

HB

529-S

STATE OF ALASKA
1988 LEGISLATIVE SESSION

No. 3
BILL VERSION: HB 529
PUBLISH DATE: HOUSE 2/17/88

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act relating to workers'
Compensation benefits..."
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Labor
BRU: Workers' Compensation
Components: Workers' Compensation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jacque McClintock Phone: 465-2790
Division: Workers' Compensation Date: 12/16/87
Approved by Commissioner: Jim Sampson Date: 12/16/87
Agency: Labor

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An act relating to workers' comp. benefits for member of the ANG, ANM & ASM BRU: Risk Management
 Sponsor: Rules Committee Components: _____
 Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0.0	88.0	114.0	148.0	193.0	250.0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0.0	88.0	114.0	148.0	193.0	250.0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	88.0	114.0	148.0	193.0	250.0
TOTAL	0	88.0	114.0	148.0	193.0	250.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This fiscal note is extremely difficult to project---see Fiscal Note Analysis on page 2.

Prepared By: Donald J. Hitchcock, Director Phone: 465-2180
 Division: Risk Management Date: February 10, 1988

Approved by Commissioner: John M. Andrews Date: 2/16/88
 Agency: Department of Administration

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

CONTINUATION OF FISCAL NOTE ANALYSIS

This fiscal note is based on present estimated costs of the State self-insured Workers' Compensation program prorated to the number of days of probable National Guard or Militia exposure.

It is further estimated that the Federal Government would pay 75% of loss and the State of Alaska would pay any additional in order to provide the injured person with Alaska Workers' Compensation benefits. If no Federal coverage was available, then the State may become obligated to the entire amount of loss.

There are approximately 5,000 people in these affected military units of which approximately 600 are full time.

It is very difficult to estimate total additional exposure to the State with no loss history available.

SENATE COMMITTEE REPORT

FURTHER

Finance

4/30/88

DATE TURNED INTO OFFICE

5/6/88

Mr. President:

State Affairs

Committee considered

HB 529

workers' compensation benefits for members of the state's organized militia; efd

and recommended

+ reports it back as follows:

[] replace with _____ CS _____) [] same title
[] or adopt _____ CS _____) [] new title

[] attached amendment(s) and

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [X] attached or [] adopted fiscal note(s)

[] new [] updated or [X] previous

[] zero [X] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

W. Henry

Ken Conroy - No Rec

Chairman signature and recommendation

[] Committee Backup attached

STEVE COWPER
GOVERNOR



743527

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 17, 1988

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to workers' compensation benefits for members of the Alaska State Militia, Alaska National Guard, and Alaska Naval Militia.

Under AS 26.05.020, the organized militia is composed of the Alaska State Militia (also known as the Alaska State Guard), the Alaska National Guard (composed of the Alaska Army National Guard and the Alaska Air National Guard), and the Alaska Naval Militia.

The National Guard is concurrently a reserve component of the armed forces of the United States. The National Guard drills one weekend each month and two weeks annually. For this duty, members of the National Guard are paid by the federal government from money appropriated to the Department of Defense. Members of the Naval Militia are concurrently members of the U.S. Naval Reserve. When performing drill for the U.S. Navy, naval reservists may be paid from money appropriated to the Navy Department.

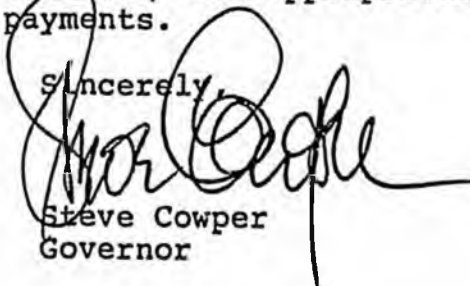
The Alaska State Militia (ASM) has no status as a reserve of the armed forces of the United States and its members receive no compensation from the federal government. The governor has authority to call the organized militia into active state service or training duty under AS 26.05.070. As currently written, AS 26.05.260 expressly provides that members of the National Guard and Naval Militia who are injured or killed while performing duties under AS 26.05.070 are entitled to workers' compensation. The statute is silent regarding compensation of members of the ASM who are injured or killed while performing duties under AS 26.05.070. No state workers' compensation coverage is presently provided for members of the National Guard who are injured or killed in the line of duty in the reserve component of the armed forces of the United States.

This bill expressly extends workers' compensation coverage to members of the ASM. Sections 1, 2, and 3 of the bill. This insures that injured militia members receive adequate compensation for injuries incurred incident to state service, and the bill limits the state's liability for injuries to the remedy provided for in AS 23.30. The bill also expressly extends workers' compensation coverage to members of the organized militia who are injured or killed in the line of duty under certain federal statutes, including federal details, drills, exercises, and training. However, members injured or killed in the line of federal duty are not covered while in transit to and from duty, and workers' compensation benefits are subject to a setoff described below. Section 4 of the bill, in proposed AS 26.05.260(i) and (j).

