

Original sponsor: Rules/Governor

Offered: 5/5/80  
Referred: Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

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CS FOR HOUSE BILL NO. 356

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

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

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

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

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Sec. 44.21.070. RISK MANAGEMENT AND LOSS PREVENTION. (a) The Department of Administration shall administer a risk management and loss prevention program for state departments, agencies, boards, commissions, and regional educational attendance areas for the purpose of reducing risks, accidents, and losses. State departments, agencies, boards and commissions, and regional educational attendance areas shall cooperate with the Department of Administration in the implementation of the risk management and loss prevention program.

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(b) There is established a risk management fund to be administered by the Department of Administration for the payment of insurance premiums, uninsured losses, deductibles, advance payments of insured losses, risk management service contracts for state departments, agencies, boards and commissions, and for other purposes consistent with the risk management and loss prevention program considered proper by the commissioner of administration. Administration expenses of the risk management and loss prevention program for state departments, agencies, boards and commissions are financed from the risk management fund established under this subsection and budgeted in accordance with the

1 Executive Budget Act (AS 37.07). The Department of Administration shall  
2 report to the legislature annually all activities and balances of the  
3 risk management fund.

4 (c) There is established a separate risk management fund for the  
5 regional educational attendance areas. The risk management fund for the  
6 regional educational attendance areas shall be administered by the  
7 Department of Administration for the payment of insurance premiums,  
8 uninsured losses, deductibles, advance payments of insured losses, risk  
9 management service contracts, and other purposes consistent with the  
10 risk management and loss prevention program considered proper by the  
11 commissioner of administration. Administration expenses of the risk  
12 management and loss prevention program for regional educational attend-  
13 ance areas are financed from the risk management fund established under  
14 this subsection and budgeted in accordance with the Executive Budget Act  
15 (AS 37.07). The Department of Administration shall report to the legis-  
16 lature annually all activities and balances of the risk management fund  
17 for regional educational attendance areas.

18 (d) The risk management funds established under (b) and (c) of  
19 this section consist of money appropriated by the legislature, money  
20 recovered from third parties, money recovered from the second injury  
21 fund, insurance proceeds and interest, other returns from investment of  
22 the fund and other money received by the Department of Administration  
23 under this section.

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

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

1           Sec. 14.40.297. RISK MANAGEMENT AND LOSS PREVENTION. (a) The  
2 University of Alaska shall administer a risk management and loss  
3 prevention program for the purpose of reducing risks, accidents and  
4 losses. The Department of Administration may provide assistance in the  
5 operation of the risk management and loss prevention program as re-  
6 quested by the University of Alaska.

7           (b) There is established for the University of Alaska a risk  
8 management fund for the payment of insurance premiums, uninsured losses,  
9 deductibles, advance payments of insured losses, risk management service  
10 contracts, and other purposes consistent with the risk management and  
11 loss prevention program. Administration expenses of the risk management  
12 and loss prevention program are financed from the risk management fund  
13 and budgeted in accordance with the Executive Budget Act (AS 37.07).  
14 The University of Alaska shall report to the legislature annually all  
15 activities and balances of the risk management fund.

16           (c) The risk management fund established under (b) of this section  
17 consists of money appropriated by the legislature, money recovered from  
18 third parties, money recovered from the second injury fund, insurance  
19 proceeds and interest, other returns from investment of the fund, and  
20 other money received by the University of Alaska.

21           (d) Unless otherwise expressly provided by law, money appropriated  
22 to the risk management fund is not a one-year appropriation under  
23 AS 37.25.010, and any amount which is appropriated to the risk manage-  
24 ment fund but not required for the purposes of the risk management fund  
25 for a fiscal year remains available for spending in succeeding years.

26           \* Sec. 3. Money appropriated to the Department of Administration for risk  
27 management and loss prevention which has not lapsed on the effective date of  
28 this Act shall be deposited in the appropriate risk management fund estab-  
29 lished under AS 44.21.070 as enacted in sec. 1 of this Act.

1 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-  
2 070(c).

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