

Introduced: 1/27/76  
Referred: Labor &  
Management

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

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2 HOUSE BILL NO. 662

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to workmen's compensation."

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

8 \* Section 1. AS 21.39 is amended by adding a new section to read:

9 Sec. 21.39.155. ASSIGNED RISK POOL. (a) The director may  
10 require carriers, as a condition of writing a line of insurance dealing  
11 with workmen's compensation, to participate in an assigned risk pool  
12 if the director finds that mandatory carrier participation is in the  
13 public interest.

14 (b) The assigned risk pool and the procedures to be followed in  
15 administering the pool shall be established by regulation.

16 \* Sec. 2. AS 23.30.130(a) is amended to read:

17 (a) Upon its own initiative, or upon the application of any  
18 party in interest on the ground of a change in conditions, including,  
19 for the purposes of sec. 177 of this chapter, a change in residence,  
20 or because of a mistake in its determination of a fact, the board may,  
21 before one year after the date of the last payment of compensation,  
22 whether or not a compensation order has been issued, or before one  
23 year after the rejection of a claim, review a compensation case in  
24 accordance with the procedure prescribed in respect of claims in sec.  
25 110 of this chapter. In accordance with sec. 110 of this chapter the  
26 board may issue a new compensation order which terminates, continues,  
27 reinstates, increases, or decreases the compensation, or award compen-  
28 sation.

29 \* Sec. 3. AS 23.30.172 is amended to read:

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1           Sec. 23.30.172. BENEFIT ADJUSTMENTS. Benefits for temporary and  
2 permanent disability shall be calculated under this chapter according  
3 to the benefit rates existing at the time of injury and shall increase  
4 at the same time as and in proportion to increases in the state's  
5 average weekly wage as computed under sec. 175 of this chapter; however,  
6 these increases in benefits are allowed only on permanent total dis-  
7 ability cases, or temporary total disability cases which have existed  
8 for at least two years, and on which weekly compensation is still  
9 being paid in accordance with statutes in effect at the time of injury  
10 [CURRENTLY EXISTING BENEFIT RATES REGARDLESS OF THE BENEFIT RATES IN  
11 EXISTENCE AT THE TIME OF THE INJURY, UNLESS THIS CALCULATION WOULD  
12 CAUSE A DECREASE IN THE ACTUAL BENEFITS RECEIVABLE].

13 \* Sec. 4. AS 23.30.175 is amended by adding new subsections to read:

14           (c) The state average weekly wage is calculated based on the  
15 wages of all employees in the state, both public and private, who are  
16 covered by this chapter; however, this calculation shall include only  
17 base pay for not more than 40 hours per week for each employee.

18           (d) The commissioner shall adopt regulations defining the methods  
19 and procedures by which the state's average weekly wage is to be  
20 calculated for purposes of this chapter. In establishing a method of  
21 calculation, the commissioner shall consider:

22           (1) the methods used for calculating the state's average  
23 weekly wage for purposes of computing workmen's compensation benefits  
24 in other states, and

25           (2) the means of identifying and preventing distortions in  
26 the state's average weekly wage occasioned by seasonal employment or  
27 unusually large construction projects.

28 \* Sec. 5. AS 23.30 is amended by adding a new section to read:

29           Sec. 23.30.177. LOCATION ADJUSTMENTS BASED ON COST-OF-LIVING.

1 (a) If a person to whom or, for purposes of death benefits, on whose  
2 behalf weekly compensation payments are made under this chapter because  
3 of an injury, voluntarily changes his residence from this state or  
4 back to this state or from one state or territory to another state or  
5 territory, then the amount of the weekly compensation payments shall  
6 be adjusted as specified in this section.

