

**ALASKA STATE LEGISLATURE**  
**SENATE LABOR AND COMMERCE STANDING COMMITTEE**

March 3, 2009

1:58 p.m.

**MEMBERS PRESENT**

Senator Joe Paskvan, Chair  
Senator Bettye Davis  
Senator Kevin Meyer

**MEMBERS ABSENT**

Senator Joe Thomas, Vice Chair  
Senator Con Bunde

**COMMITTEE CALENDAR**

HOUSE BILL NO. 104

"An Act adjusting certain fees for treatment or services under the Alaska Workers' Compensation Act to reflect changes in the Consumer Price Index; and providing for an effective date."

MOVED HB 104 OUT OF COMMITTEE

SENATE BILL NO. 79

"An Act waiving payment of premiums for major medical insurance under the defined benefit retirement plan for public employees for disabled peace officers who have at least 20 years of credited service as peace officers."

MOVED CSSB 79(STA) OUT OF COMMITTEE

SENATE BILL NO. 80

"An Act extending the termination date of the Board of Veterinary Examiners; and providing for an effective date."

MOVED SB 80 OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 104

SHORT TITLE: WORKERS COMP. MEDICAL TREATMENT FEES

SPONSOR(S): LABOR & COMMERCE

01/30/09	(H)	READ THE FIRST TIME - REFERRALS
01/30/09	(H)	L&C
02/09/09	(H)	L&C AT 3:15 PM BARNES 124
02/09/09	(H)	Moved Out of Committee
02/09/09	(H)	MINUTE(L&C)

02/11/09 (H) L&C RPT 4DP 2NR  
02/11/09 (H) DP: BUCH, COGHILL, NEUMAN, OLSON  
02/11/09 (H) NR: LYNN, CHENAULT  
02/25/09 (H) TRANSMITTED TO (S)  
02/25/09 (H) VERSION: HB 104  
02/26/09 (S) L&C AT 1:30 PM BELTZ 211  
02/26/09 (S) <Pending Referral>  
02/27/09 (S) READ THE FIRST TIME - REFERRALS  
02/27/09 (S) L&C  
03/03/09 (S) L&C AT 1:30 PM BELTZ 211

BILL: SB 79

SHORT TITLE: MED BENEFITS OF DISABLED PEACE OFFICERS

SPONSOR(s): SENATOR(s) MCGUIRE

01/26/09 (S) READ THE FIRST TIME - REFERRALS  
01/26/09 (S) STA, L&C, FIN  
02/12/09 (S) STA AT 9:00 AM BELTZ 211  
02/12/09 (S) Heard & Held  
02/12/09 (S) MINUTE(STA)  
02/19/09 (S) STA AT 9:00 AM BELTZ 211  
02/19/09 (S) Moved CSSB 79(STA) Out of Committee  
02/19/09 (S) MINUTE(STA)  
02/20/09 (S) STA RPT CS 5DP NEW TITLE  
02/20/09 (S) DP: MENARD, FRENCH, MEYER, PASKVAN,  
KOOKESH  
03/03/09 (S) L&C AT 1:30 PM BELTZ 211

BILL: SB 80

SHORT TITLE: EXTENDING VETERINARY BOARD

SPONSOR(s): SENATOR(s) MEYER

01/26/09 (S) READ THE FIRST TIME - REFERRALS  
01/26/09 (S) L&C, FIN  
03/03/09 (S) L&C AT 1:30 PM BELTZ 211

**WITNESS REGISTER**

CONRAD JACKSON

Staff to Representative Olson

Alaska State Legislature

Juneau, AK

**POSITION STATEMENT:** Commented on SB 104 for the sponsor.

LINDA HALL, Director

Division of Insurance

Department of Commerce, Community & Economic Development (DCCED)

**POSITION STATEMENT:** Supported SB 104.

TREVOR FULTON  
Staff to Senator McGuire  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Commented on SB 79 for the sponsor.

MARK DRYGAS, President  
Alaska Professional Firefighters Association

**POSITION STATEMENT:** Supported SB 79.

SENATOR MEYER  
Alaska State Legislature  
Juneau, AK

**POSITION STATEMENT:** Sponsor of SB 80.

JENNIFER STRICKLER, Licensing Chief  
Division of Corporations, Business and Professional Licensing  
Department of Commerce, Community & Economic Development (DCCED)

**POSITION STATEMENT:** Supported SB 80.

#### **ACTION NARRATIVE**

[1:58:48 PM](#)

**CHAIR JOE PASKVAN** called the Senate Labor and Commerce Standing Committee meeting to order at 1:58 p.m. Present at the call to order were Senators Davis, Meyer and Paskvan.

#### **HB 104-WORKERS COMP. MEDICAL TREATMENT FEES**

[2:00:30 PM](#)

CHAIR PASKVAN announced HB 104 to be up for consideration.

