

COMMITTEE REPORT

5/7/76

SENATE

Mr. President:

Date \_\_\_\_\_

The Committee on Finance has had CSHB 553  
risk management and loss prevention in state government  
under consideration. A Majority of the members of the Committee

- ( ) recommends it DO PASS
- ( ) recommends it DO NOT PASS
- ( ) recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- ( ) recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT  
CS FOR \_\_\_\_\_ DO PASS
- ( ) "and" recommends it BE REFERRED TO THE \_\_\_\_\_  
COMMITTEE
- ( ) reports it back WITHOUT RECOMMENDATION
- ( ) "other"

Members signing the Majority report:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:  
 \_\_\_\_\_ recommends:

\_\_\_\_\_ Chairman

COMMITTEE REPORT

\*Finance\*

4/26/76

SENATE

Mr. President:

Date May 6, 1976

The Committee on State Affairs has had CSHB 553  
risk management and loss prevention in state government  
under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR CSHB 553 AND THAT

SCS FOR CSHB 553 DO PASS without

( ) "and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back <sup>INDIVIDUAL</sup> WITHOUT RECOMMENDATION

( ) "other"

Members signing the Majority report:

John Hoyer DO PASS  
Deussen - DO PASS  
Polletta DO PASS  
Melnd DO PASS

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:  
\_\_\_\_\_ recommends:  
\_\_\_\_\_ recommends:  
\_\_\_\_\_ recommends:  
\_\_\_\_\_ recommends:

John Hoyer Chairman

A M E N D M E N T

OFFERED IN THE SENATE:

By: State Affairs

To: ss SENATE BILL No. \_\_\_\_\_

HOUSE BILL No. CSHB 553

PAGE: 1

LINE: 11, 16, 21, 25

line 11, after "of" delete "Administration" add "Commerce & Economic Development"

line 16, after "of" delete "Administration" add "Commerce & Economic Development"

line 21, after "of" delete "Administration" add "Commerce & Economic Development"

line 25, after "of" delete "Administration" add "Commerce & Economic Development"

Original sponsor: Rules Committee by  
request of the Governor

Offered: 5/7/76

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 553

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to risk management and loss prevention  
7 in state government."

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

9 \* Section 1. AS 44.21 is amended by adding a new section to read:

10 Sec. 44.21.060. RISK MANAGEMENT AND LOSS PREVENTION. (a) The  
11 Department of Administration shall initiate and implement a risk  
12 management and loss prevention program for all state departments,  
13 agencies, boards and commissions for the purpose of reducing risks,  
14 accidents and losses. All state departments, agencies, boards and  
15 commissions shall render the necessary cooperation and assistance to  
16 the Department of Administration in the initiation, implementation and  
17 operation of the risk management and loss prevention program. Nothing  
18 in this section relieves other agencies from their statutory responsi-  
19 bilities for safety and loss prevention enforcement and training.

20 (b) There is established a permanent revolving fund known as the  
21 risk management fund in the Department of Administration for the payment  
22 of insurance premiums, uninsured losses, deductibles, and advance  
23 payments of insured losses. The department shall report to the legis-  
24 lature twice annually all activities and balances of the fund.

25 (c) The Department of Administration is directed to allocate among  
26 the agencies of the state the costs of risk management and loss preven-  
27 tion and to charge agencies according to that allocation for premiums  
28 for insurance and risk management programs. Funds so charged and  
29 collected shall be deposited into the risk management fund.

COMMITTEE COPY

1 (d) All money received by the state from litigation or settlement  
2 of claims for damages relating to insured or uninsured losses of the  
3 type paid by the risk management fund and from return premiums shall be  
4 deposited in the fund. Interest and other returns from investment of  
5 the fund shall be deposited in the general fund.

6 (e) Money deposited in the risk management fund not required for  
7 the purposes of the fund in a particular fiscal year is reappropriated  
8 for the succeeding fiscal year.  
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Original sponsor: Rules Committee by  
request of the Governor

Offered: 2/2/76  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 553

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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29 collected shall be deposited into the risk management fund.

COMMITTEE COPY

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JAN 14 1976

NB 553

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill relating to risk management and loss prevention. The Department of Administration has requested this measure to allow it to deal more effectively with the insurance coverage demanded by State programs and institutions.

