

Introduced: 3/7/79
Referred: Commerce and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 356

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a risk management and loss
7 prevention program in state government; and providing
8 for an effective date."

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

10 * Section 1. AS 44.21 is amended by adding a new section to read:

11 Sec. 44.21.070. RISK MANAGEMENT AND LOSS PREVENTION. (a) The
12 Department of Administration shall initiate and implement a risk
13 management and loss prevention program for all state departments,
14 agencies, boards and commissions, and regional educational attendance
15 areas, for the purpose of reducing risks, accidents, and losses. All
16 state departments, agencies, boards and commissions, and regional
17 educational attendance areas shall render the necessary cooperation
18 and assistance to the Department of Administration in the initiation,
19 implementation and operation of the risk management and loss prevention
20 program. Nothing in this section relieves state agencies from their
21 statutory responsibilities for safety and loss prevention enforcement
22 and training.

23 (b) There is established for all state departments, agencies,
24 boards and commissions a risk management fund to be administered by
25 the Department of Administration for the payment of insurance premiums,
26 uninsured losses, deductibles, advance payments of insured losses,
27 risk management service contracts, and other purposes consistent with
28 the risk management program and considered proper by the commissioner
29 of administration. Administration expenses of the risk management

1 program, including building improvements made and training programs
2 conducted as part of the loss prevention program, are to be funded
3 from the risk management fund and budgeted in accordance with the Ex-
4 ecutive Budget Act (AS 37.07). The department shall report to the
5 legislature twice annually all activities and balances of the fund.

6 (c) There is established for regional educational attendance
7 areas a risk management fund which is separate from the fund estab-
8 lished under (b) of this section. The risk management fund for the
9 regional educational attendance areas shall be administered by the De-
10 partment of Administration for the payment of insurance premiums, un-
11 insured losses, deductibles, advance payments of insured losses, risk
12 management service contracts, and other purposes consistent with the
13 risk management program and considered proper by the commissioner of
14 administration. Administration expenses of the risk management pro-
15 gram, including building improvements made and training programs con-
16 ducted as part of the loss prevention program, are to be funded from
17 the risk management fund and budgeted in accordance with the Executive
18 Budget Act (AS 37.07). The department shall report to the legislature
19 twice annually all activities and balances of the fund.

20 (d) The legislature may appropriate to the risk management funds
21 any amounts necessary to implement this section which may include but
22 need not be limited to amounts generated by third-party recoveries,
23 recoveries from the Second Injury Fund, premium receipts, insurance
24 proceeds and interest, and other returns from investment of the fund.

25 (e) Unless otherwise expressly provided, money appropriated to
26 a risk management fund is not a one-year appropriation under AS 37.25.-
27 010, and any amount which is appropriated but not required for the
28 purposes of the fund in a particular fiscal year remains available for
29 spending in succeeding years.

1 * Sec. 2. AS 14.40 is amended by adding a new section to read:

2 Sec. 14.40.297. RISK MANAGEMENT AND LOSS PREVENTION. (a) The
3 University of Alaska shall initiate and implement a risk management
4 and loss prevention program for the purpose of reducing risks, acci-
5 dents and losses. The Department of Administration may provide assis-
6 tance in the implementation and operation of the program as requested
7 by the University of Alaska.

8 (b) There is established for the University of Alaska a risk
9 management fund for the payment of insurance premiums, uninsured
10 losses, deductibles, advance payments of insured losses, risk manage-
11 ment service contracts, and other purposes consistent with the risk
12 management program. Administration expenses of the risk management
13 program, including building improvements made and training programs
14 conducted as part of the loss prevention program, are to be funded
15 from the risk management fund and budgeted in accordance with the Ex-
16 ecutive Budget Act (AS 37.07). The university shall report to the
17 legislature twice annually all activities and balances of the fund.

18 (c) The legislature may appropriate to the risk management fund
19 any amounts necessary to implement this section which may include but
20 need not be limited to amounts generated by third-party recoveries,
21 recoveries from the Second Injury Fund, premium receipts, insurance
22 proceeds and interest, and other returns from investment of the fund.

23 (d) Unless otherwise expressly provided, money appropriated to
24 the risk management fund is not a one-year appropriation under AS 37.-
25 25.010, and any amount which is appropriated but not required for the
26 purposes of the fund in a particular fiscal year remains available for
27 spending in succeeding years.

28 * Sec. 3. This Act takes effect July 1, 1979.
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