

HB426

(11)

Date Referred: March 30, 1992

HOUSE COMMITTEE REPORT  
FURTHER REFERRALS:

Date of Committee Action: 5/7/92

The FINANCE Committee considered:

HB 426

HOUSE BILL NO. 426

WORKERS' COMP FOR WORK-STUDY STUDENTS

"An Act extending workers' compensation coverage to certain high school students in work-study programs."

RECOMMENDATIONS:

be replaced with CS HB 426 (FIN)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact 2 HFC 5/5/92

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) DOL 0 3/4/92

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
Mike Spavone Navarre		Bob Sharp			✓
Almond Boyer Boyer		Philipp			✓
<del>Report Vander</del>		Barnes			X
Tay Brown Brown		karson			X
		Edison P. Macher			X

Mike Spavone EP Macher  
CHAIRMAN'S SIGNATURE

**FISCAL NOTE**

**STATE ALASKA**  
**1992 LEGISLATIVE SESSION**

**BILL NO. CSHB 426 (FIN)**

Revision Date: \_\_\_\_\_ Department Affected: Education  
 Title: Extending worker's comp. coverage to certain high sch. work study students BRU: K - 12  
 Sponsor: Rep. B. Davis Component: Foundation Program  
 Requestor: House Finance Committee COMPONENT SERIAL NO. 

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**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	30.0	30.0	30.0	30.0	30.0	30.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>
<b>CAPITAL</b>						

REVENUE						
FUND SOURCE:						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	30.0	30.0	30.0	30.0	30.0	30.0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
<b>TOTAL</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Rep. Eileen MacLean, Co-Chair *Eileen* Phone: 465-4833  
Rep. Mike Navarre, Co-Chair *Mike* Phone: 465-3779  
 Division: House Finance Committee Date: 05/05/92

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Agency: \_\_\_\_\_

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO CSHB 426 (FIR)

Revision Date: \_\_\_\_\_ Department Affected: ADMINISTRATION  
 Title: AN ACT EXTENDING WORKER'S COMPEN- BRU: RISK MANAGEMENT  
SATION COVERAGE TO CERTAIN HS WORKSTUDY  
 Component: \_\_\_\_\_  
 PROGRAMS.  
 Sponsor: REP. B. DAVIS  
 Requestor: HOUSE FINANCE COMMITTEE COMPONENT SERIAL NO. 

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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	30.0	30.0	30.0	30.0	30.0	30.0
TOTAL OPERATING	30.0	30.0	30.0	30.0	30.0	30.0
CAPITAL	0	0	0	0	0	0

REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	30.0	30.0	30.0	30.0	30.0	30.0
TOTAL	30.0	30.0	30.0	30.0	30.0	30.0

POSITIONS:

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

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: REP. EILEEN MACLEAN CO-CHAIR Phone: 465-4833  
REP. MIKE NAVARRE CO CHAIR *date* Phone: 465-3779  
 Division: HOUSE FINANCE COMMITTEE Date: 5/05/92

Approved by Commissioner: \_\_\_\_\_ Date: 5/05/92  
 Agency: \_\_\_\_\_

FISCAL NOTE

No. 3

Bill Version: HB 426

(H) Publish Date: 3-4-92

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO

Revision Date: \_\_\_\_\_  
Title: "An Act extending workers' compensation to certain high school students..."  
Sponsor: B. Davis, et al.  
Requestor: House Labor & Commerce

Department Affected: Labor  
BRU: Workers' Compensation  
Component: Workers' Compensation  
COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES.						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)  
*See Attached*

Prepared by: Linda Rexwinkel, Director Phone: 465-2790  
Division: Workers' Compensation Date: 2/18/92  
Approved by Commissioner: John Abshire, Acting Commissioner  
Agency: Department of Labor Date: 2/18/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

COMMITTEE COPY

CS FOR HOUSE BILL NO. 426 (FINANCE)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES B.DAVIS, Koponen, Bruckman

A BILL  
FOR AN ACT ENTITLED

1 "An Act extending workers' compensation coverage to certain high school students in  
2 uncompensated work-study programs."

