

1 IN THE SENATE

BY SENATOR ORBECK

2

SENATE BILL NO. 177

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIRST LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to Alaska Workmen's Com-  
7 pensation amending Sec. 32, Chapter 193,  
8 SLA 1959; and providing for an effective  
9 date."

10

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

11

Section 1. Section 32, Chapter 193, SLA 1959 is hereby

12

amended to read as follows:

13

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

17

(2) Whenever an employee shall suffer a compensable  
18 injury which results in permanent partial disability the  
19 employer, or his insurance carrier, shall, in addition to the  
20 compensation provided for, pay into the second injury fund a  
21 lump sum, equal to two per centum (2%) of the total compen-  
22 sation to which the employee is entitled for the said permanent  
23 partial disability, the said sum to be paid into such second  
24 injury fund as soon as the total amount of the permanent  
25 partial disability payable for the particular injury is deter-  
26 mined by the Board. In those cases where an employee suffers  
27 death under this Act and was, at the time of his or her death  
28 un-married, and leaves no children, nor dependents, the  
29 employer shall be required to pay to the Second Injury Fund

1 the sum of \$1,500.00 for the sole benefit of those entitled to  
2 participation, as hereafter provided. Provided, however, the  
3 provision of this subsection shall be waived in and during any  
4 calendar year when the encumbered balance in the second injury  
5 fund is equal to or exceeds the sum of \$100,000.00 on January  
6 1 of said year.

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

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

19 (5) The Board is authorized to direct and provide the  
20 vocational retraining and rehabilitation of permanently dis-  
21 abled persons, whose condition is a result of an injury com-  
22 pensable under this Act, by making cooperative arrangements  
23 with insurance carriers, private organizations and institutions  
24 or State, Federal or Territorial agencies. The expense of such  
25 retraining or rehabilitation shall be paid out of that portion  
26 of the second injury fund as shall exceed the sum of Ten  
27 Thousand (\$10,000.00) Dollars. Such persons shall be entitled  
28 to receive compensation from the second injury fund for  
29 maintenance, in such sum as the Board deems necessary, during

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

the period of retraining and rehabilitation, not exceeding  
\$100.00 [\$50.00] per month; Provided, however, that the total  
expenditures for maintenance, training, rehabilitation and  
necessary transportation shall not exceed \$5,000.00 [\$3,000.00]  
for any one person.

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

Sec. 2. EFFECTIVE DATE. This Act takes effect on the day  
after its passage and approval or on the day it becomes law without  
such approval.