

**HOUSE BILL NO. 245**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVE JOSEPHSON**

**Introduced: 1/20/26**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to workers' compensation tax rate and service fees; and relating to**  
2 **electronic service of workers' compensation documents."**

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

4 **\* Section 1.** AS 21.09.210(b) is amended to read:

5 (b) Each insurer, and each formerly authorized insurer with respect to  
6 premiums written while an authorized insurer in this state, shall pay a tax on the total  
7 direct premium written during the year ending on the preceding December 31 and paid  
8 for the insurance of property or risks resident or located in the state after deducting  
9 from the total direct premium income the applicable cancellations, returned premiums,  
10 the unabsorbed portion of any deposit premium, all policy dividends, unabsorbed  
11 premiums refunded to policyholders, refunds, savings, savings coupons, and other  
12 similar returns paid or credited to policyholders with respect to their policies.  
13 Deductions may not be made of cash surrender value of policies. Considerations  
14 received on annuity contracts are not included in the direct premium income and are

1 not subject to tax. The tax shall be paid to the director at least annually but not more  
 2 often than once each quarter on the dates specified by the director. The method of  
 3 payment must be by the electronic or other payment method specified by the director.  
 4 Except as provided under (m) of this section, the tax is computed at the rate of

5 (1) for domestic and foreign insurers, except hospital and medical  
 6 service corporations, 2.7 percent;

7 (2) for hospital and medical service corporations, six percent of their  
 8 gross premiums less claims paid;

9 (3) for wet marine and transportation insurance, three-quarters of one  
 10 percent;

11 **(4) for workers' compensation insurance, four percent.**

12 \* **Sec. 2.** AS 23.05.067(a) is amended to read:

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

18 (1) for each employer,

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

22 (B) the service fee is **a percentage** [2.9 PERCENT] of all  
 23 payments reported to the division of workers' compensation in the department  
 24 under AS 23.30.155(m) or (n), except second injury fund payments; and

25 (2) for each insurer, the director of the division of insurance shall,  
 26 under (e) of this section, deposit from funds received from the insurer under  
 27 AS 21.09.210 a service fee **consisting** of **a percentage** [2.5 PERCENT] of the direct  
 28 premium income for workers' compensation insurance received by the insurer during  
 29 the year ending on the preceding December 31, subject to all the deductions specified  
 30 in AS 21.09.210(b).

31 \* **Sec. 3.** AS 23.05.067 is amended by adding a new subsection to read:

1 (j) The board shall, by regulation, establish, annually review, and, if  
 2 necessary, adjust the percentages described in (a)(1) and (2) of this section. Each  
 3 percentage may not exceed four percent.

4 \* **Sec. 4.** AS 23.30.011(c) is amended to read:

5 (c) If an employee is entitled to the benefits of this chapter by reason of an  
 6 injury sustained in this state in employment by an employer who is domiciled in  
 7 another state and who has not secured the payment of compensation as required by  
 8 this chapter, the employer or the employer's carrier may file with the board a  
 9 certificate, issued by the commission or agency of the other state having jurisdiction  
 10 over workers' compensation claims, certifying that the employer has secured the  
 11 payment of compensation under the workers' compensation law of the other state and  
 12 that with respect to that injury the employee is entitled to the benefits provided under  
 13 that law. In that event

14 (1) the filing of the certificate shall constitute an appointment by the  
 15 employer or the employer's carrier of the board as the employer's agent for acceptance  
 16 of the service of process in a proceeding brought by the employee or the employee's  
 17 dependents to enforce the employee's or their rights under this chapter on account of  
 18 the injury;

19 (2) **if the employer or carrier is not represented by an authorized**  
 20 **representative as described in AS 23.30.110(d),** the board shall send to the employer  
 21 or carrier, by [REGISTERED OR] certified mail to the address shown on the  
 22 certificate, a true copy of any notice of claim or other process served on the director by  
 23 the employee or the employee's dependents in any proceeding brought to enforce the  
 24 employee's or their rights under this chapter, **unless the employer or carrier agrees**  
 25 **to be served by electronic mail; if the employer or carrier is represented by an**  
 26 **authorized representative as described in AS 23.30.110(d), the board shall send**  
 27 **the document to the employer's or carrier's authorized representative by**  
 28 **electronic mail;**

29 (3) if the employer is a qualified self-insurer under the workers'  
 30 compensation law of the other state, the employer, upon submission of evidence  
 31 satisfactory to the board of the employer's ability to meet the employer's liability to the

1 employee under this chapter, shall be considered to be a qualified self-insurer under  
2 this chapter;

3 (4) if the employer's liability under the workers' compensation law of  
4 another state is insured, the employer's carrier, as to the employee or the employee's  
5 dependents only, shall be considered to be an insurer authorized to write insurance  
6 under and be subject to this chapter; however, unless its contract with the employer  
7 requires it to pay an amount equivalent to the compensation benefits provided by this  
8 chapter, its liability for income benefits or medical and related benefits may not  
9 exceed the amounts of the benefits for which the insurer would have been liable under  
10 the workers' compensation law of the other state;

11 (5) if the amount for which the employer's insurance is liable under (3)  
12 and (4) of this subsection is less than the total of the compensation benefits to which  
13 the employee is entitled under this chapter, the board may, if it considers it necessary,  
14 require the employer to file security satisfactory to the board to secure the payment of  
15 benefits due the employee or the employee's dependents under this chapter; and

16 (6) upon compliance with the preceding requirements of this  
17 subsection, the employer, as to the employee only, shall be considered to have secured  
18 the payment of compensation under this chapter.