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

4 \* Section 1. AS 23.30.237 is amended to read:

5           Sec. 23.30.237. HIGH SCHOOL STUDENTS IN WORK-STUDY PROGRAMS AS  
6 EMPLOYEES OF THE STATE. An individual who is enrolled for credit at a public high school  
7 in a course that combines academic instruction with uncompensated work experience outside  
8 the school for a public or private [NONPROFIT] employer is an employee of the state for the  
9 purposes of this chapter while the individual is performing the work experience. Compensation  
10 [WEEKLY COMPENSATION] for disability or death under this section is subject to [MAY  
11 NOT BE LESS THAN THE INITIAL PAYMENT OF COMPENSATION UNDER]  
12 AS 23.30.175. Nothing in this section allows an individual to perform work experience that  
13 is not permitted under state or federal law.

FISCAL NOTE

BILL NO. CSHB 426 (JUD)

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
Title: An Act extending workers' compensation coverage to certain high school work-study programs.  
Sponsor: B. Davis, Koponen, Bruckman  
Requestor: \_\_\_\_\_

Department Affected: Administration  
BRU: Risk Management  
Component: \_\_\_\_\_

COMPONENT SERIAL NO. 

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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	0	0	0	0
MISCELLANEOUS	100.0	100.0	100.0	100.0	100.0	100.0
<b>TOTAL OPERATING</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER FUND SOURCE:	100.0	100.0	100.0	100.0	100.0	100.0
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

POSITIONS:

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

Estimate of current year impact: 0

ANALYSIS: (Attach a separate page if necessary.)

See Attached

Prepared by: Donald J. Hitchcock  
Division: Risk Management

Phone: 465-2180  
Date: March 23, 1992

Approved by Commissioner: Nancy Bear Usera  
Agency: Administration

Date: 3/23/92

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CSHB426 (JUD)

ANALYSIS (CONTINUED)

The Division of Risk Management feels HB 426 very seriously affects State workers' compensation exposure for high school students in work-study programs. This would mandate that State workers' compensation protection be provided by the State for every high school student in a non-compensated work-study program. It is our feeling that passage of this bill may provide for a very substantial increase in the numbers of students involved in this program and possibly in more hazardous occupations such as fishing, carpentry, shopwork, etc. Since this bill removes the term "nonprofit" from the present statute, the "for profit" employer may be released from his obligation to provide protection for these students. We feel this may be a disincentive to the "for profit" employers to provide, and insist on, safety and safe work practice for these inexperienced high school age workers.

This fiscal note is difficult to estimate. Presently approximately 10-12% of the State work force is involved in workers compensation claims annually. Average cost per claim is approximately \$2900. Our fiscal note is based on these statistics plus an assumption of 100-200% growth in the program if this bill is passed.

Since the Division of Risk Management's funding is collected through Reimbursable Services Agreements (RSA's) from the agencies, this request would be added to the Department of Education insurance RSA billing from the Division of Risk Management.

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. CS HB 426 (JUD)

Revision Date: 4-30-92  
Title: An Act extending workers' compensation coverage to certain high school work-study programs.  
Sponsor: B. Davis, Koponen, Bruckman  
Requestor: (H) Finance

Department Affected: Education  
BRU: K-12 Support  
Component: Foundation Program

COMPONENT SERIAL NO. 

	1	4	1
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	100.0	100.0	100.0	100.0	100.0	100.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

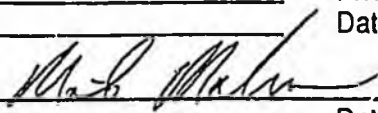
GENERAL FUND	100.0	100.0	100.0	100.0	100.0	100.0
FEDERAL FUNDS						
OTHER FUND SOURCE:						
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)  
Department of Education costs derived from information and analysis prepared by the Department of Administration in conjunction with the Department of Labor. This amount represents estimated claims incurred on behalf of students participating in work-study programs. It would be a direct pass-through via RSA to the Department of Administration.

Prepared by: Mike Maher Phone: 465-2800  
Division: Commissioner's Office Date: 4-30-92  
Approved by Commissioner:  Jerry Covey  
Agency: Education Date: 4-30-92

FEB 14 1992

Anchorage School District  
King Career Center  
Anchorage, Alaska 99508

MEMORANDUM

February 10, 1992

To: Representative Bettye Davis

From: Esther J. Cox, Principal

Subject: HB 426



On-the-job training is an essential element in the education of high school aged students who are interested in furthering their classroom training. An on-the-job training student is enrolled for credit in high school in a course that combines academic/vocational instruction with work experience outside of the school in business. Working with the student and an employer is a job coordinator from the high school. It is the responsibility of this person to assist the employers in developing a training plan for the student that relates to the classroom instruction as well as continue as support for both the student and employer for the duration of the on-the-job training plan. The student earns high school credit but no pay.