For purposes of computing workers' compensation benefits for a member of the organized militia, the bill provides that a member's earnings are presumed to be no less than the pay and allowances authorized for a member of the armed forces in the same grade and rank as the member at the time of the injury or death. Section 4 of the bill, in proposed AS 26.05.260(l). The bill also provides that members, or survivors of members, of the Alaska National Guard must apply for available benefits payable by the federal government for the injury or death of the member, and that workers' compensation payments will be reduced by the amount payable by the federal government for the disability or death. Section 4 of the bill, in proposed AS 26.05.260(k). The provisions on the federal setoff apply only to the National Guard because, of the three components of the organized militia, only that one is entitled to federal compensation under federal law. Notwithstanding the federal benefits, there will be some occasions when individuals will have recourse to the Alaska workers' compensation system. Therefore, some additional appropriation to cover the premium for this responsibility is anticipated.

This bill, then, provides for equity among the three components of Alaska's organized militia, and appropriately provides for setoff of federal payments.

Sincerely,



Steve Cowper
Governor

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 529

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to workers' compensation benefits
7 for members of the state's organized militia; and
8 providing for an effective date."

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

10 * Section 1. AS 26.05.260(d) is amended to read:

11 (d) A member of the organized militia [ALASKA NATIONAL GUARD OR
12 ALASKA NAVAL MILITIA] who, while performing duties [ON ACTIVE SERVICE]
13 under AS 26.05.070 [AND LAWFULLY PERFORMING DUTIES], including transit
14 to and from the member's home of record, suffers an injury or [A]
15 disability in the line of duty is entitled to all compensation and
16 benefits available under the Alaska Workers' Compensation Act
17 (AS 23.30).

18 * Sec. 2. AS 26.05.260(e) is amended to read:

19 (e) If a member of the organized militia [ALASKA NATIONAL GUARD
20 OR ALASKA NAVAL MILITIA] dies as a result of an injury or [A] disabil-
21 ity suffered in the line of duty while performing duties [ON ACTIVE
22 SERVICE] under AS 26.05.070 [AND WHILE LAWFULLY PERFORMING DUTIES],
23 including transit to and from the member's home of record, death
24 benefits must [SHALL] be paid to the persons in the amounts specified
25 in AS 23.30.215.

26 * Sec. 3. AS 26.05.260(h) is amended to read:

27 (h) In this section, "member" means an active commissioned or
28 warrant officer or enlisted man or woman in the organized militia
29 [ALASKA NATIONAL GUARD OR ALASKA NAVAL MILITIA].

1 * Sec. 4. AS 26.05.260 is amended by adding new subsections to read:

2 (i) Except as provided in (k) of this section, a member of the
3 organized militia who, while performing duties under 32 U.S.C. 316,
4 502, 503, 504, or 505, suffers an injury or disability in the line of
5 duty is entitled to all compensation and benefits available under the
6 Alaska Workers' Compensation Act (AS 23.30).

7 (j) Except as provided in (k) of this section, if a member of
8 the organized militia dies as a result of an injury or disability
9 suffered in the line of duty while performing duties under 32 U.S.C.
10 316, 502, 503, 504, or 505, death benefits must be paid to the persons
11 in the amounts specified in AS 23.30.215.

12 (k) A member or survivor of a member of the Alaska National
13 Guard who is entitled to compensation under (i) or (j) of this section
14 shall apply for, and provide proof to the Department of Military and
15 Veterans' Affairs of application for, all compensation and benefits
16 authorized under federal law for the injury, disability, or death.
17 The amount of compensation or death benefit paid to a person under
18 AS 23.30 must be reduced by the amount payable to the person by the
19 United States for the same injury, disability, or death under 10
20 U.S.C. and 37 U.S.C. If a person receives payment of compensation or
21 benefits authorized under 10 U.S.C. or 37 U.S.C. for the injury,
22 disability, or death after payment of compensation begins under
23 AS 23.30 for the injury, disability, or death, or if for any other
24 reason a person receives an overpayment of compensation under AS 23.30
25 and this section, the person shall repay the overpayment by making a
26 lump sum payment or by an offset against future payments due for the
27 injury, disability, or death under AS 23.30 and this section.

28 (l) For purposes of computation of benefits under AS 23.30, the
29 earnings of a member of the organized militia will be presumed to be

1 no less than the pay and allowances authorized for a member of the
2 regular armed forces of the United States in the same grade or rank as
3 the member at the time of the injury or death.

4 * Sec. 5. This Act takes effect July 1, 1988.