

**SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 5**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES MILLETT, Kawasaki, Kito, Gara, Drummond, Kopp, Westlake

Introduced: 1/18/17

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to payment of health benefit premiums for a surviving spouse and**  
2 **dependent child of certain peace officers and firefighters who die in the line of duty; and**  
3 **providing for an effective date."**

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

5 \* **Section 1.** AS 44.41.020 is amended by adding a new subsection to read:

6 (g) The Department of Public Safety shall: manage and administer the line-of-  
7 duty-death survivor health benefit fund established in AS 44.41.070. The Department  
8 of Public Safety shall establish standardized procedures and forms for use in  
9 administering the line-of-duty-death survivor health benefit fund.

10 \* **Sec. 2.** AS 44.41 is amended by adding new sections to read:

11 **Sec. 44.41.070. Line-of-duty-death survivor health benefit fund.** (a) The  
12 line-of-duty-death survivor health benefit fund is established as a separate fund in the  
13 Department of Public Safety. The fund consists of appropriations made to the fund by  
14 the legislature and donations made to the fund. Money appropriated to the fund does

1 not lapse. The Department of Public Safety may hold the principal and earnings of the  
 2 fund for the purpose of reimbursing the union health trust for the cost of health benefit  
 3 premiums for eligible survivors of peace officers and firefighters who die in the line of  
 4 duty.

5 (b) Upon application by a person claiming benefits under this section, the  
 6 commissioner of public safety shall determine if the applicant is a survivor eligible to  
 7 receive fund proceeds for health benefits.

8 (c) If eligibility is established, the first fund payment shall be made for the  
 9 month following the month in which the survivor applies for fund proceeds and  
 10 payment shall stop the month after eligibility ends under (e) of this section.

11 (d) Except as provided in (e) of this section, the following persons are eligible  
 12 for fund proceeds for health benefit coverage under this section:

13 (1) the surviving spouse of a deceased, state-employed peace officer or  
 14 firefighter who died in the line of duty;

15 (2) the dependent children of a deceased, state-employed peace officer  
 16 or firefighter who died in the line of duty.

17 (e) The commissioner of public safety may make expenditures from the fund  
 18 to reimburse the union health trust fund for eligible survivor health benefit premiums  
 19 until

20 (1) a surviving spouse becomes eligible to receive health or medical  
 21 benefits through employment or other means, or becomes eligible to receive system-  
 22 paid medical benefits through the public employee's retirement system (AS. 39.35), or  
 23 until the survivor reaches 65 years of age, whichever comes first;

24 (2) a dependent child becomes eligible to receive health or medical  
 25 benefits through employment or other means or reaches 26 years of age, whichever  
 26 comes first.

27 (f) The fund may be used to pay the management and administrative expenses  
 28 incurred by the Department of Public Safety in administering this section.

29 (g) Money appropriated to the fund may be spent for the purposes of the fund  
 30 without further appropriation.

31 (h) Nothing in this section creates a dedicated fund.

1 (i) The Department of Public Safety may adopt regulations necessary to carry  
2 out the provisions of this section.

3 (j) In this section,

4 (1) "died in the line of duty" has the meaning given to "line-of-duty-  
5 death" in this section;

6 (2) "firefighter" means an airport police and fire officer or a deputy fire  
7 marshal employed by the state;

8 (3) "fund" means the line-of-duty-death survivor health benefit fund;

9 (4) "line-of-duty-death" means the death of a peace officer or  
10 firefighter employed by the state who died before the employee's retirement and  
11 before the employee's normal retirement date, and the proximate cause of death is a  
12 bodily injury sustained or a hazard undergone while in the performance and within the  
13 scope of the employee's duties, and the injury or hazard is not the proximate result of a  
14 wilful negligence of the employee;

15 (5) "peace officer" means a trooper, court service officer, or airport  
16 police and fire officer employed by the state;

17 (6) "survivor" means the surviving spouse or dependent children of a  
18 peace officer or firefighter who died in the line of duty;

19 (7) "union health trust" means the health trust maintained by the union  
20 that formerly provided health benefits to the peace officer or firefighter who died in  
21 the line of duty.

