

Introduced: 1/24/83
Referred: Labor and Commerce
and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2

SENATE BILL NO. 66

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to municipal self insurance for
7 workers' compensation."

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

9 * Section 1. AS 23.30.075 is amended to read:

10 Sec. 23.30.075. EMPLOYER'S LIABILITY TO PAY. (a) An employer
11 under this chapter, unless exempted, shall either insure and keep in-
12 sured for his liability under this chapter in an insurance company or
13 association duly authorized to transact the business of workers' com-
14 pensation insurance in this state, or shall furnish the board satis-
15 factory proof of his financial ability to pay directly the compen-
16 sation provided for. If an employer elects to pay directly, the board
17 may, in its discretion, require the deposit of an acceptable security,
18 indemnity or bond to secure the payment of compensation liabilities as
19 they are incurred.

20 (b) Under regulations adopted by the board, two or more munic-
21 ipalities may enter into an agreement to organize a self-insurance
22 group in order to pool their liabilities under this chapter. As used
23 in this subsection, "municipality" has the same meaning as set out in
24 AS 29.78.010.

25 (c) An employer who fails to insure and keep insured employees
26 subject to this chapter or fails to obtain a certificate of self-
27 insurance from the board, upon conviction, is punishable by a fine of
28 not more than \$1,000, or by imprisonment for not more than one year,
29 or by both. If an employer is a corporation, and an injury or death

1 occurs at a time when the corporation is not insured or certified as a
2 self-insurer, then all persons who, at the time of the injury or
3 death, had the authority to insure the corporation or apply for a cer-
4 tificate of self-insurance are subject to the penalties set out in
5 this subsection and are personally, jointly, and severally liable to-
6 gether with the corporation for the payment of all compensation or
7 other benefits for which the corporation is liable under this chapter.

8 [IF AN EMPLOYER IS A CORPORATION, ALL PERSONS WHO, AT THE TIME OF THE
9 INJURY OR DEATH, HAD AUTHORITY TO INSURE SAID CORPORATION OR APPLY FOR
10 A CERTIFICATE OF SELF-INSURANCE, AND THE PERSON ACTIVELY IN CHARGE OF
11 THE BUSINESS OF SUCH CORPORATION SHALL BE SUBJECT TO THE PENALTIES
12 PRESCRIBED HEREIN AND SHALL BE PERSONALLY, JOINTLY, AND SEVERALLY
13 LIABLE TOGETHER WITH THE CORPORATION FOR THE PAYMENT OF ALL COMPEN-
14 SATION OR OTHER BENEFITS FOR WHICH THE CORPORATION IS LIABLE UNDER
15 THIS CHAPTER IF SAID CORPORATION AT SUCH TIME IS NOT INSURED OR QUAL-
16 IFIED AS A SELF-INSURER.]

17 * Sec. 2. AS 23.30.265(19) is amended to read:

18 (19) "self-insurer" means an employer who, instead of
19 insuring his liability under this chapter [AS IT PROVIDES], elects to
20 pay directly the compensation provided for, and who has furnished to
21 the board satisfactory proof of his financial ability to make the
22 direct payments; the term includes a member of a municipal
23 self-insurance group;

24