19 \* **Sec. 5.** AS 23.30.107(a) is amended to read:

20 (a) Upon written request, an employee shall provide written authority to the  
21 employer, carrier, rehabilitation specialist, or reemployment benefits administrator to  
22 obtain medical and rehabilitation information relative to the employee's injury. The  
23 request must include notice of the employee's right to file a petition for a protective  
24 order with the division and, **if the employee is not represented by an authorized**  
25 **representative as described in AS 23.30.110(d),** must be served by certified mail to  
26 the employee's address on the notice of injury or by hand delivery to the employee,  
27 **unless the employee agrees to be served by electronic mail. If the employee is**  
28 **represented by an authorized representative as described in AS 23.30.110(d), the**  
29 **notice must be served on the employee's authorized representative by electronic**  
30 **mail.** This subsection may not be construed to authorize an employer, carrier,  
31 rehabilitation specialist, or reemployment benefits administrator to request medical or

1 other information that is not applicable to the employee's injury.

2 \* **Sec. 6.** AS 23.30.110(b) is amended to read:

3 (b) Within 10 days after a claim is filed the board, in accordance with its  
4 regulations, shall notify the employer and any other person, other than the claimant,  
5 whom the board considers an interested party that a claim has been filed. **If the**  
6 **person is not represented by an authorized representative as described in (d) of**  
7 **this section, the board shall serve the** [THE] notice **on** [MAY BE SERVED  
8 PERSONALLY UPON] the employer or other person **either personally** [,] or [SENT]  
9 by **certified** [REGISTERED] mail, **unless the person agrees to be served by**  
10 **electronic mail. If the person is represented by an authorized representative as**  
11 **described in (d) of this section, the board shall serve the notice on the person's**  
12 **authorized representative by electronic mail.**

13 \* **Sec. 7.** AS 23.30.110(c) is amended to read:

14 (c) Before a hearing is scheduled, the party seeking a hearing shall file a  
15 request for a hearing together with an affidavit stating that the party has completed  
16 necessary discovery, obtained necessary evidence, and is prepared for the hearing. An  
17 opposing party shall have 10 days after the hearing request is filed to file a response. If  
18 a party opposes the hearing request, the board or a board designee shall within 30 days  
19 of the filing of the opposition conduct a pre-hearing conference and set a hearing date.  
20 If opposition is not filed, **the board shall schedule** a hearing **not** [SHALL BE  
21 SCHEDULED NO] later than 60 days after the receipt of the hearing request. The  
22 board shall give each party at least 10 days' notice of the hearing. **If the party is not**  
23 **represented by an authorized representative as described in (d) of this section,**  
24 **the board shall serve the hearing notice** [,] either personally or by certified mail,  
25 **unless the party agrees to be served by electronic mail. If the party is represented**  
26 **by an authorized representative as described in (d) of this section, the board shall**  
27 **serve the hearing notice on the party's authorized representative by electronic**  
28 **mail.** After a hearing has been scheduled, the parties may not stipulate to change the  
29 hearing date or to cancel, postpone, or continue the hearing, except for good cause as  
30 determined by the board. After completion of the hearing the board shall close the  
31 hearing record. If a settlement agreement is reached by the parties less than 14 days

1 before the hearing, the parties shall appear at the time of the scheduled hearing to state  
 2 the terms of the settlement agreement. [WITHIN 30 DAYS AFTER THE HEARING  
 3 RECORD CLOSES, THE BOARD SHALL FILE ITS DECISION.] If the employer  
 4 controverts a claim on a board-prescribed controversion notice and the employee does  
 5 not request a hearing within two years following the filing of the controversion notice,  
 6 the claim is denied.

7 \* **Sec. 8.** AS 23.30.110(d) is amended to read:

8 (d) At the hearing the claimant and the employer may each present evidence in  
 9 respect to the claim. **A person** [AND] may **represent a party in a matter pending**  
 10 **before the board if the party authorizes the representation** [BE REPRESENTED  
 11 BY ANY PERSON AUTHORIZED] in writing [FOR THAT PURPOSE]. **The**  
 12 **authorized representative shall file a written notice of appearance with the board**  
 13 **and shall serve a copy of the notice on all parties. The notice must be in a format**  
 14 **prescribed by the director and include the representative's electronic mail**  
 15 **address and other information prescribed by the board in regulation.**

16 \* **Sec. 9.** AS 23.30.110(e) is repealed and reenacted to read:

17 (e) Within 30 days after the hearing record closes, the board shall file the  
 18 board's decision electronically in the office of the board and serve a copy of the  
 19 decision on each party. If a party is not represented by an authorized representative as  
 20 described in (d) of this section, the board shall serve the decision by certified mail to  
 21 the party's last known address, unless the party agrees to be served by electronic mail.  
 22 If the party is represented by an authorized representative as described in (d) of this  
 23 section, the board shall serve a copy of the decision on the party's authorized  
 24 representative by electronic mail.