

SENATE BILL NO. 365 am  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 4/22/94  
Offered: 4/21/94

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act amending, and repealing laws providing for state agency functions and  
2 services related to transportation and capital improvement planning, workers'  
3 compensation, motor vehicles and motor vehicle insurance, medical care for  
4 prisoners, state building leases, and review and approval of water and sewer  
5 systems, for the purpose of reducing state government expenditures; and providing  
6 for an effective date."

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

8 \* Section 1. AS 19.10.140 is amended to read:

9           Sec. 19.10.140.       LONG-RANGE PROGRAM FOR HIGHWAY  
10       CONSTRUCTION [AND MAINTENANCE]. The [GOVERNOR SHALL REQUIRE  
11       THE] department shall [TO] establish a continuing, long-range program for highway  
12       construction [AND MAINTENANCE]. The program must annually project proposed  
13       construction [AND MAINTENANCE] of highways in a priority format for not less

1 than the next succeeding five years. A statement of the program shall be submitted  
2 by the governor to the legislature annually [, AND THE LONG-RANGE PROGRAM  
3 SHALL INCLUDE IN DETAIL THE PROGRAM PREPARED UNDER  
4 AS 19.10.150].

5 \* Sec. 2. AS 19.10.150 is amended to read:

6 Sec. 19.10.150. CONSTRUCTION PROGRAM. Before February 2 of each  
7 year, the department shall prepare a statement showing what construction work has  
8 been requested and proposed and may be undertaken by the department during the  
9 following construction season. The statement must set out [FORTH A GENERAL  
10 ITEMIZATION OF] the estimated cost for each project and the total estimates of all  
11 projects. [THE DEPARTMENT SHALL ADOPT A CONSTRUCTION PROGRAM  
12 WHICH MUST INCLUDE THE PROJECTS TO BE UNDERTAKEN BY IT  
13 DURING THE FOLLOWING CONSTRUCTION SEASON AND MUST ESTABLISH  
14 PROJECT PRIORITIES.] The department may increase, decrease, amend, or revise  
15 the construction program from time to time as circumstances warrant.

16 \* Sec. 3. AS 19.10.160 is amended to read:

17 Sec. 19.10.160. STANDARD DRAWINGS [PLANS] AND  
18 SPECIFICATIONS. The department may [SHALL] prepare and adopt uniform  
19 standard drawings [PLANS] and specifications for the establishment and [,]  
20 construction [, AND MAINTENANCE] of highways in the state. The department may  
21 amend the drawings [PLANS] and specifications as it considers advisable. [THE  
22 STANDARDS MUST CONFORM AS CLOSELY AS PRACTICABLE TO THOSE  
23 ADOPTED BY THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND  
24 TRANSPORTATION OFFICIALS.]

25 \* Sec. 4. AS 23.30.041(e) is amended to read:

26 (e) An employee shall be eligible for benefits under this section upon the  
27 employee's written request and by having a physician predict that the employee will  
28 have permanent physical capacities that are less than the physical demands of the  
29 employee's job as described in the United States Department of Labor's "Selected  
30 Characteristics of Occupations Defined in the Revised Dictionary of Occupational  
31 Titles" for

- 1 (1) the employee's job at the time of injury; or  
2 (2) other jobs that exist in the labor market that the employee has held  
3 or received training for within 10 years before the injury or that the employee has held  
4 following the injury for a period long enough to obtain the skills to compete in the  
5 labor market, according to specific vocational preparation codes as described in the  
6 United States Department of Labor's "Selected Characteristics of Occupations Defined  
7 in the Revised Dictionary of Occupational Titles."

8 \* Sec. 5. AS 23.30.095(k) is amended to read:

9 (k) In the event of a medical dispute regarding determinations of causation,  
10 medical stability, ability to enter a reemployment plan, degree of impairment,  
11 functional capacity, the amount and efficacy of the continuance of or necessity of  
12 treatment, or compensability between the employee's attending physician and the  
13 employer's independent medical evaluation, a second independent medical evaluation  
14 shall be conducted by a physician or physicians selected by the board or its designee  
15 from a list established and maintained by the board and its designee. The cost of the  
16 examination and medical report shall be paid by the employer. The report of the  
17 independent medical examiner shall be furnished to the board and to the parties within  
18 14 days after the examination is concluded. A person may not seek damages from an  
19 independent medical examiner caused by the rendering of an opinion or providing  
20 testimony under this subsection, except in the event of fraud or gross incompetence.