22 **Sec. 44.41.072. Local government election to participate in line-of-duty-**  
23 **death survivor health benefit fund.** (a) The commissioner may, from time to time,  
24 enter into an agreement under AS 44.41.076 to allow a municipality to participate in  
25 the fund, if the municipality elects to participate. If a municipality elects to participate  
26 in the fund, the commissioner shall determine the amount and frequency of  
27 contributions the municipality is required to make to the fund based on the anticipated  
28 cost of the municipality's participation, including the department's cost of  
29 administering the agreement under this subsection.

30 (b) The commissioner shall administer agreements entered into under (a) of  
31 this section.

1 (c) The surviving spouse or dependent child of a peace officer or firefighter  
 2 who died while employed by a municipality is not eligible for reimbursement under  
 3 the fund unless the municipality elects to participate in the fund and is in compliance  
 4 with an agreement entered into under (a) of this section.

5 **Sec. 44.41.074. Eligibility of municipal peace officers and firefighters.** (a)  
 6 Notwithstanding AS 44.41.072(c), the surviving spouse or dependent child of a peace  
 7 officer or firefighter who was employed by a municipality may be determined eligible  
 8 for reimbursement under the fund if, at the time of death,

9 (1) the municipality elected to participate in the fund and was in  
 10 compliance with the terms of an agreement entered into under AS 44.41.072(a); and

11 (2) the peace officer or firefighter was a member of the Public  
 12 Employees' Retirement System of Alaska (AS 39.35) and not eligible for normal  
 13 retirement from that system.

14 (b) The commissioner may determine that a surviving spouse or surviving  
 15 dependent child of a peace officer or firefighter employed by a municipality who  
 16 would otherwise be eligible for reimbursement under AS 44.41.072 is ineligible and  
 17 deny reimbursement until the commissioner determines all requirements of the  
 18 agreement are satisfied if a municipality enters into an agreement under  
 19 AS 44.41.072(a) and fails to meet a requirement of that agreement, including a  
 20 requirement under AS 44.41.076.

21 **Sec. 44.41.076. Terms of agreement by municipality to participate in fund.**  
 22 An agreement under AS 44.41.072(a) for a municipality to participate in the fund must  
 23 require that the municipality

24 (1) contribute to the fund as determined by the commissioner under  
 25 AS 44.41.072(a);

26 (2) is current with contributions required under this section; and

27 (3) complies with applicable regulations adopted by the commissioner.

28 **Sec. 44.41.079. Definitions.** In AS 44.41.070 - 44.41.079,

29 (1) "commissioner" means the commissioner of public safety or the  
 30 commissioner's designee;

31 (2) "department" means the Department of Public Safety;

1                   (3) "dependent child" means an unmarried child of an employee,  
 2 including an adopted child, who is dependent on the employee for support and who is  
 3 either (A) under 19 years of age or (B) under 26 years of age and enrolled on a full-  
 4 time basis in an accredited educational or technical institution recognized by the  
 5 Alaska Commission on Postsecondary Education; age restrictions under this paragraph  
 6 do not apply to a child who is totally and permanently disabled;

7                   (4) "firefighter" means a person who is employed by the fire  
 8 department of a municipality that is bound by an agreement under AS 44.41.025(a);

9                   (5) "fund" means the line-of-duty-death survivor health benefit fund  
 10 established in AS 44.41.070;

11                   (6) "peace officer" means a person who is employed by the police  
 12 department of a municipality that is bound by an agreement under AS 44.41.072(a).

13   \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
 14 read:

15           TRANSITION: REGULATIONS. The commissioner of public safety may adopt  
 16 regulations necessary to implement secs. 1 and 2 of this Act. The regulations take effect under  
 17 AS 44.62 (Administrative Procedure Act), but not before the effective date of secs. 1 and 2 of  
 18 this Act.

19   \* **Sec. 4.** Section 3 of this Act takes effect immediately under AS 01.10.070(c).

20   \* **Sec. 5.** Except as provided in sec. 4 of this Act, this Act takes effect July 1, 2017.