CONRAD JACKSON, staff to Representative Olson, sponsor of HB 104, explained that this bill has a zero fiscal note.

LINDA HALL, Director, Division of Insurance, Department of Commerce, Community & Economic Development (DCCED), said that this is a time-sensitive bill. On March 31 of this year the medical fee schedule cap expires, which would mean there is a potential for no limit on the medical fee portions of the workers' compensation benefits.

The first item in their packets is a technical analysis of the sunset done by the National Council on Compensation. She

referred them to the last page, which showed the impact of this expiration. The Council is the statistical agent that does the filings of the workers compensation loss costs with her division. They have estimated a minimum impact of plus 5.2 percent. That is already in the filing that she has approved effective January 1. She is hoping if they can pass this bill and put this cap back, there can be some reduction in workers' compensation premium.

MS. HALL said most of the rest of their packets are illustrative of the fact that Alaska for the last three years has been number one in the country in workers' compensation premiums. These premiums are a burden on employers; they are dropping health insurance and not doing wage increases. There are comparisons on how Alaska is higher than the national average in the percentage of benefits in the workers' compensation system that go to medical cost. This bill is not a permanent solution; it is a patch. It would cap the fee schedule with the consumer price index (CPI), also in their packet.

CHAIR PASKVAN closed public testimony.

SENATOR MEYER thanked Ms. Hall for her work and said he is comfortable with the bill.

[2:06:01 PM](#)

SENATOR MEYER moved to report HB 104 from committee with individual recommendations and attached fiscal note. There were no objections and it was so ordered.

CHAIR PASKVAN announced an at ease at approximately 2:06.

**SB 79-MED BENEFITS OF DISABLED PEACE OFFICERS**

[2:07:51 PM](#)

CHAIR PASKVAN called the meeting back to order at 2:07 and announced SB 79 to be up for consideration. CSSB 79(STA) version S was before the committee.

TREVOR FULTON, staff to Senator McGuire, sponsor of SB 79, explained that it addresses an odd situation in statute where a public safety employee who is disabled in their 20-25 years of service does not receive major medical coverage. If they are disabled between their 1-19<sup>th</sup> year, they do receive that coverage and if they are disabled after that 25<sup>th</sup> year, they also receive that coverage. So, they have been calling it a "PERS gap."

Public peace officers shouldn't have to deal with this because of the service they give back to the state.

[2:09:46 PM](#)

He said the Alaska Professional Firefighters Association and the Public Safety Employees Association have sent letters of support for SB 79 and they are expecting one from the Correctional Officers Association.

The State Affairs Committee made one change making the provisions retroactive to make sure they included those who may have slipped through that gap already.

SENATOR MEYER asked if village safety officers (VPSO) are covered under the bill and if it had a definition of police officer.

MR. FULTON answered that VPSOs are not covered in the bill; line 15 on page 2 references 20 years of credited service as a peace officer under AS 39.35.360 and .370.

CHAIR PASKVAN noted that the definition is found in AS 39.35.680(30); that includes peace officers, correctional officers, firefighters, as well as others, but not VPSOs.

MARK DRYGAS, President, Alaska Professional Firefighters Association, supported SB 79 and offered to answer questions.

CHAIR PASKVAN closed public testimony.

SENATOR DAVIS said she had heard the bill before and supported moving it from committee. She moved to report CSSB 79(STA) from committee with individual recommendations and attached fiscal note(s). There being no objection, the motion carried.

At ease at 2:16 p.m.

### **SB 80-EXTENDING VETERINARY BOARD**

[2:16:55 PM](#)

CHAIR PASKVAN announced SB 80 to be up for consideration.

SENATOR MEYER, sponsor of SB 80, said this bill extends the sunset for the Board of Veterinary Examiners (BVE) to June 30, 2017. The board is responsible for controlling and regulating the practice of veterinary medicine in Alaska, which is very important to this state. They make sure that over 290 licensed

veterinarians and over 100 veterinarian technicians in the state are competent, capable and maintain the high integrity of the profession.

The Division of Legislative Audit recommends extending the BVE termination date to June 30, 2017.

[2:19:10 PM](#)

JENNIFER STRICKLER, Licensing Chief, Division of Corporations, Business and Professional Licensing, Department of Commerce, Community & Economic Development (DCCED), said hers is the centralized licensing agency responsible for providing support to the BVE. She concurred with the Division of Legislative Audit's report. This board has been very responsive to its licensees, its applicants and to the division's concerns.

CHAIR PASKVAN closed public testimony.

[2:20:38 PM](#)

SENATOR DAVIS moved to report SB 80 from committee with individual recommendations. There being no objection, the motion carried.

[2:21:18 PM](#)

There being no further business to come before the committee, Chair Paskvan adjourned the meeting at 2:21 p.m.