The approach sought here would allow the State to assume increasingly higher "deductibles" on insurance coverage if the State's loss experience allows the accumulation of funds in the risk management fund established by the bill. Since higher deductibles result in less insurance risk put out to bid, the result will be a savings to the State.

The fund concept is an alternative to a program, also with higher deductibles, in which the State "insures itself" and recoups unexpectedly high losses (as disaster situations) out of general fund appropriations.

A result of the approach proposed by the Department of Administration will be the elimination of the need for individual agencies to absorb deductibles out of their own program funds; it also will allow the State to replace lost facilities before settlement of insured claims.

Sincerely,

Jay S. Hammond  
Governor

THE LEGISLATURE OF THE STATE OF ALASKA

FISCAL NOTE

Second Session.-- Ninth Legislature

I. REQUEST

Bill No. HB 553

Title: An Act relating to Risk Management and Loss Prevention in State government.

Requested by: Governor Jay S. Hammond

Date: \_\_\_\_\_

Return Date Requested: \_\_\_\_\_

Agency: Department of Administration

Program: Div. of Gen'l. Services & Supply

II. FISCAL DETAIL

Budget Request Unit(s) Affected: NONE

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

REVOLVING FUND

The use of a revolving fund in combination with insurance is not anticipated to require funding beyond the current funding for insurance requirements.

Changes in our insurance program resulting from use of the revolving fund are anticipated to provide some economies in premium which will be used to establish the fund. This program relies on its own economy for funding.

IV. ATTACHMENTS

V. DATE: 12-18-75 PREPARED BY: [Signature]

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

ALASKA STATE LEGISLATURE

NINTH Legislature SECOND Session

HOUSE BILL NO. 553

By THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act relating to risk management and loss prevention in state government."

Risk management

Introduced in the House Jan 14, 1976

HISTORY IN THE HOUSE

1976	Read first time and referred to Committee on State Affairs and Finance
Jan 14	
Jan 20	Reported back with recommendation that
Jan 23	Read second time and
Jan 24	Read third time and
Jan 25	PASS Effective Date
Jan 25	Yeas 53
Jan 25	Nays 0
Jan 25	Absent
Jan 25	Excused
Jan 25	Reconsideration
Jan 25	PASS Effective Date
Jan 25	Yeas 55
Jan 25	Nays 0
Jan 25	Absent
Jan 25	Excused
Jan 25	Reported correctly engrossed
Jan 25	Signed by Speaker
Jan 25	Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

1976	Read first time and referred to Committee on
Jan 26	Reported back with recommendation that
Jan 27	Read second time and
Jan 28	Read third time and
Jan 29	PASS Effective Date
Jan 29	Yeas
Jan 29	Nays
Jan 29	Absent
Jan 29	Excused
Jan 29	Reconsideration
Jan 29	PASS Effective Date
Jan 29	Yeas
Jan 29	Nays
Jan 29	Absent
Jan 29	Excused
Jan 29	Reported correctly engrossed
Jan 29	Signed by President
Jan 29	Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

1976	Received from Senate
Jan 29	Reported correctly enrolled
Jan 29	Sent to Governor
Jan 29	By Governor
Jan 29	Filed with Lt. Governor
Jan 29	Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST  
 Bill No. CSHB 553  
 Title: An Act relating to Risk Management and Loss Prevention in State  
 Requested ~~government~~ Senate Finance Date: 5/7/75  
 Return Date Requested: ASAP  
 Agency: Administration Program: Risk Management

II. FISCAL DETAIL  
 Budget Request Unit(s) Affected: General Services/Risk Management  
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	0 /	0 /	0 /	0 /	0 /	0 /
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

V. DATE: 5/7/76 PREPARED BY: Richard C. Bradley

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

# STATE OF ALASKA

## DEPARTMENT OF ADMINISTRATION

DIVISION OF GENERAL SERVICES AND SUPPLY

JAY S. HAMMOND, GOVERNOR

10TH FLOOR, STATE OFFICE BLDG.  
POUCH C - JUNEAU 99811

May 11, 1976

The Honorable John Butrovich  
The State Senate  
Pouch V  
Juneau, Alaska 99811

Re: CS for HB 553

Dear Senator Butrovich:

CS for HB 553 contains two related but distinct parts. The first part specifies that the Department of Administration is responsible for risk management and loss prevention for state government. Current statutes place emphasis on purchase of insurance only. With the current state of the art and insurance markets being limited, broad risk management concepts should be recognized in the statutes.