On-the-job training provides opportunities for students that cannot be duplicated by the public school. Included with this memo is a copy of job sites of students who are enrolled in Emergency Medical Technology and Health Occupations here at the King Career Center. It becomes apparent immediately that employers are giving of time and effort to assist in training youth. Additional training sites are in demand by programs such as Automotive Maintenance, Welding, Wildland/Fire Management, Auto/Body, Carpentry, and Aviation Maintenance Technology; however, because of the way that Section 1, Section 23.30.237 of the Worker Compensation Act is worded, only students placed in public or private nonprofit sites become employees of the state, thus covered by Worker Compensation. Because the areas listed include an element of risk just by nature of the job being performed, employers will not or are extremely hesitant at best, to place students in those sites.

It is impossible for the public schools to maintain a forward edge in technology. For example, students in Automotive Maintenance learn the basics of the gasoline engines, repair skills, valve train repair, fuel systems, etc., but diagnostic computers are only found in the business world, and if students are prohibited from being placed on OJT sites because there is no Worker Compensation coverage for them, schools are not able to send finely trained personnel into the business world.

The rewording of Section 23.30.237 would strike nonprofit and allow the state Worker Compensation to cover all students who are on on-the-job training not just those who are on public or private nonprofit job sites.

Without this change in the regulation, on-the-job training opportunities for students enrolled in a course that combines work experience outside the school and classroom instruction is limited to job sites that have little or no element of risk. It is easy to place students in offices at word processors; it is nearly impossible to place students with the airline industry in the shops or running equipment on the tarmac. We are working diligently to encourage students into non-traditional roles in the world of work,

and with limitations of job training sites, they have limited access to the role models in those jobs.

This is not a labor issue. It is an educational issue. It is to the benefit of every student enrolled in on-the-job training through his/her high school classes for Section 23.30.237 of the Worker Compensation Act to include both public and private employers.

ANCHORAGE SCHOOL DISTRICT  
KING CAREER CENTER  
ANCHORAGE, ALAKSA

FEB 11 1992

MEMORANDUM

February 11, 1992

TO: Representative Bettye Davis

FROM: Esther J. Cox, Principal



SUBJECT: OJT Students and HB426

Bettye, the attached is an example of students from two (2) programs on OJT from the King Career Center just so you can see that extending the classroom into the community really happens when we are not precluded by an insurance problem!

We truly appreciate all your effort in behalf of students and teachers.

	1/27	2/3	2/10	2/17	2/24	3/2	Brk	3/16	3/23	3/30	4/6	4/13	4/20	4/27	5/4	5/11	5/18	5/25	6/1		
Mari Anway	P - Surgical Ward.....						M. Conrad-	-----													KCC
Zonita Bailey	H - Physical Therapy--						P-Phys.Th.	-----													
Bill Fisher																					
Brandi Henninger	H-Pediatrics-----						P-Newborn	-----			P-Day Surg	A-Surgical Ward			A-Recovery Rm.						
Mike Howard	Our Lady of Compassion-----						-----													KCC	
Allen Hulse	Our Lady of Compassion-----						-----														
Shanna Linderman	A - Maternity-----						H - Peds--	-----						H - Surg. Ward		P - Surg. Ward		KCC			
Robert Morrison	H - Respiratory Therapy-----						P - Respiratory Therapy---			OLOC - Respiratory Therapy				KCC	KCC						
Arden Quezon	Our Lady of Compassion-----						-----														
Shanda Rollins	Our Lady of Compassion -----						-----														
Evette Terry	Our Lady of Compassion-----						-----														
Wendy Vogus	Dr. Luther Paine-----						-----													KCC	
Cynthuria Walker	P - Physical Therapy						A - PT--	Phys.Th.Cl.		Phys. Ther. Clinic		Phys. Ther. Clinic		Phys. Ther. Clinic		KCC					
Ruth Williams	Our Lady of Compassion - PT--						-----														

