

Introduced: 2/4/81  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 60

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a risk management and loss pre-  
7 vention 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 14.08.101 is amended by adding a new paragraph to read:  
11 (10) participate in the risk management program of the De-  
12 partment of Administration established under AS 44.21.070.

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

14 Sec. 14.40.297. RISK MANAGEMENT AND LOSS PREVENTION. (a) The  
15 University of Alaska shall initiate and implement a risk management  
16 and loss prevention program to reduce risks, accidents and losses.  
17 The Department of Administration may provide assistance to implement  
18 and operate the program as requested by the University of Alaska.

19 (b) There is established for the University of Alaska a risk  
20 management fund for the payment of insurance premiums, uninsured  
21 losses, deductibles, advance payments of insured losses, risk manage-  
22 ment service contracts, and other purposes consistent with the risk  
23 management program. All expenses of the risk management program, in-  
24 cluding building improvements made and training programs conducted as  
25 part of the loss prevention program, are to be financed from the risk  
26 management fund and budgeted in accordance with the Executive Budget  
27 Act (AS 37.07). The university shall report annually to the legisla-  
28 ture all activities and balances of the fund.

29 (c) The legislature may appropriate to the risk management fund

1 any amounts necessary to implement this section which may include but  
2 need not be limited to amounts received by the state from litigation  
3 or settlement of claims for damage relating to insured or uninsured  
4 losses to be paid from the risk management fund, and from interest and  
5 other returns from investment of the fund.

6 (d) Unless otherwise expressly provided, money appropriated to  
7 the risk management fund is not a one-year appropriation under AS 37.-  
8 25.010. Any amount which is appropriated but which is not required  
9 for the purposes of the fund in that fiscal year remains available for  
10 spending in succeeding fiscal years.

11 \* Sec. 3. AS 44.21.020 is amended by adding a new paragraph to read:

12 (13) administer the risk management funds established under  
13 AS 44.21.070 and assist in the administration of the risk management  
14 fund established for the University of Alaska under AS 14.40.297.

15 \* Sec. 4. AS 44.21 is amended by adding a new section to read:

16 Sec. 44.21.070. RISK MANAGEMENT AND LOSS PREVENTION. (a) The  
17 Department of Administration shall initiate and implement a risk man-  
18 agement and loss prevention program for all state departments, agencies,  
19 boards and commissions, and regional educational attendance areas, to  
20 reduce risks, accidents, and losses. All state departments, agencies,  
21 boards and commissions, and regional educational attendance areas shall  
22 render the necessary cooperation and assistance to the Department of  
23 Administration to initiate, implement, and operate the risk management  
24 and loss prevention program. Nothing in this section relieves state  
25 agencies from their statutory responsibilities for safety and loss pre-  
26 vention enforcement and training.

27 (b) There is established for all state departments, agencies,  
28 boards and commissions a risk management fund to be administered by  
29 the Department of Administration in accordance with AS 37.10 for the

1 payment of insurance premiums, uninsured losses, deductibles, advance  
2 payments of insured losses, risk management service contracts, and  
3 other purposes consistent with the risk management program and consid-  
4 ered proper by the commissioner of administration. The department  
5 shall transfer to an affected agency, as reimbursement for loss or  
6 damage, as needed for repair or replacement of lost or damaged prop-  
7 erty, money appropriated to the fund. All expenses of the risk manage-  
8 ment program, including building improvements made and training pro-  
9 grams conducted as part of the loss prevention program, are to be  
10 financed by the risk management fund and budgeted in accordance with  
11 the Executive Budget Act (AS 37.07). The department shall report  
12 annually to the legislature all activities and balances of the fund.

13 (c) There is established for regional educational attendance  
14 areas a risk management fund which is separate from but administered in  
15 the same manner as the fund established under (b) of this section. The  
16 risk management fund for the regional educational attendance areas  
17 shall be administered by the Department of Administration for the pay-  
18 ment of insurance premiums, uninsured losses, deductibles, advance pay-  
19 ments of insured losses, risk management service contracts, and other  
20 purposes consistent with the risk management program and considered  
21 proper by the commissioner of administration. All expenses of the risk  
22 management program, including building improvements made and training  
23 programs conducted as part of the loss prevention program, are to be  
24 financed by the risk management fund and budgeted in accordance with  
25 the Executive Budget Act (AS 37.07). The department shall report  
26 annually to the legislature all activities and balances of the fund.

27 (d) The legislature may appropriate to each risk management fund  
28 any amounts necessary to implement this section which may include but  
29 need not be limited to amounts received by the state from litigation or

1 settlement of claims for damage relating to insured or uninsured  
2 losses handled by each risk management fund, and from interest and  
3 other returns from investment of each fund by the commissioner of rev-  
4 enue in accordance with AS 37.10.070.

5 (e) Unless otherwise expressly provided, money appropriated to a  
6 risk management fund is not a one-year appropriation under AS 37.25.-  
7 010. Any amount which is appropriated but which is not required for  
8 the purposes of the fund in a fiscal year remains available for spend-  
9 ing in succeeding fiscal years.

10 \* Sec. 5. This Act takes effect July 1, 1981.