21 \* Sec. 6. AS 23.30.190(b) is amended to read:

22 (b) All determinations of the existence and degree of permanent impairment  
23 shall be made strictly and solely under the whole person determination as set out in  
24 the current edition of the American Medical Association Guides to the Evaluation of  
25 Permanent Impairment at the time of the impairment rating, except that an  
26 impairment rating may not be rounded to the next five percent. The board shall adopt  
27 a supplementary recognized schedule for injuries that cannot be rated by use of the  
28 American Medical Association Guides.

29 \* Sec. 7. AS 28.05.061(c) is amended to read:

30 (c) The commissioner and officers and employees of the department designated  
31 by the commissioner shall, upon request, prepare under the seal of the department and

1 deliver, unless otherwise prohibited by law, a certified copy of any record of the  
2 department maintained under this title or regulations adopted under this title, charging  
3 a fee for each certified copy. A certified copy, or an electronic record certified by  
4 the department, is admissible in a proceeding in a court in the same manner as the  
5 original document.

6 \* Sec. 8. AS 28.05.121 is amended to read:

7 Sec. 28.05.121. GIVING OF NOTICE. When the department is authorized or  
8 required to give notice under this title or regulations adopted under this title, unless a  
9 different method of giving notice is otherwise expressly provided, notice shall be given  
10 by a qualified person, either by personal delivery to the person to be notified or by  
11 first class [REGISTERED OR CERTIFIED] mail, [RETURN RECEIPT  
12 REQUESTED,] addressed to the person at the address of the person as shown in the  
13 electronic records of the department. The giving of notice by mail is considered  
14 complete upon placing the notice in a United States Post Office receptacle, with  
15 appropriate postage [THE RETURN OF THE RECEIPT OR UPON RETURN OF  
16 THE NOTICE AS UNDELIVERABLE, REFUSED, OR UNCLAIMED]. Proof of the  
17 giving of notice in either manner may be made by the affidavit of the person giving  
18 the notice by personal delivery or by mail, naming the person to whom the notice was  
19 given and specifying the time, place, and manner of giving the notice.

20 \* Sec. 9. AS 28.05.141(b) is amended to read:

21 (b) A hearing ordered under (a) of this section shall be held telephonically at  
22 a time and date set by [AT THE OFFICE OF] the department, except that if the  
23 department determines that an in-person hearing is necessary to determine factual  
24 issues, the department may order that the hearing be conducted in person at a  
25 place, time, and date set by the department [NEAREST TO THE RESIDENCE OF  
26 THE PERSON REQUESTING THE HEARING UNLESS THE DEPARTMENT AND  
27 THE PERSON AGREE THAT THE HEARING IS TO BE HELD ELSEWHERE].  
28 The department may [SHALL] grant a hearing delay only if the person shows, to the  
29 satisfaction of the department, [PRESENTS] good cause for the delay that is beyond  
30 the control of the person. If a person fails to appear for the hearing at the time and  
31 place stated by the department and if a hearing delay has not been granted, the

1 person's failure to appear is considered a waiver of the hearing and the department  
2 may take appropriate action with respect to the person.

3 \* Sec. 10. AS 28.10.031(b) is amended to read:

4 (b) A licensed vehicle dealer may issue to the purchaser of a vehicle sold by  
5 the dealer a temporary permit to drive the vehicle. A permit is effective for a period  
6 not to exceed 60 [30] days. The commissioner shall adopt regulations governing the  
7 issuance of permits under this section.

8 \* Sec. 11. AS 28.10.108(c) is amended to read:

9 (c) A vehicle subject to registration [AND NOT DESCRIBED IN (b) OF THIS  
10 SECTION] shall have its initial registration, and may have its annual registration,  
11 renewed in the month of initial registration in the state, subject to the provisions of (f)  
12 of this section.

13 \* Sec. 12. AS 28.15.166(e) is amended to read:

14 (e) The [NOTWITHSTANDING AS 28.05.141(b), THE] hearing under this  
15 section shall be held telephonically at a time and date set by [AT THE OFFICE OF]  
16 the department, except that if the department determines that an in-person hearing  
17 is necessary to determine factual issues, the department may order that the  
18 hearing be conducted in person at a place, time, and date set by the department  
19 [NEAREST TO THE RESIDENCE OF THE PERSON REQUESTING THE  
20 HEARING UNLESS

21 (1) A DISTRICT COURT JUDGE OR A MAGISTRATE HAS BEEN  
22 DESIGNATED AS A HEARING OFFICER IN THE MATTER BY THE  
23 COMMISSIONER; OR

24 (2) THE DEPARTMENT AND THE PERSON AGREE THAT THE  
25 HEARING IS TO BE HELD ELSEWHERE].