A = Alaska Native Medical Center  
KCC = King Career Center

C = Community Service Patrol  
M.Conrad = Mary Conrad Center

Dispatch = AFD 911 Dispatch Center  
P = Providence Hospital

E = Elmendorf Regional Medical Center  
H = Humana Hospital  
OLOC = Our Lady of Compassion Care Center

	1/27	2/3	2/10	2/17	2/24	3/2	Brk	3/16	3/23	3/30	4/6	4/13	4/20	4/27	5/4	5/11	5/18	5/25	6/1	
Paul Bowen	Transcare		E - ER----		E - EKG---			CSP-----		A - ER---		A - CCU----		Crime	KCC		AFD Medics---		KCC	
Lisa Butler-Killan	A-Phrm/PT		Transcare		E - ER---					AFD Medics-----		Crime	KCC	P-Pediatrics	KCC		A-Maternity			
Justin Custard	Srv. Nurse		A - ER----		CSP-----					Sports Med		P-Pediatrics	KCC	E - ER----	KCC		P-Radiology	KCC	KCC	
Joi Garrison	P-Thermal		P-Radiology		H - ER----					Transcare		H - CCU----		AFD Medics-----	KCC		CSP----			
Bret Hinman	E - ER----		CSP----		AFD Medics-					AFD-		E - EKG---		E-Maternity	P-Day Surg	KCC		H - ER---		
Healhor Kasprzak	P - ER----		P-Pediatrics		CSP-----					A-Recovery	KCC	A-Phrm/PT.		E-Maternity	KCC		Transcare	KCC	KCC	
Yvette Kiehl	Transcare		P - ER----		H - CCU----					E-Maternity		H-Pediatrics		Dspch	A-Maternity	KCC		P-Day Surg		
Kim McClondon	A - ER----		CSP-----		A-Hosp.Adm.					P-Thermal		Transcare		H - ER----	KCC	KCC		E-Maternity	KCC	KCC
Jennifer Mayer	H - CCU----		AFD Medics-----		Dspch					H - ER----		A-Maternity		Trans	CSP-----	KCC		P-Thermal		
Rachel Miller	H - ER----		H - CCU----		P-Radiology					P-Pediatrics	KCC	P-Day Surg		Transcare	KCC		CSP----	KCC	KCC	
Ami Palmer	A-Obstets.		A - CCU----		P-Thermal					Trans	P-Radiology	KCC		AFD Medics-----	KCC		E - ER----			
Stacy Poythress	P-Pediatrics		E-Maternity		A - ER---					P - ER----		AFD Medics-----		H-Pediatrics	KCC		H - CCU----			
Nicole Sanlistevan	E-Maternity		H-Pediatrics		H-Radiology					H - CCU----		P-Thermal		KCC	Transcare	KCC		P - ER---		
Donna Soldato	E - EKG---		Transcare		Sports Med					H-Radiology		E - ER----		P-Thermal	KCC	KCC		H-Pediatrics		
Melissa Wangen	A - Lab---		A-Obstets		E-Maternity					AFD Medics-----		KCC		CSP	P - ER----	KCC		P-Pediatrics		
James Winter	CSP-----		P-Thermal		A-Radiology					A - ER----		AFD Medics-----		E - EKG----	KCC		A - CCU----			

A = Alaska Native Medical Center    C = Community Service Patrol    Dispatch = AFD 911 Dispatch Center    E = Elmendorf Regional Medical Center    H = Humana Hospital  
 KCC = King Career Center    M. Conrad = Mary Conrad Center    P = Providence Hospital    OLOC = Our Lady of Compassion Care Center





No. 3  
3-4-92

**BILL NO:** House Bill No. 426

**DATE:** February 25, 1992

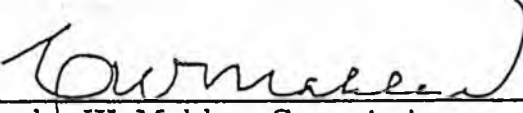
**TITLE:** "An Act extending workers' compensation coverage to certain high school students in work-study programs."

**CONTACT:** Arbe Williams  
465-2700

House Bill No. 426 would extend workers' compensation coverage provided by the State of Alaska to high school students enrolled in work study programs while the students are performing work for a private employer. Currently only public or private nonprofit employers enjoy the benefit of state financed coverage.

