

Introduced: 2/4/81
Referred: Labor & Commerce and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 94

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Workers' Compensation
7 Board, and the second injury fund established under
8 the Alaska Workers' Compensation Act; and providing
9 for an effective date."

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

11 * Section 1, AS 23.30.005(a) is amended to read:

12 (a) The Alaska Workers' Compensation Board shall consist of nine
13 [~~SEVEN~~] members, including a southern panel of three members sitting
14 for the first judicial district, a northern panel of three members
15 sitting for the second and fourth judicial districts, [AND] a southcen-
16 tral panel of three members sitting for the third judicial district,
17 and one panel of three members sitting for all judicial districts.

18 Each panel shall include the commissioner of labor or his designated
19 representative, a representative of industry and a representative of
20 labor. The latter two members of each panel shall be appointed by the
21 governor. All panel members are subject to confirmation by a majority
22 of the members of the legislature in joint session.

23 * Sec. 2. AS 23.30.040 is repealed and re-enacted to read:

24 Sec. 23.30.040. SECOND INJURY FUND. (a) There is created a
25 second injury fund, administered by the commissioner of labor. Money
26 in the second injury fund may only be paid for the benefit of those
27 persons entitled to payment of benefits from the second injury fund
28 under this chapter. Payments from the second injury fund must be made
29 by the commissioner of labor in accordance with the orders and awards

1 of the board.

2 (b) If an employee suffers a compensable injury which results in
3 temporary total disability, temporary partial disability, permanent
4 partial disability, or permanent total disability, the employer or in-
5 surance carrier shall pay quarterly into the second injury fund a sum
6 equal to six percent of the compensation to which the employee is
7 entitled for temporary total disability, temporary partial disability,
8 permanent partial disability, permanent total disability, or for re-
9 habilitation under AS 23.30.191.

10 (c) If an employee suffers a compensable injury which results in
11 death and the employee is not survived by a widow, widower, child or
12 dependent relative eligible to receive death benefits under AS 23.-
13 30.215, the employer or insurance carrier shall pay \$10,000 to the
14 second injury fund.

15 (d) The board may refund a payment made into the second injury
16 fund if the employer or insurance carrier shows that it made the pay-
17 ment by mistake or inadvertence, or if it shows there existed at the
18 time of the death of the employee a beneficiary entitled to benefits
19 under AS 23.30.215.

20 (e) The board may direct and provide the vocational retraining
21 and vocational rehabilitation of a permanently disabled person whose
22 condition is a result of an injury compensable under this chapter by
23 making cooperative arrangements with insurance carriers, private orga-
24 nizations and institutions, or state or federal agencies. The person
25 being retrained or rehabilitated is entitled to receive compensation
26 from the second injury fund for maintenance during the period of re-
27 training and rehabilitation in the sum which the board considers ne-
28 cessary, not to exceed \$200 a month. The total expenditures for main-
29 tenance, retraining, rehabilitation, and necessary transportation may

1 not exceed \$10,000 for one person.

2 (f) All amounts collected as civil penalties under this chapter
3 must be paid into the second injury fund.

4 (g) The attorney general may investigate claims and hire expert
5 witnesses necessary to prevent fraudulent or excessive claims for
6 money in the second injury fund and, subject to an appropriation for
7 this purpose, may be reimbursed from the second injury fund for the
8 cost of investigating claims and defending against those claims.

9 (h) Administration expenses of the state under this section and
10 AS 23.30.205 must be paid from an appropriation from the second injury
11 fund.

12 (i) The provisions of (b) and (c) of this section do not apply
13 during a calendar year if the unencumbered balance of the second in-
14 jury fund on January 1 is equal to or exceeds \$600,000.

15 * Sec. 3. AS 23.30.045(c) is amended to read:

16 (c) For a person eligible for vocational rehabilitation service
17 under AS 23.15.080 [AND] who is placed with an employer for service
18 [WITHOUT WAGES] at the request of the office of vocational rehabili-
19 tation to give him on the job training, work readiness, [OR] work
20 therapy experience, or work sampling, the liability set out in (a) of
21 this section applies to the state rather than to the employer.

22 * Sec. 4. The amount of a payment to the second injury fund and the
23 conditions under which a payment is required of an employer or insurance
24 carrier must be in accordance with the version of AS 23.30.040(b) in ef-
25 fect on the date that the injury to the employee occurred.

26 * Sec. 5. Section 1 of this Act takes effect immediately in accordance
27 with AS 01.10.070(c).

28 * Sec. 6. Sections 2 - 4 of this Act take effect on July 1, 1981.
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