26 \* Sec. 13. AS 28.15.166(f) is amended to read:

27 (f) A review under this section shall be held before a hearing officer  
28 designated by the commissioner. [UPON THE CONSENT OF THE  
29 ADMINISTRATIVE DIRECTOR OF THE STATE COURT SYSTEM, THE  
30 COMMISSIONER MAY DESIGNATE A DISTRICT COURT JUDGE OR A  
31 MAGISTRATE TO SERVE AS THE HEARING OFFICER.] The hearing officer shall

- 1 have authority to
- 2 (1) administer oaths and affirmations;
- 3 (2) examine witnesses and take testimony;
- 4 (3) receive relevant evidence;
- 5 (4) issue subpoenas, take depositions, or cause depositions or
- 6 interrogatories to be taken;
- 7 (5) regulate the course and conduct of the hearing;
- 8 (6) make a final ruling on the issue.

9 \* Sec. 14. AS 28.20.050(a) is amended to read:

10 (a) The provisions of this chapter requiring deposit of security and suspension

11 for failure to deposit security apply to the driver and owner of a vehicle subject to

12 registration under the laws of this state that is involved in any manner in an accident

13 in this state resulting in bodily injury to or death of a person or damage to the property

14 of any one person exceeding \$1,000 [\$500].

15 \* Sec. 15. AS 28.20.050(e) is amended to read:

16 (e) A peace officer investigating an accident that results in bodily injury to or

17 the death of a person or damage to the property of a person exceeding \$1,000 [\$500]

18 shall inform persons involved in the accident in writing of the requirements of this

19 chapter as they apply to suspension of an operator's license or driving privileges.

20 \* Sec. 16. AS 28.20.100(c) is amended to read:

21 (c) If the department evaluates the injuries or damage to a minor in an amount

22 not more than \$1,000 [\$500], the department may accept, for the purposes of this

23 chapter only, evidence of a release from liability executed by a natural or legal

24 guardian on behalf of the minor without court approval.

25 \* Sec. 17. AS 28.20.230(a) is amended to read:

26 (a) The provisions of this chapter requiring the deposit of proof of financial

27 responsibility for the future apply to persons who are convicted of or forfeit bail for

28 certain offenses under motor vehicle laws or who, by ownership or operation of a

29 vehicle of a type subject to registration under AS 28.10, are involved in an accident

30 in this state that results in bodily injury or death of a person or damage to the property

31 of any one person exceeding \$1,000 [\$500].

1 \* Sec. 18. AS 28.20.260(a) is amended to read:

2 (a) Upon receipt by the department of the report of an accident resulting in  
3 bodily injury or death, or property damage to any one person exceeding \$1,000 [\$500],  
4 the department shall suspend the license of the driver of a motor vehicle involved in  
5 the accident unless the driver or owner

6 (1) has previously furnished or immediately furnishes security required  
7 by this chapter, or is excepted from furnishing security under AS 28.20.060; [,] and

8 (2) maintains proof of financial responsibility for three years following  
9 the accident.

10 \* Sec. 19. AS 28.22.021 is amended to read:

11 Sec. 28.22.021. REQUIREMENT OF PROOF OF MOTOR VEHICLE  
12 LIABILITY INSURANCE. The owner or operator of a motor vehicle required to have  
13 motor vehicle liability insurance that complies with this chapter or a certificate of  
14 self-insurance that complies with AS 28.20.400, shall show proof of this insurance  
15 when that person is involved in an accident that results in bodily injury to or death of  
16 a person, or damage to the property of a person exceeding \$1,000 [\$500].

17 \* Sec. 20. AS 28.22.041(a) is amended to read:

18 (a) If [EXCEPT AS PROVIDED IN (h) OF THIS SECTION, IF] a person  
19 fails to provide proof required under AS 28.22.021 and 28.22.031, the department shall  
20 suspend the driver's license of that person for the following periods:

21 (1) not less than 90 days if, within the preceding 10 years, the person  
22 has not had a driver's license suspended for violation of AS 28.22.011 or former  
23 AS 28.22.200;

24 (2) not less than one year if, within the preceding 10 years, the person  
25 has had a driver's license suspended one or more times for violation of AS 28.22.011  
26 or former AS 28.22.200.

27 \* Sec. 21. AS 28.35.080(a) is amended to read:

28 (a) The driver of a vehicle involved in an accident resulting in bodily injury  
29 to or death of a person or total property damage to an apparent extent of \$1,000 [\$500]  
30 or more shall immediately by the quickest means of communication give notice of the  
31 accident to the local police department if the accident occurs within a municipality,

1 otherwise to the Department of Public Safety.