7 (b) The weekly compensation payments made under this chapter in  
8 a given year because of an injury shall be adjusted for persons  
9 described in (a) of this section by comparing the consumer price index  
10 published by the Bureau of Labor Statistics of the United States  
11 Department of Labor at the beginning of that year for Anchorage,  
12 Alaska with the consumer price index for the urban area nearest the  
13 locality where the person has voluntarily chosen to reside and receive  
14 payment. The adjusted weekly compensation payment shall bear the same  
15 ratio to the unadjusted weekly compensation payment as the consumer  
16 price index for the urban area described in this subsection bears to  
17 the consumer price index for Anchorage, Alaska.

18 (c) Only one adjustment of the weekly compensation payments to  
19 a person described in (a) of this section need be made for each 13-  
20 week period after payments have commenced. If the board finds, before  
21 payments have commenced, that the person intends voluntarily to  
22 reside and receive the weekly compensation payments in a state or  
23 territory other than Alaska, then the board shall adjust the weekly  
24 compensation payments to that person before payments have commenced.

25 \* Sec. 6. AS 23.30.215(a) is repealed and re-enacted to read:

26 (a) If the injury causes death, the compensation is known as a  
27 death benefit and is payable as follows:

28 (1) reasonable and necessary funeral expenses not exceeding  
29 \$1,000;

1 (2) if there is a widow or widower or a child or children  
2 of the deceased, the following percentages of the average weekly wage  
3 of the deceased shall be paid, but in no case may the compensation  
4 exceed  $66\frac{2}{3}$  per cent of the average weekly wage, except as provided  
5 in (b) of this section:

6 (A)  $33\frac{1}{3}$  per cent for the widow or widower with no  
7 children;

8 (B)  $33\frac{1}{3}$  per cent for the widow or widower with one  
9 child and  $33\frac{1}{3}$  per cent for the child;

10 (C) 20 per cent for the widow or widower with two or  
11 more children and  $46\frac{2}{3}$  per cent divided equally among the  
12 children;

13 (D)  $33\frac{1}{3}$  per cent for an only child when there is no  
14 widow or widower;

15 (E)  $66\frac{2}{3}$  per cent divided equally among the children  
16 when there are two or more children and there is no widow or  
17 widower;

18 (3) if the widow or widower remarries, she or he is entitled  
19 to a single payment equal to two years of the weekly compensation paid  
20 on her or his account;

21 (4) if there is no widow or widower or child or children,  
22 then for the support of the deceased's father, mother, grandchildren,  
23 brothers and sisters, if actually dependent upon the deceased at the  
24 time of injury for more than 50 per cent of their support, 35 per cent  
25 of the average weekly wage of the deceased to those beneficiaries,  
26 divided equally.

27 \* Sec. 7. AS 23.30.215(b) is amended to read:

28 (b) In computing death benefits the average weekly wage of the  
29 deceased shall be computed under sec. 220 of this chapter and shall be

1 paid weekly [IN THE SAME MANNER] and subject to the same weekly maximum  
2 limitation in the aggregate as provided in sec. 175 of this chapter  
3 [TEMPORARY TOTAL DISABILITY COMPENSATION], but the total weekly compen-  
4 sation may not be less than \$45 for a widow or widower nor less than  
5 \$15 weekly to a child or \$30 for children.

6 \* Sec. 8. AS 23.30 is amended by adding a new section to read:

7       Sec. 23.30.225. SOCIAL SECURITY OFFSET. Where periodic disability  
8 benefits granted by the federal Old-age, Survivors, and Disability  
9 Insurance Act (P.L. 35-271) are payable because of an injury, the  
10 weekly benefits payable under this chapter shall be reduced, but not  
11 below zero, by an amount equal as nearly as practicable to one-half of  
12 the federal periodic benefits for a given week. However, if provisions  
13 of the federal Old-age, Survivors, and Disability Insurance Act are  
14 amended to provide for a reduction of benefits due to an injury because  
15 of compensation benefits payable under this chapter, then the reduction  
16 of compensation benefits provided in this section shall be decreased  
17 by an amount equal to the federal reduction.  
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