House Bill No. 426 is not expected to impact the Department of Labor's programs.

APPROVED:

  
\_\_\_\_\_  
Charles W. Mahlen, Commissioner  
Department of Labor

**POSITION PAPER/Department of Labor**  
**COMMITTEE COPY**

# ALASKA STATE LEGISLATURE

Office of Majority Whip

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(907) 465-3875/4894

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HEALTH, EDUCATION  
& SOCIAL SERVICES

COMMUNITY AND  
REGIONAL AFFAIRS

INTERNATIONAL TRADE  
AND TOURISM

CHAIR  
CHILDREN'S CAUCUS

## REPRESENTATIVE BETTYE DAVIS

DISTRICT 14 SEAT B • EAST ANCHORAGE • MULDOON

### S P O N S O R   S T A T E M E N T

I appreciate the committee members hearing CSHB 426 (Judiciary).

Because of the way AS 23.30.237 of the Worker Compensation Act is worded, only students placed in public or private nonprofit sites become employees of the state, and are covered by Workers Compensation benefits.

Under this bill, AS 23.30.237 would be modified by adding UNCOMPENSATED and by striking NONPROFIT. This change would allow the state Worker Compensation law to cover all students who participate in on-the-job training, not just those who are on public or private nonprofit job sites. It also makes it clear that only uncompensated work experience is covered.

It is important to open the doors for on-the-job training with companies that could train young people in Aviation Maintenance Technology, Automotive Maintenance, Welding, Wild/Fire Management, and Auto/Body.

This is an important educational issue, and this section must be changed if you believe in giving our young people better choices in their career placements.

Thanks.



# Alaska State Legislature




House of Representatives  
House Judiciary Committee  
Chairman Dave Donley

State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-4990

## MEMORANDUM

TO: House Finance Committee

FROM: House Judiciary Committee  
by Representative Dave Donley, Chair   
House Judiciary Committee

RE: Fiscal note on CSHB 426 (Jud), extending workers' compensation to certain high school students in uncompensated work-study programs.

DATE: March 26, 1992

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The House Judiciary Committee respectfully requests the House Finance Committee to take a careful look at the fiscal note on HB 426 from the Department of Administration, Division of Risk Management.

The committee felt that the note was unduly inflated and required the expert scrutiny of the Finance Committee.

Thank you for your attention to this request.



ESTHER COX, PRINCIPAL  
RICHARD KRIEGER, ASSISTANT PRINCIPAL

February 10, 1992

Rep Bettye Davis  
Alaska State Legislature  
P. O. Box V  
Juneau, AK 99811

Dear Representative Davis:

I am a vocational counselor and on the job coordinator in the Anchorage School District. I would like to thank you for sponsoring House Bill 426. If this bill is passed it will allow us to place students in training in business's where we are unable to at this time. For example, print shops, welding shops, auto and diesel mechanic shops, electrical contractors and any occupation that is considered hazardous, are areas where the owners are unwilling to take the risk of training students unless they are covered by insurance.

We have been able to place students on the job training in non-hazardous occupations successfully for fifteen years and have not had any problems partly because we have save harmless agreements that the parents and employers sign which places the burden of insurance coverage on the parents, and partly because we have been lucky and have had no accidents thus no test cases. But we could have an accident in any of these "safe" training sites and if the parents decided to sue instead of honoring their responsibility we would probably see an end to the majority of the OJT training sites.

We have had outstanding results with the OJT program resulting in 60% of OJT students hired over a ten year period. If HB 426 were passed the OJT program would be enhanced and provide many more opportunities for students.

Thank you,

Pete Johnson  
Vocational Counselor

February 7, 1992

Representative Bettye Davis  
Alaska State Legislature  
Room 409  
Juneau, Alaska 99811

Dear Representative Davis:

I wish to support HB426 in the strongest possible terms. The passage of this bill is critical to vocational training throughout the state.

Private for-profit employees must be protected by Workmens Compensation for students they allow on their premises to train not work. This distinction is very important if this bill is to be passed.

We are talking about a training and learning non-employment relationship. The students are learning or training-they are not employees working.

