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IN THE SENATE

BY SENATOR ORBECK

SENATE BILL NO. 177

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIRST LEGISLATURE SECOND SESSION

A BILL

For an Act entitled: "An Act amending Sec. 32, Chapter 193, S.L.A. 1959; and providing an effective date."

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

Section 32, Chapter 193, S.L.A., 1959 is hereby amended to read as follows:

Sec. 32. Second Injury Fund. (1) There is hereby created a Second Injury Fund, to be administered by the Commissioner of Labor in accordance with the orders and awards of the Board.

(2) Whenever an employee shall suffer a compensable injury which results in permanent partial disability the employer, or his insurance carrier, shall, in addition to the compensation provided for, pay into the second injury fund a lump sum, equal to two per centum (2%) of the total compensation to which the employee is entitled for the said permanent partial disability, the said sum to be paid into such second injury fund as soon as the total amount of the permanent partial disability payable for the particular injury is determined by the Board. In those cases where such deceased employee was, at the time of his or her death un-married, and leaves no children, nor dependents, the employer shall be required to pay to the Second Injury Fund the sum of \$1,500.00 for the sole benefit of those entitled to participation as hereafter provided. Provided, however, the provision of this subsection shall be waived in and during any calendar year when

1 the encumbered balance in the second injury fund is equal to or  
2 exceeds the sum of \$100,000.00 on January 1 of said year.

3 (3) The sums required to be paid into the second injury  
4 fund shall be paid for the sole benefit of those entitled to  
5 participate therein under the provisions of this Act, the same  
6 to be paid by the Commissioner of Labor in accordance with the  
7 orders and awards of the Board.

8 (4) In case a deposit or payment has been made into such  
9 second injury fund, and it is later shown that there are other  
10 beneficiaries or that the beneficiaries designated are entitled  
11 to further or greater benefits, or, if deposit or payment has  
12 been made by mistake or inadvertence or under such circumstances  
13 that justice requires a refund thereof, the Board is hereby  
14 authorized to refund such deposit or payment.

15 (5) The Board is authorized to direct and provide the  
16 vocational retraining and rehabilitation of permanently disabled  
17 persons, whose condition is a result of an injury compensable  
18 under this Act, by making cooperative arrangements with insur-  
19 ance carriers, private organizations and institutions or State,  
20 Federal or Territorial agencies. The expense of such retraining  
21 or rehabilitation shall be paid out of that portion of the  
22 second injury fund as shall exceed the sum of Ten Thousand  
23 (\$10,000.00) Dollars. Such persons shall be entitled to receive  
24 compensation from the second injury fund for maintenance, in  
25 such sum as the Board deems necessary, during the period of  
26 retraining and rehabilitation, not exceeding /\$50.00/\$100.00  
27 per month; Provided, however, that the total expenditures for  
28 maintenance, training, rehabilitation and necessary transporta-  
29 tion shall not exceed /\$3,000.00/\$5,000.00 for any one person.

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(6) All amounts collected as civil penalties provided in this Act shall be paid into the second injury fund.

EFFECTIVE DATE. This Act shall become effective upon its passage and approval or upon its becoming law without such approval.