The second part of the bill provides for a revolving fund to be administered by the Department of Administration. The fund has numerous purposes, some of which I will expand on.

The fund concept relies on charging individual agencies a premium equal to that paid out for pure insurance. With this money the State effects a program which combines the risks of all agencies and which is able to assume retentions, deductibles, and self-insurance which individual agencies are unable to withstand. In effect the State benefits from large scale economies and management of risks while the agencies are provided with a cost certain insurance program compatible with the State budgeting system.

Due to the geographic and numerical spread of risk the State is able to economically take advantage of insurance deductibles which fully contemplate assumption of normal and expected levels of loss. Taken separately, each department or BRU would be unable to individually take advantage of this economy because they lack the spread of risk essential to this program. The proposed legislation allows the State to take overall advantage of self-insurance and deductibles without creating an unreasonable uncertainty among the individual BRU's that make up the State risks.

The proposed fund is a revolving fund because the carry over from a good year will level out the losses in a bad year. In addition, losses are not always paid in the same year as incurred. To appropriate loss payments in the year paid rather than the year incurred, essentially puts us on an unfavorable claims made basis. The revolving fund provides current funding for the claims tail rather than on a claims made basis.

Our fund provides current year funds to cover current year losses rather than burdening future budgets or the general fund through special appropriation at a later date. Remember that had we purchased insurance, the insurance company would use current year premiums to pay losses over a period of several years. In this case, the State benefits from the cash flow generated by the fund.

The fund provides a vehicle for advance payments of insured losses which may take six months or a year to collect from insurance companies. Traditionally, a replacement cost insurance settlement is received too late to be used for rebuilding purposes. The fund could advance funds for immediate restoration of operations. The fund would then be reimbursed by the insurance recovery.

The fund provides a vehicle for agency protection from losses which are not economically insured on an overall basis. An example is a small barge cargo shipment which is uneconomical for an agency to self insure and uneconomical for the State to insure in the long run. The fund could charge the standard premium to an agency, relieving them of the risk, and still self insure the risk using the accumulated loss funds to pay any loss incurred.

The above reasons for a loss fund anticipate that insurance is available but not economical. We currently face the potential of forced self-insurance. If markets are unavailable to insure State risks, the fund gives us alternatives to being self insured without funding to pay losses. Establishment of the fund does not obligate us to self insure but it does give us the capability of responding to changing insurance markets and changing State exposures to risk.

Lastly, we have heard comments generally in opposition to revolving funds based on past practice of certain other funds. It is not our intention to hide costs and, in fact, we believe that this bill brings into the open the cost of State risks and insurance. Provision has been made for the legislature to audit the fund and the program to insure integrity and to avoid abuses. We have further considered these comments as a legislative request for more open and clearly defined allocation of premium and loss costs. Establishment of the fund will require a close accounting of expenditures and receipts which will clearly show the activities of the program and the allocated cost to each department.

The Honorable John Butrovich

page 5

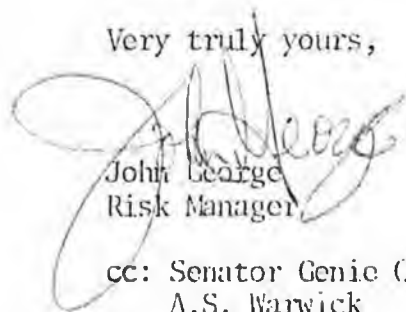
May 11, 1976

This bill does not require additional funding as it depends on generating funds through its own economics from monies already budgeted for insurance purposes.

Due to the uncertainty of the present insurance markets and the possibility of major problems before the next legislative session, we will appreciate your assistance in expediting this bill through committee so that it may be voted on by the Senate prior to adjournment.

If I or any of my staff can be of any assistance to you in this regard, please let me know.

