perform inspections under AS 18.60.180 -
 15 18.60.395 of cast iron boilers and domestic hot water heaters. An employee does not
 16 have to pass the examination described in AS 18.60.290 in order to be appointed an
 17 approved inspector under this subsection.

18 * **Sec. 6.** AS 23.05.067(a) is amended to read:

19 (a) Each insurer providing workers' compensation insurance and each
 20 employer who is self-insured or uninsured for purposes of AS 23.30 in this state shall
 21 pay an annual service fee to the department for the administrative expenses of the state
 22 for workers' safety programs under AS 18.60 and the workers' compensation program
 23 under AS 23.30 as follows:

24 (1) for each employer,

25 (A) except as provided in (b) of this section, the service fee
 26 shall be paid each year to the department at the time that the annual report is
 27 required to be filed under AS 23.30.155(m) or (n); and

28 (B) the service fee is 2.9 percent of all payments reported to the
 29 division of workers' **safety and** compensation in the department under
 30 AS 23.30.155(m) or (n), except second injury fund payments; and

31 (2) for each insurer, the director of the division of insurance shall,

1 under (e) of this section, deposit from funds received from the insurer under
 2 AS 21.09.210 a service fee of 2.5 percent of the direct premium income for workers'
 3 compensation insurance received by the insurer during the year ending on the
 4 preceding December 31, subject to all the deductions specified in AS 21.09.210(b).

5 * **Sec. 7.** AS 23.10.075 is repealed and reenacted to read:

6 **Sec. 23.10.075. Division of workers' safety and compensation.** The division
 7 of workers' safety and compensation is established in the department. The
 8 commissioner shall appoint the director of the division. The director shall administer
 9 AS 18.60.010 - 18.60.105, AS 23.10.050 - 23.10.150, and AS 23.30.001 - 23.30.400.

10 * **Sec. 8.** AS 23.10.080 is amended by adding a new paragraph to read:

11 **Sec. 23.10.080. Powers and duties of division.** The director, or an authorized
 12 representative of the director, shall

13 (1) investigate and ascertain the wages and related conditions and
 14 standards of employment of any employee in the state;

15 (2) enter the place of business or employment of an employer at
 16 reasonable times for the purpose of inspecting payroll records that relate to the
 17 question of wages paid or hours worked;

18 (3) require and subpoena from an employer a statement in writing,
 19 when the director or the representative considers it necessary, of hours worked by and
 20 the wages paid to a person in the employ of the employer, and the commissioner may
 21 require the employer to make the statement under oath;

22 (4) question an employee in a place of employment during work hours
 23 with respect to the wages paid and the hours worked by the employees;

24 (5) compel the attendance of witnesses and the production of books,
 25 papers, and documents by subpoena when necessary for the purpose of a hearing or
 26 investigation provided for in AS 23.10.050 - 23.10.150;

27 **(6) facilitate the quick, efficient, fair, and predictable delivery of**
 28 **indemnity and medical benefits to injured workers at a reasonable cost to**
 29 **employers who are required to provide workers' compensation.**

30 * **Sec. 9.** AS 23.30.025 is amended to read:

31 (a) An insurer may not enter into or issue a policy of insurance under this

1 chapter until its policy form has been submitted to and approved by the director of the
 2 division of insurance. The director of the division of insurance may not approve the
 3 policy form of an insurance company until the company files with it the certificate of
 4 the director of the division of insurance showing that the company is authorized to
 5 transact the business of workers' compensation insurance in the state. The filing of a
 6 policy form by an insurance company with the division of workers' **safety and**
 7 compensation for approval constitutes, on the part of the company, a conclusive and
 8 unqualified acceptance of the provisions of this chapter, and an agreement by it to be
 9 bound by them.

10 * **Sec. 10.** AS 23.30.280(e) is amended to read:

11 (e) Except as provided in (f) of this section, a person is not liable for civil
 12 damages for filing a report concerning a suspected, anticipated, or completed
 13 fraudulent act or a false or misleading statement or representation with, or for
 14 furnishing other information, whether written or oral, concerning a suspected,
 15 anticipated, or completed fraudulent act or false or misleading statements or
 16 representation to

17 (1) law enforcement officials or their agents and employees;

18 (2) the division of workers' **safety and** compensation, the division of
 19 insurance in the Department of Commerce, Community, and Economic Development,
 20 or an agency in another state that regulates insurance or workers' compensation;

21 (3) an insurer or adjuster or its agents, employees, or designees, or the
 22 risk manager of a self-insured employer under this chapter.

23 * **Sec. 11.** AS 23.30.395(15) is amended to read:

24 (15) "director" means the director of the division of workers' **safety**
 25 **and** compensation in the department;

26 * **Sec. 12.** AS 23.30.395(17) is amended to read:

27 (17) "division" means the division of workers' **safety and**
 28 compensation in the department;

29 * **Sec. 13.** AS 39.25.120(c)(14) is amended to read:

30 (14) the rehabilitation administrator of the division of workers' **safety**
 31 **and** compensation;

1 * **Sec. 14.** AS 39.25.158(b) is amended to read:

2 (b) After an employee requests to return to work, the reemployment benefits
3 administrator of the division of workers' **safety and** compensation or the director of
4 vocational rehabilitation in the Department of Labor and Workforce Development
5 shall review the request and certify that the employee is able to return to work under
6 (c), (d), (e), or (f) of this section, or defer certification until the employee completes
7 retraining under (f) of this section.

8 * **Sec. 15.** AS 23.30.002 is repealed.

9 * **Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 TRANSITION. Litigation, hearings, investigations, and other proceedings connected
12 to division functions transferred by this Act continue in effect and may be completed
13 notwithstanding the transfer. Certificates, orders, and regulations issued or adopted under
14 authority of a law amended by this Act remain in effect as issued, or until revoked, vacated, or
15 otherwise modified under the provisions of this Act. Contracts, rights, liabilities, and
16 obligations created by or under a law amended or repealed by this Act, and in effect of the
17 effective date of this Act, remain in effect notwithstanding this Act's taking effect. Records,
18 equipment, appropriations, and other property of agencies of the state whose functions are
19 transferred under this Act shall be transferred to implement the provisions of this Act.

20 * **Sec. 17.** This Act takes effect July 1, 2019.