I have lost excellent vocational learning opportunities for Automotive Maintenance Technology, Aviation, and Welding on the job training (O.J.T.) students. The employers very much wanted to assist me to train students but were afraid of liability problems. Some of the businesses included: Kenworth Alaska, MarkAir Express, Alaska Helicopter, and Allied Construction Services. There have been many more but these are the most recent.

We need to protect these employers who can provide excellent training opportunities for our King Career Center students.

I urge you to do everything possible to help get this important educational opportunity into law.

I will do anything necessary to assist you in this endeavor.

Thank you for your support and leadership on this issue.

Sincerely,



Larry Gordon  
Vocational Coordinator  
King Career Center



1300 E. 5th. Avenue  
Anchorage, Alaska 99501  
Phone (907) 279-9641  
FAX (907) 276-8942

FEBRUARY 18, 1992

REP. BETTY DAVIS  
ALASKA STATE LEGISLATURE  
ROOM 409  
JUNEAU, AK 99811

DEAR MS. DAVIS:

AFTER A BRIEF CONVERSATION WITH A ESTER COX, AT KING CAREER CENTER,  
IT IS OUR OPINION THE REVISION IN HOUSE BILL 426 SHOULD BE  
MANDATED IMMEDIATELY.

PRESENTLY THE WAY THIS BILL IS WRITTEN A PRIVATE FOR PROFIT EMPLOYER,  
SUCH AS OURSELVES, CANNOT AFFORD TO TRAIN AN OJT STUDENT AT OUR FACILITY  
DUE TO THE WORKMANS COMPENSATION LIABILITY.

SPECIFICALLY, WE AT ALASKA SALES AND SERVICE FEEL TRAINING AN OJT STUDENT  
WOULD BE BENEFICIAL WITHIN THE AUTOMOTIVE INDUSTRY. UPON THE STUDENTS  
GRADUATION HE/SHE WOULD BE:

1. FAMILIAR WITH THE INNER WORKINGS OF A DEALERSHIP.
2. KNOWLEDGEABLE OF CURRENT TECHNICAL REPAIRS.
3. QUALIFIED TO OPERATE ALL SPECIALIZED STATE OF THE ART TECHNICAL EQUIPMENT.

ADDITIONALLY, BY REVISING THIS BILL WE FEEL THE SKILLED LABOR FORCE WOULD  
BE EXPANDED FOR BOTH THE EMPLOYEE AND EMPLOYER.

IN CLOSING, WE ARE IS FULL SUPPORT OF THIS REVISION. SHOULD YOU REQUIRE  
FURTHER INFORMATION OR ASSISTANCE PLEASE FEEL FREE TO CALL ANYTIME.

SINCERELY,

WENDY RADER:  
CUSTOMER RELATIONS MANAGER

# BARTLETT HIGH SCHOOL



25-500 N. Muldoon  
Anchorage, Alaska 99506  
(907) 337-1585

FEB 12 1992

February 5, 1992

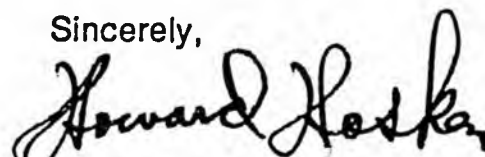
Representative Bettye Davis  
Alaska State Legislature  
Room 409  
Juneau, AK 99811

Dear Representative Davis:

Please extend my support of House Bill 426 to expand opportunities for on-the-job-training programs for students. I do believe the term "non-profit" should be deleted from the wording.

I appreciate your continuing concern and support for the educational system in the State of Alaska.

Sincerely,

  
Howard Hosken, Principal  
Bartlett High School

"FROM THE DESK OF EDDIE BURKE"

DEAR SENATOR OR REPRESENTATIVE,

JAN 31, 1992

MY NAME IS EDDIE BURKE, I WILL BE IN JUNEAU FEBRUARY 5TH FOR ONE DAY. AS ONE OF YOUR CONSTITUENTS I WOULD LIKE TO HAVE AN OPPORTUNITY TO SPEAK WITH YOU BRIEFLY. THE CONVERSATIONS I WILL DISCUSS WILL BE THE ANCHORAGE CHAMBER OF COMMERCE LEGISLATIVE PRIORITIES. I HOPE YOU WILL BE ABLE TO SEE ME DURING THAT DAY FOR APPROX 15 OR 20 MINUTES.