Very truly yours,



John George  
Risk Manager

cc: Senator Genie Chance  
A.S. Warwick

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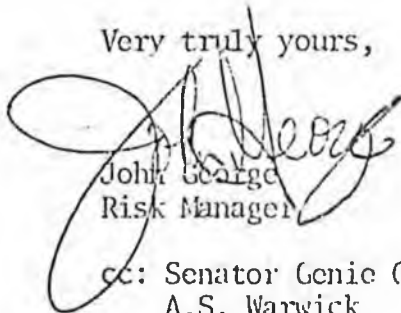
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page 3

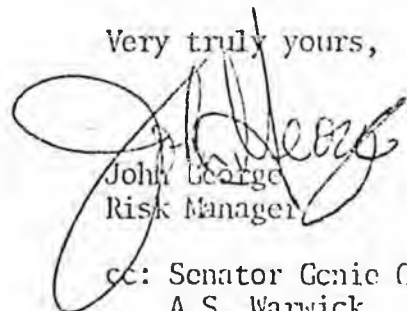
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Very truly yours,



John George  
Risk Manager

cc: Senator Genie Chance  
A.S. Warwick

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST  
 Bill No. CSHB 553  
 Title: An Act relating to Risk Management and Loss Prevention in State  
 Requested by: government Senate Finance Date: 5/7/75  
 Return Date Requested: ASAP  
 Agency: Administration Program: Risk Management

II. FISCAL DETAIL  
 Budget Request Unit(s) Affected: General Services/Risk Management

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

B. FUNDING. (Thousands of dollars)

	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
PERMANENT/TEMPORARY	0 /	0 /	0 /	0 /	0 /	0 /
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

V. DATE: 5/7/76 PREPARED BY: Richard C. Bradley

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA

FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. CSHB 553

Title: ~~An Act relating to Risk Management and Loss Prevention in State~~

Requested by: ~~government~~ Senate Finance Date: 5/7/75

Return Date Requested: ASAP

Agency: Administration Program Risk Management

II. FISCAL DETAIL

Budget Request Unit(s) Affected: General Services/Risk Management

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	0 /	0 /	0 /	0 /	0 /	0 /
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. ATTACHMENTS

V. DATE: 5/7/76 PREPARED BY: Richard C. Bradley

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

JAN 14 1976

NB 553

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill relating to risk management and loss prevention. The Department of Administration has requested this measure to allow it to deal more effectively with the insurance coverage demanded by State programs and institutions.

The approach sought here would allow the State to assume increasingly higher "deductibles" on insurance coverage if the State's loss experience allows the accumulation of funds in the risk management fund established by the bill. Since higher deductibles result in less insurance risk put out to bid, the result will be a savings to the State.

The fund concept is an alternative to a program, also with higher deductibles, in which the State "insures itself" and recoups unexpectedly high losses (as disaster situations) out of general fund appropriations.

A result of the approach proposed by the Department of Administration will be the elimination of the need for individual agencies to absorb deductibles out of their own program funds; it also will allow the State to replace lost facilities before settlement of insured claims.

Sincerely,

Jay S. Hammond  
Governor

THE LEGISLATURE OF THE STATE OF ALASKA

FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. HR 553  
 Title: An Act relating to Risk Management and Loss Prevention in State government  
 Requested by: Governor Jav S. Hammond Date: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: Department of Administration Program: Div. of Gen'l. Services & Supply

II. FISCAL DETAIL

Budget Request Unit(s) Affected: NONE

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

REVOLVING FUND

The use of a revolving fund in combination with insurance is not anticipated to require funding beyond the current funding for insurance requirements.

Changes in our insurance program resulting from use of the revolving fund are anticipated to provide some economies in premium which will be used to establish the fund. This program relies on its own economy for funding.

IV. ATTACHMENTS

V. DATE: 12-18-75 PREPARED BY:

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

A M E N D M E N T

OFFERED IN THE SENATE:

By: State Affairs

To: ss SENATE BILL No. \_\_\_\_\_

HOUSE BILL No. CSHB 553

PAGE: 1

LINE: 11, 16, 21, 25

line 11, after "of" delete "Administration" add "Commerce & Economic Development"

line 16, after "of" delete "Administration" add "Commerce & Economic Development"

line 21, after "of" delete "Administration" add "Commerce & Economic Development"

line 25, after "of" delete "Administration" add "Commerce & Economic Development"

JAN 14 1976

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Alaska State Legislature  
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The fund concept is an alternative to a program, also with higher deductibles, in which the State "insures itself" and recoups unexpectedly high losses (as disaster situations) out of general fund appropriations.

A result of the approach proposed by the Department of Administration will be the elimination of the need for individual agencies to absorb deductibles out of their own program funds; it also will allow the State to replace lost facilities before settlement of insured claims.