2 \* Sec. 22. AS 28.35.080(b) is amended to read:

3 (b) The driver of a vehicle involved in an accident resulting in bodily injury  
4 to or death of a person or total property damage to an apparent extent of \$1,000 [~~\$500~~]  
5 or more shall, within 10 days after the accident, forward a written report of the  
6 accident to the Department of Public Safety and to the local police department if the  
7 accident occurs within a municipality. A report is not required under this subsection  
8 if the accident is investigated by a peace officer.

9 \* Sec. 23. AS 33.30.011 is amended to read:

10 Sec. 33.30.011. DUTIES OF COMMISSIONER. The commissioner shall

11 (1) establish, maintain, operate, and control correctional facilities  
12 suitable for the custody, care, and discipline of persons charged or convicted of  
13 offenses against the state or held under authority of state law;

14 (2) classify prisoners;

15 (3) for persons committed to the custody of the commissioner, establish  
16 programs, including furlough programs that are reasonably calculated to

17 (A) protect the public;

18 (B) maintain health;

19 (C) create or improve occupational skills;

20 (D) enhance educational qualifications;

21 (E) support court-ordered restitution; and

22 (F) otherwise provide for the rehabilitation and reformation of  
23 prisoners, facilitating their reintegration into society;

24 (4) provide necessary medical services for prisoners in state  
25 correctional facilities or to fulfill duties under AS 33.30.071 [WHO ARE  
26 COMMITTED BY A COURT TO THE CUSTODY OF THE COMMISSIONER],  
27 including examinations for communicable and infectious diseases, if a physician or  
28 other health care provider, exercising ordinary skill and care at the time of  
29 observation, concludes that

30 (A) a prisoner exhibits symptoms of a serious disease or  
31 injury that is curable or may be substantially alleviated; and



1 exceed an aggregate dollar amount of \$25,000, or (2) lease of space that does not  
2 exceed 2,500 square feet with a monthly lease amount that does not exceed \$5,000,  
3 may be made in accordance with regulations adopted by the commissioner for small  
4 procurements.

5 \* Sec. 26. AS 37.07.040 is amended to read:

6 Sec. 37.07.040. OFFICE OF MANAGEMENT AND BUDGET. The Alaska  
7 office of management and budget shall

8 (1) assist the governor in the preparation and explanation of the  
9 proposed comprehensive program and financial plan, including the coordination and  
10 analysis of state agency goals and objectives, plans, and budget requests;

11 (2) prepare for submission to the governor an annually updated  
12 [SIX-YEAR] capital improvements program in fiscal year format covering the  
13 current fiscal year plus three succeeding fiscal years and the proposed capital  
14 improvements budget for the coming fiscal year, the latter to include individual project  
15 justification with documentation of estimated project cost;

16 (3) develop procedures to produce the information needed for effective  
17 policy decision making, including procedures to provide for the dissemination of  
18 information about plans, programs, and budget requests to be included in the annual  
19 budget and opportunity for public review and comment during the period of budget  
20 preparation;

21 (4) assist state agencies in their statement of goals and objectives,  
22 preparation of plans, budget requests, and reporting of program performance; all  
23 documents forwarded by the office to a state agency containing instructions for the  
24 preparation of program plans and budget requests and the reporting of program  
25 performance are public information after the date they are forwarded;

26 (5) administer its responsibilities under the program execution  
27 provisions of this chapter so that the policy decisions and budget determinations of the  
28 governor and the legislature are implemented;

29 (6) provide the legislative finance division with the budget information  
30 it may request;

31 (7) provide the legislative finance division with an advance copy of the

1 governor's budget workbooks by the first Monday in January of each year, except that  
2 following a gubernatorial election year the advance copy shall be provided by the  
3 second Monday in January;

4 (8) prepare the proposed capital improvements budget for the coming  
5 fiscal year evaluating both state and local requests from the standpoint of need, equity,  
6 and priorities of the jurisdiction; other factors such as project amounts, population,  
7 local financial match, federal funds being used for local match, municipality or  
8 unincorporated community acceptance of the facility, and all associated costs of the  
9 facility may be considered.