I WOULD ENCOURAGE YOU TO SUPPORT HB-426 SPONSORED BY REP-BETTY DAVIS. IT GIVES THE ANCHORAGE SCHOOL DISTRICT THE ABILITY TO LET STUDENTS GO TO SERVICE STATIONS AND GARAGES TO OBTAIN O.J.T. FOR AUTOMOTIVE EXPERIENCE. WORKMAN COMP LAWS PROHIBIT THIS FROM HAPPENING IT IS VITAL THAT STUDENTS HAVE THE OPPORTUNITY TO GET THE HANDS ON TRAINING. I WILL BE DISCUSSING THIS FURTHER WITH YOU, ON FEBRUARY 5TH.

I AM LOOKING FORWARD TO MEETING WITH YOU AND DISCUSSING THE ABOVE ISSUES. GOOD LUCK IN THIS SESSION. FEEL FREE TO CALL OR FAX.

PHONE WK-277-7424 FAX 277-9768  
HOME-337-0388

RESPECTFULLY,



EDDIE BURKE.

February 6, 1992

Representative Bettye Davis  
Alaska State Legislature  
Room 409  
Juneau, AK 99811

RE: SUPPORT OF HB 426

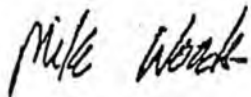
I am an instructor at the King Career Center in Anchorage, Alaska and am writing this letter of support for the legislative bill HB426. Within my program at the King Career Center, I place students in on-the-job sites with both profit as well as nonprofit businesses.

I have placed the majority of my students with state and federal agencies due to the fact that I can have students covered under "volunteer programs" within each of these agencies. On numerous occasions, I have asked "profit" companies to support OJT programs, but their concern and hesitance has come from concerns of who is responsible for the students welfare at the job site.

If this bill comes to pass, I truly believe it will make available to students many additional training sites by which they can receive hands-on work training skills.

Thank you for your efforts in pass this bill

Sincerely,



Mike Woods  
Wiland Management Instructor



FEB 05 1992

January 31, 1992

Representative Bettye Davis  
Alaska State Legislature  
Room 409  
Juneau, Alaska 99811

Dear Representative Davis:

I would like to request your support for HB426 which will extend coverage of workers compensation for high school students in on-the-job training in for-profit businesses and companies. In my capacity as the Assistant Principal of the King Career Center in Anchorage for the past five years, I have been aware of several possible on-the-job training (OJT) sites that fell through for our students because employers were unwilling to accept these students without this coverage. We feel that we could expand our outreach for training locations in many areas for our young people if HB426 were made into law. Thank you for your support on this matter.

Sincerely,

Richard Krieger,  
Assistant Principal

MARTIN LUTHER KING, JR. CAREER CENTER  
ANCHORAGE SCHOOL DISTRICT  
2650 E. NORTHERN LIGHTS BLVD. ANCHORAGE, ALASKA 99508-4119 (907) 278-9631

Anchorage School District  
King Career Center  
Aviation Maintenance Technology  
Anchorage, Alaska

MEMORANDUM

To: All persons concerned with HB 426

From: Cliff Stockton 274-1262

Subject: Hearing/Passage of HB 426

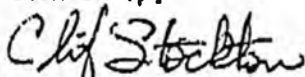
Esteemed Fellow Citizens;

Please have it be understood that I, a VocEd teacher in Anchorage School District, am extremely interested in the passage of HB 426. This bill, when passed, will make the educational opportunities for VocEd students extremely liberal. Under the status-quo it is difficult to place students in many OJT situations due to the concern (read FEAR) of liability.

I feel that this is not a labor issue, but rather, an education issue.

Your support too, is greatly appreciated.

Sincerely,



Cliff Stockton, Instructor  
King Career Center  
Anchorage School District



## Matanuska-Susitna Borough School District

125 WEST EVERGREEN — PALMER, ALASKA 99645 — (907) 746-9200

Dr. Ell B. Sorensen, Superintendent

### ALL MEMBERS OF THE HOUSE FINANCE COMMITTEE

HB426-An Act extending workers' compensation to high school students in work study programs.

This provision would be very helpful in the development of training programs for our young people. If enacted this change would allow students to gain paid OR unpaid work experience more easily in programs intended to transition students from school to work or further education and encourage employers and agencies to become more involved in these types of training programs.