Sincerely,

Jay S. Hammond  
Governor

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST  
 Bill No. HB 553  
 Title: An Act relating to Risk Management and Loss Prevention in State government  
 Requested by: Governor Jay S. Hammond Date: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: Department of Administration Program: Div. of Gen'l. Services & Supply

II. FISCAL DETAIL  
 Budget Request Unit(s) Affected: NONE

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

REVOLVING FUND

The use of a revolving fund in combination with insurance is not anticipated to require funding beyond the current funding for insurance requirements.

Changes in our insurance program resulting from use of the revolving fund are anticipated to provide some economies in premium which will be used to establish the fund. This program relies on its own economy for funding.

IV. ATTACHMENTS

V. DATE: 12-18-75 PREPARED BY: 

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

A M E N D M E N T

OFFERED IN THE SENATE:

By: State Affairs

To: SS SENATE BILL No. \_\_\_\_\_

HOUSE BILL No. CSHB 553

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Original sponsor: Rules Committee by Effort: 5/7/76  
request of the Governor Referred: Rules

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE  
2 SENATE CS FOR CS FOR HOUSE BILL NO. 553  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to risk management and loss prevention  
7 in state government."

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

9 \* Section 1. AS 44.21 is amended by adding a new section to read:

10 Sec. 44.21.060. RISK MANAGEMENT AND LOSS PREVENTION. (a) The  
11 Department of Administration shall initiate and implement a risk  
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13 agencies, boards and commissions for the purpose of reducing risks,  
14 accidents and losses. All state departments, agencies, boards and  
15 commissions shall render the necessary cooperation and assistance to  
16 the Department of Administration in the initiation, implementation and  
17 operation of the risk management and loss prevention program. Nothing  
18 in this section relieves other agencies from their statutory responsi-  
19 bilities for safety and loss prevention enforcement and training.

20 (b) There is established a permanent revolving fund known as the  
21 risk management fund in the Department of Administration for the payment  
22 of insurance premiums, uninsured losses, deductibles, and advance  
23 payments of insured losses. The department shall report to the legis-  
24 lature twice annually all activities and balances of the fund.

25 (c) The Department of Administration is directed to allocate among  
26 the agencies of the state the costs of risk management and loss preven-  
27 tion and to charge agencies according to that allocation for premiums  
28 for insurance and risk management programs. Funds so charged and  
29 collected shall be deposited into the risk management fund.

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2 of claims for damages relating to insured or uninsured losses of the  
3 type paid by the risk management fund and from return premiums shall be  
4 deposited in the fund. Interest and other returns from investment of  
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Original sponsor: Rules Committee by      Offered: 5/7/76  
request of the Governor      Referred: Rules

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 553

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4 NINTH LEGISLATURE - SECOND SESSION

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Original sponsor: Rules Committee by  
request of the Governor

Offered: 2/2/76  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 553

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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Original sponsor: Rules Committee by  
request of the Governor

Offered: 2/2/76  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 553

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Original sponsor: Rules Committee by  
request of the Governor

Offered: 2/2/76  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 553

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4 NINTH LEGISLATURE - SECOND SESSION

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Original sponsor: Rules Committee by  
request of the Governor

Offered: 2/2/76  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 553

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

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Introduced: 1/14/76  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 553

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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Introduced: 1/14/76  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

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Introduced: 1/14/76  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 553

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

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19 sponsibilities for safety and loss prevention enforcement and training.

20 (b) There is established a permanent revolving fund known as the  
21 risk management fund in the Department of Administration for the  
22 payment of insurance premiums, uninsured losses, deductibles, advance  
23 payments of insured losses and other purposes considered proper by the  
24 commissioner of administration.

25 (c) The Department of Administration is directed to allocate  
26 among the agencies of the state the costs of risk management and loss  
27 prevention and to charge agencies according to that allocation for  
28 premiums for insurance and risk management programs. Funds so charged  
29 and collected shall be deposited into the risk management fund.

1 (d) All money received by the state from litigation or settlement  
2 of claims for damages relating to insured or uninsured losses of the  
3 type paid by the risk mangement fund, and from return premiums, interest  
4 and other returns from investments of the fund shall be deposited in  
5 the fund.

6 (e) Money deposited in the risk management fund not required for  
7 the purposes of the fund in a particular fiscal year is reappropriated  
8 for the succeeding fiscal year.  
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