10 \* Sec. 27. AS 37.07.060 is amended by adding a new subsection to read:

11 (c) The reporting requirements of (b)(3) of this section are modified with  
12 respect to the Department of Transportation and Public Facilities. The governor's  
13 report must contain, for that department, the governor's construction program for the  
14 succeeding construction season, budget recommendations for the succeeding fiscal  
15 year, and capital improvements construction program for the succeeding six fiscal  
16 years, which must include

17 (1) a general description of each project and the source of financing for  
18 the project; and

19 (2) the information required by (b)(3)(B) - (H) of this section.

20 \* Sec. 28. AS 44.42.050(a) is amended to read:

21 (a) The commissioner shall develop annually a comprehensive, intermodal,  
22 long-range transportation priority list and plan for the state consistent with  
23 applicable federal laws. [IN DEVELOPING AND REVISING THE STATE PLAN,  
24 THE COMMISSIONER SHALL CONSIDER MEANS AND COSTS OF  
25 IMPROVING EXISTING MODES AND FACILITIES, STATE AND FEDERAL  
26 SUBSIDIES, AND THE COSTS AND BENEFITS OF NEW TRANSPORTATION  
27 MODES AND FACILITIES. THE COMMISSIONER SHALL ALSO CONSIDER  
28 THE RECOMMENDATION OF THE ALASKA TRANSPORTATION PLANNING  
29 COUNCIL.] The plan shall be submitted to the governor for review and approval and  
30 submitted by the governor to the legislature.

31 \* Sec. 29. AS 44.42.050(b) is amended to read:

1 (b) In developing and revising the plan, the commissioner shall seek public  
2 review and evaluation consistent with applicable federal statutes and regulations  
3 and by any reasonable means and may

4 (1) consult and cooperate with officials and representatives of the  
5 federal government, other governments, interstate commissions and authorities, local  
6 agencies and authorities, interested corporations and other organizations concerning  
7 problems affecting transportation in the state; and

8 (2) request from an agency or other unit of the state government or of  
9 a political subdivision of it, or from a public authority, the assistance and data that  
10 may be necessary to enable the commissioner to carry out responsibilities under this  
11 section; every such entity shall provide the assistance and data requested.

12 \* Sec. 30. AS 46.03 is amended by adding a new section to read:

13 Sec. 46.03.026. ON-SITE WATER AND SEWER SYSTEM CERTIFICATION  
14 AND AUDIT PROGRAM. (a) Notwithstanding any provision of this chapter to the  
15 contrary, for bank loans for homes in this state, the department may establish, by  
16 regulation, a program to delegate the review and certification of on-site drinking water  
17 and sewer systems. Under standards adopted by the department by regulation, the  
18 department may delegate the review and certification to engineers who are registered  
19 under AS 08.48.

20 (b) If the department establishes a program under (a) of this section, the  
21 department shall establish an audit system for the department to monitor and review  
22 a statistically significant number of systems certified under that program. An audit  
23 must determine compliance with departmental standards for design, installation, and  
24 operation in effect at the time of the certification.

25 (c) If the department establishes a program under (a) of this section, the  
26 department shall, by regulation, establish fees for services sufficient to make the  
27 program self-supporting.

28 \* Sec. 31. AS 46.03.720 is amended by adding a new subsection to read:

29 (d) Notwithstanding (a) of this section, department review and approval of  
30 plans is not required for the functions specified in (a) of this section if

31 (1) the sewerage system or treatment works, or a part of either, is

1 located in a community or major military facility that has the power or legal authority  
2 to review and approve sewerage system or treatment works plans;

3 (2) the community or major military facility has established ordinances  
4 or other law to regulate domestic sewerage that the department has determined are  
5 substantially equivalent to department standards in effect at the time of the  
6 determination;

7 (3) the community or major military facility has employed an engineer  
8 registered under AS 08.48 who will review and approve domestic sewerage plans  
9 under those ordinances or other law;

10 (4) the community or major military facility commits adequate funding  
11 or other resources to administer plan review and approvals under this subsection; and

12 (5) the department and the community or major military facility have  
13 entered into an agreement under this subsection for delegation of the review and  
14 approval of plans under the standards described in this subsection.

15 \* Sec. 32. AS 28.10.108(b) and AS 28.22.041(h) are repealed.

16 \* Sec. 33. TRANSITION. Notwithstanding sec. 35 of this Act, an agency of the state that  
17 has regulation adoption authority or that is authorized by this Act to adopt regulations, may  
18 proceed to adopt regulations necessary to implement that agency's respective provisions in this  
19 Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not  
20 before July 1, 1994.

21 \* Sec. 34. Section 33 of this Act takes effect immediately under AS 01.10.070(c).

22 \* Sec. 35. Except as provided in sec. 34 of this Act, this Act takes effect July 1, 1994.