I urge you to move this BILL to a hearing and give your full support for its passage.

Sincerely

A handwritten signature in cursive script, appearing to read "Howard Lowery".

Howard Lowery  
Vocational Education Director  
Mat-Su Borough Schools

3-6-92

DEAR SIR

I support HB 426. I'm  
currently a student at King  
CAREER center, ANCHORAGE SCHOOL  
DISTRICT, and AMIAN OST. STUDENT  
ERA AVIATION. I desire this  
opportunity for all students.  
I feel that HB 426 will MAKE  
this educational opportunity  
AVAILABLE TO MORE students

THANK YOU  
Long Sun

3/6/92

Dear Sir:

I attend school at Service High School, and take Aviation Maintenance at the King Career Center. I also hold a job at <sup>the</sup> F.A.A. Hanger on Intl. Airport Rd. as an OJT student. I think all students should have this opportunity. In regards to HB 426, I think it would open up opportunities to more students in the Anchorage School District.

Thank you,  
Bryson Hilby

88  
11.00

RICHARD D. KIBBY

310 K Street, Suite 404

Anchorage, AK 99501

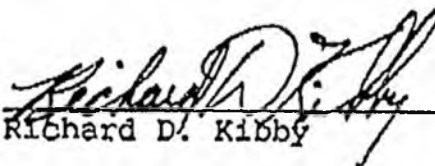
(907) 277-7488

March 19, 1992

Dear *Rep Donohy*

Your committee is considering HB 426. I urge you to support this bill and quickly move it out of committee.

Very truly yours  
RICHARD D. KIBBY  
A Attorney at Law

  
Richard D. Kibby

RDK:kfe

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPARTMENT OF LABOR

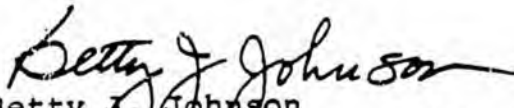
### DIVISION OF WORKERS' COMPENSATION

1111 WEST 8th, RM 305  
PO. BOX 25512  
JUNEAU, ALASKA 99802-5512  
PHONE: (907) 465-2790  
FAX: 465-2784

January 12, 1990

For the purposes of workers' compensation coverage, a student enrolled in a "co-op" program between a public high school and a public or private non-profit employer, is an employee of the State of Alaska and covered under the State of Alaska's workers' compensation program. There is no premium cost to the public or private non-profit employer employing a high school student within the guidelines of AS 23.30.237.

AS 23.30.237 High school students in work-study programs as employees of the state. An individual who is enrolled for credit at a public high school in a course which combines academic instruction with work experience outside the school for a public or private non-profit employer is an employee of the state for the purposes of this chapter while the individual is performing the work experience. Weekly compensation for disability or death under this section may not be less than the initial payment of compensation under AS 23.30.175.



Betty J. Johnson  
Workers' Compensation Officer II

**Industrial Indemnity**

A Crum and Forster Organization  
A PERC Financial Services Company

Anchorage Division  
4341 B Street  
Anchorage, Alaska 99503

Mailing address  
P O Box 307  
Anchorage, Alaska 99510  
(907) 561-6000

October 7, 1988

Ed Luther  
Kenworth Alaska  
2838 Porcupine  
Anchorage, AK 99501

RE: High School Students as Employees for  
Vocational Training

Dear Mr. Luther:

Thank you for contacting me with your concerns about liability for students on work study programs through the Career Center's vocational training program.

Having an unpaid student working on your premises does create a coverage question. Who is liable for compensating the student if they are injured at your facilities? Current laws are vague on this and the courts and the Alaska Workers Compensation Appeals Board have had no need to address this situation as no cases have been brought to them.

That puts us in the position of trying to determine coverage, and although we may not think that there is coverage provided, we do not want to risk the situation. Therefore, as your insurer, we would ask you not to participate in this program as it is currently presented.

I am sorry that we cannot offer more support, as the Career Center program is a great benefit to the community and offers many students the training necessary to begin their technical career path. Can it be restructured so that the state and/or school district will take responsibility for potential injury to the student?

Thank you again for your inquiry and please feel free to call me if you have further questions.

Sincerely,

Edwin R. Grove, III  
Premium Audit Manager

ERG:njm