

Original Sponsor: Rules/Governor

Offered: 3/5/81  
Referred: Finance

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 60 (State Affairs)

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 for  
8 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 and loss prevention  
12 program of the Department of Administration established under AS 44.78.

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 may initiate and implement a risk management and  
16 loss prevention program to reduce risks, accidents, and losses if the  
17 Board of Regents finds that a risk management and loss prevention  
18 program is consistent with the management policies of the University of  
19 Alaska. The Department of Administration may provide assistance to  
20 implement and operate the risk management and loss prevention program  
21 if requested by the University of Alaska.

22 (b) If the Board of Regents finds under (a) of this section that  
23 the establishment of a risk management and loss prevention program is  
24 consistent with the management policies of the University of Alaska,  
25 the Board of Regents shall establish a risk management fund for the  
26 payment of insurance premiums, uninsured losses, deductibles, advance  
27 payments of insured losses, risk management service contracts, and  
28 other purposes consistent with the risk management program. All ex-  
29 penses of the risk management program, including building improvements

1 made and training programs conducted as part of the loss prevention  
2 program, shall be financed from the risk management fund and budgeted  
3 in accordance with the Executive Budget Act (AS 37.07). The university  
4 shall report annually to the legislature all activities and balances of  
5 the risk management fund.

6 (c) The legislature may appropriate to the risk management fund  
7 any amounts necessary to implement this section, including but not  
8 limited to amounts received by the state from litigation or settlement  
9 of claims for damage relating to insured or uninsured losses to be paid  
10 from the risk management fund, and interest and other returns from  
11 investment of the risk management fund.

12 (d) Unless otherwise expressly provided in the appropriation  
13 bill, money appropriated to the risk management fund is not a one-year  
14 appropriation under AS 37.25.010. An amount which is appropriated but  
15 which is not required for the purposes of the risk management fund in a  
16 fiscal year remains available for spending in succeeding fiscal years.

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

18 (13) administer the risk management fund established under  
19 AS 44.78 and assist in the administration of a risk management fund  
20 established by the University of Alaska under AS 14.40.297.

21 \* Sec. 4. AS 44 is amended by adding a new chapter to read:

22 CHAPTER 78. RISK MANAGEMENT AND LOSS PREVENTION.

23 Sec. 44.78.010. RISK MANAGEMENT AND LOSS PREVENTION. The Depart-  
24 ment of Administration shall initiate and implement a risk management  
25 and loss prevention program for all state departments, agencies, boards  
26 and commissions, and regional educational attendance areas, to reduce  
27 risks, accidents, and losses. All state departments, agencies, boards  
28 and commissions, and regional educational attendance areas shall cooper-  
29 ate and assist the department to initiate, implement, and operate the

1 risk management and loss prevention program.

2 Sec. 44.78.020. FUND ESTABLISHED. There is established a risk  
3 management fund for all state departments, agencies, boards and commis-  
4 sions. The risk management fund shall be administered by the depart-  
5 ment in accordance with AS 37.10 for the payment of insurance premiums,  
6 uninsured losses, deductibles, advance payments of insured losses, risk  
7 management service contracts, and other purposes consistent with the  
8 risk management and loss prevention program and considered proper by  
9 the commissioner of administration. The department shall transfer to  
10 an affected agency money appropriated to the risk management fund as  
11 reimbursement for loss or damage as it is needed for repair or replace-  
12 ment of lost or damaged property. All expenses of the risk management  
13 and loss prevention program, including building improvements made and  
14 training programs conducted as part of the risk management and loss  
15 prevention program, shall be financed by the risk management fund and  
16 budgeted in accordance with the Executive Budget Act (AS 37.07). The  
17 department shall report annually to the legislature all activities and  
18 balances of the fund.

19 Sec. 44.78.030. RISK MANAGEMENT FUND FOR REGIONAL EDUCATIONAL  
20 ATTENDANCE AREAS. There is established for regional educational attend-  
21 ance areas a risk management fund separate from but administered in the  
22 same manner as the fund established under AS 44.78.020. The risk  
23 management fund for the regional educational attendance areas shall be  
24 administered by the department for the payment of insurance premiums,  
25 uninsured losses, deductibles, advance payments of insured losses, risk  
26 management service contracts, and other purposes consistent with the  
27 risk management and loss prevention program and considered proper by  
28 the commissioner of administration. All expenses of the risk management  
29 and loss prevention program, including building improvements made and

1 training programs conducted as part of the risk management and loss  
2 prevention program, shall be financed by the risk management fund and  
3 budgeted in accordance with the Executive Budget Act (AS 37.07). The  
4 department shall report annually to the legislature all activities and  
5 balances of the fund.

6 Sec. 44.78.040. LEGISLATIVE APPROPRIATION TO FUNDS. The legis-  
7 lature may appropriate to each risk management fund established amounts  
8 which may be required under this chapter, including but not limited to  
9 amounts received by the state from litigation or settlement of claims  
10 for damage relating to insured or uninsured losses handled by each risk  
11 management fund, and from interest and other returns from investment of  
12 each fund by the commissioner of revenue in accordance with AS 37.10.-  
13 070.

14 Sec. 44.78.050. APPROPRIATIONS TO RISK MANAGEMENT FUND NOT TO  
15 LAPSE. Unless otherwise expressly provided in the Act making the  
16 appropriation, money appropriated to a risk management fund is not an  
17 appropriation under AS 37.25.010. An amount which is appropriated but  
18 which is not required for the purposes of the risk management fund in a  
19 fiscal year remains available for spending in succeeding fiscal years.

20 Sec. 44.78.060. STATE AGENCY RESPONSIBILITY. Nothing in this  
21 chapter relieves a state agency from its statutory responsibilities for  
22 safety and loss prevention enforcement and training.

23 Sec. 44.78.070. DEFINITION. In this chapter, "department" means  
24 the Department of Administration.

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