

SENATE BILL NO. 48

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY SENATORS COGHILL, Giessel, Stevens, Micciche, Gardner, Hughes, Begich, Olson, Wilson, Meyer, Kelly, Bishop

Introduced: 2/3/17

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act creating a fund in the Department of Public Safety; providing for payment of**
2 **certain medical insurance premiums for surviving dependents of certain police officers**
3 **or firefighters who die in the line of duty; and providing for an effective date."**

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

5 * **Section 1.** AS 39 is amended by adding a new chapter to read:

6 **Chapter 60. Police Officer and Firefighter Survivors' Fund.**

7 **Sec. 39.60.010. Police officer and firefighter survivors' fund established.**

8 (a) The police officer and firefighter survivors' fund is established in the general fund
9 for the purpose of paying medical insurance premiums for an eligible surviving spouse
10 or dependent child of a police officer or a firefighter. The department may make
11 premium payments from the fund to the medical insurance provider for the former
12 employer of the deceased police officer or firefighter.

13 (b) The department shall create the following two separate accounts in the
14 fund:

1 (1) a state employee survivor account that consists of

2 (A) appropriations to the account;

3 (B) donations to the account; and

4 (2) a municipal employee survivor account that consists of

5 (A) municipal contributions under AS 39.60.060;

6 (B) appropriations to the account; and

7 (C) donations to the account.

8 (c) The legislature may appropriate money to the fund. Money in the fund
9 does not lapse.

10 (d) Money appropriated to the fund may be spent for purposes of the fund
11 without further appropriation.

12 (e) Nothing in this section creates a dedicated fund.

13 **Sec. 39.60.020. Powers and duties of the commissioner.** (a) Annually, not
14 later than June 30, the commissioner shall determine the amount of money sufficient
15 to pay premiums under AS 39.60.030 and the associated administrative costs.

16 (b) The commissioner shall adopt regulations to implement this chapter.

17 **Sec. 39.60.030. Payment authorized.** The commissioner may use money in
18 the fund to pay medical insurance premiums for a surviving dependent who is eligible
19 under AS 39.60.040 and to pay the department's costs associated with administering
20 the fund. The state employee survivor account and the municipal employee survivor
21 account shall be used to pay premiums for the respective surviving dependents.

22 **Sec. 39.60.040. Eligibility of surviving dependents of police officers and**
23 **firefighters for medical insurance premiums.** (a) A surviving dependent of a
24 deceased police officer or firefighter may apply to the commissioner for payment of
25 medical insurance premiums for a surviving dependent under AS 39.60.030. Not later
26 than 30 days after receiving the application, the commissioner shall determine whether
27 the surviving dependent is eligible under (b) of this section.

28 (b) A person who is a surviving dependent of an employee who was a police
29 officer or firefighter is eligible for premium payments under (a) of this section if

30 (1) at the time of death, the employee was a year-round, permanent
31 full-time employee of the state or a municipality that has elected to participate under

1 AS 39.60.050;

2 (2) at the time of death, the surviving dependent was receiving
3 employer-sponsored medical insurance benefits;

4 (3) the proximate cause of the employee's death is a bodily injury
5 sustained or a hazard undergone while in the performance and within the scope of the
6 employee's duties, as determined by the commissioner; and

7 (4) the injury or hazard is not the proximate result of wilful negligence
8 by the employee.

9 (c) A surviving spouse becomes ineligible for premium payments under this
10 section on the earlier of the date the surviving spouse

11 (1) becomes eligible to receive major medical insurance coverage by
12 other means; or

13 (2) reaches 65 years of age.

14 (d) Except for a child who is totally and permanently disabled, a child who
15 survives the employee becomes ineligible for premium payments under this section on
16 the earlier of the date the surviving dependent child

17 (1) becomes eligible to receive a major medical insurance coverage
18 benefit by other means; or

19 (2) reaches 26 years of age.

20 (e) If a person is determined eligible for premiums under this section, the
21 commissioner shall pay the premium for the level of medical insurance coverage
22 existing at the time of death beginning the first month following the date the surviving
23 dependent applied for fund payments and ending the first month following the date the
24 surviving dependent becomes ineligible under (c) or (d) of this section. Payment of
25 premiums shall be made to the applicable employer medical insurance provider.

26 **Sec. 39.60.050. Municipal election to participate in police officer and**
27 **firefighter survivors' fund.** (a) A municipality may elect to participate in the fund by
28 entering into an agreement with the commissioner that is consistent with
29 AS 39.60.070. If a municipality elects to participate in the fund, the commissioner
30 shall determine the amount and frequency of the municipality's required contributions
31 to the fund based on the anticipated cost of the municipality's participation, including

1 the department's cost of administering the agreement under this subsection.

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

4 (c) A surviving dependent of a police officer or firefighter who died while
5 employed by a municipality is not eligible for payments from the fund unless the
6 municipality elects to participate in the fund and is in compliance with an agreement
7 entered into under (a) of this section.

8 **Sec. 39.60.060. Eligibility of municipal police officers and firefighters.** (a)
9 Notwithstanding AS 39.60.050(c), the commissioner may determine that a surviving
10 dependent of a police officer or firefighter who was employed by a municipality is
11 eligible for payment under the fund if,

12 (1) immediately after the time of death, the municipality elected to
13 participate in the fund and is in compliance with the terms of an agreement entered
14 into under AS 39.60.050(a); and

15 (2) at the time of death, the police officer or firefighter was eligible for
16 and receiving employer-sponsored medical insurance.

17 (b) If a municipality enters into an agreement under AS 39.60.050(a) and fails
18 to meet a requirement of that agreement, including a requirement under AS 39.60.070,
19 the commissioner may determine that a surviving dependent of a police officer or
20 firefighter employed by a municipality who would otherwise be eligible for payments
21 from the fund under AS 39.60.040 is ineligible and deny payment from the fund until
22 the commissioner determines all requirements of the agreement are satisfied.

23 **Sec. 39.60.070. Terms of agreement by municipality to participate in fund.**
24 An agreement under AS 39.60.050(a) for a municipality to participate in the fund must
25 require that the municipality

26 (1) contribute to the fund as determined by the commissioner under
27 AS 39.60.050(a);

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

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

30 **Sec. 39.60.190. Definitions.** In this chapter,

31 (1) "child" means a biological child, adopted child, or stepchild of an

1 employee;

2 (2) "commissioner" means the commissioner of public safety or the
3 commissioner's designee;

4 (3) "department" means the Department of Public Safety;

5 (4) "dependent" means a surviving spouse or child of an employee;

6 (5) "firefighter" means an employee of the state or a municipality
7 employed to perform fire response services;

8 (6) "fund" means the police officer and firefighter survivors' fund
9 established in AS 39.60.010;

10 (7) "police officer" has the meaning given in AS 18.65.290;

11 (8) "surviving spouse" means the spouse of an employee who was
12 married to an employee at the time of the employee's death.

13 * **Sec. 2.** AS 44.41.020 is amended by adding a new subsection to read:

14 (g) The Department of Public Safety shall manage and administer the police
15 officer and firefighter survivors' fund established in AS 39.60.010 in cooperation with
16 the Department of Administration. The Department of Public Safety shall establish
17 standardized procedures and forms for use in administering the police officer and
18 firefighter survivors' fund.

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

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

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

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