

**HB**

**419**

**SFIN**

**FILE**

## HB 419

- I) Dept supports this bill
- II) Compromise bill between labor and management
- III) It provides much needed increases in benefits for injured workers **(addresses many of the leg. audit suggestions)**
  - a) PPI from \$135,000 to \$177,000
  - b) Increases the max. and min. comp rate (index to Ak average weekly wage translates to **\$772 for max rate, \$170 min rate**)
  - c) Raises the amount available for cost of retraining from 10,000 to 13,300
  - d) Increases widows and orphans benefits and burial expenses
  - e) Allow overtime pay to be part of the calculation of weekly comp rate
  - f) Provides seasonal/temporary workers comp rate to be tied to wages at the time of injury
  - g) Compensation during the retraining process is raised from 60-70% of employee's spendable weekly wage.
- IV) It also has provisions that employers wanted
  - a) Most of the changes are in the rehab process
    - 1) simple method for waiving retraining benefits
    - 2) streamlines timelines for retraining process
    - 3) clarifies what benefits will be paid during retraining
  - b) It clarifies the 2 year timeline for requesting a hearing on a claim.
  - c) It increase the timeline for the payment of medical bill from 14 days to 30 days.

- d) Changes the interest rate due on late compensation payment to the court rate (2% above the prime)
  - e) Establishes a simple summary process for employers to obtain reasonable medical releases.
- V) Provides for an annual update for the usual, customary and reasonable fee schedule.
- VI) This is a balanced bill that provides much needed benefit increases to employees and procedural changes for employers.

## HB 419

- I) This is a balanced bill with provisions for workers and employers
  
- II) It provides much needed increases in benefits for injured workers (benefits have not been adjusted in 12 years (**addresses many of the leg. audit suggestions**))
  - a) PPI from \$135,000 to \$177,000
  - b) Increases the max. and min. comp rate (index to Ak average weekly wage translates to **\$772 for max rate, \$170 min rate**)
  - c) Raises the amount available for cost of retraining from 10,000 to 13,300
  - d) Increases widows and orphans benefits and burial expenses
  - e) Allows overtime pay to be part of the calculation of weekly comp rate.
  - f) Provides seasonal/temporary workers comp rate to be tied to wages at the time of injury
  - g) Compensation during the retraining process is raised from 60-70% of employee's spendable weekly wage.
  
- IV It also has provisions that employers wanted
  - a) Most of the changes are in the rehab process
    - 1) simple method for waiving retraining benefits
    - 2) streamlines timelines for retraining process
    - 3) clarifies what benefits will be paid during retraining
  
  - b) It clarifies the 2 year timeline for requesting a hearing on a claim.
  
  - c) It increases the timeline for the payment of medical bills from 14 days to 30 days.
  
  - d) Changes the interest rate due on late compensation payment to the court rate (2% above the prime)

- e) Establishes a simple summary process for employers to obtain reasonable medical releases.
  
- V) Provides for an annual update for the usual, customary and reasonable fee schedule fee schedule.
  
- VI) The bill will increase the cost of workers' compensation approx. 7.7% to 8.9%, but the cost of workers compensation insurance premium has gone down approx. 40% in the last 12 years
  
- VII) This is a balanced bill that provides much needed benefit increases to employees and procedural changes for employers.
  
- VIII) This is a good bill, this is a fair bill and we urge your support in its passage.

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/19/00

REPORTED OUT OF  
SFC 4/26/00

FURTHER:

DATE TURNED  
IN TO OFFICE: 26 April 00

Finance Committee considered  
  
WORKERS' COMPENSATION

CS FOR HOUSE BILL NO. 419(RLS)

and recommends:

- be replaced with S CS CS HB 419 (FIN)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:
- same title
  - new title
- House Bill:
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓	<i>[Signature]</i> Do Pass, TE Amended			✓
<i>[Signature]</i>	✓	<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>[Signature]</i>		Co-Chair:			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
University	4/24/00		83.0
OMB	4/24/00		762.9

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

REPORTED OUT OF  
SFC 4/26/00

## FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. CSHB 419(RLS)

Revision Date (Note if correction) \_\_\_\_\_ Dept. Affected University of Alaska  
 Title \_\_\_\_\_ BRU Statewide  
 Worker's Comp \_\_\_\_\_ Component \_\_\_\_\_  
 Sponsor House Labor & Commerce by Request  
 Requester \_\_\_\_\_ Component Serial No. \_\_\_\_\_

**Expenditures/Revenues**

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services					
Travel					
Contractual					
Supplies					
Equipment					
Land & Structures					
Grants & Claims	83.0	83.0	83.0	83.0	83.0
Miscellaneous					
<b>TOTAL OPERATING</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>FUND SOURCE</b>					
1002 Federal Receipts	3.2	3.2	3.2	3.2	3.2
1003 GF Match					
1004 GF	62.3	62.3	62.3	62.3	62.3
1005 GF/Program Receipts					
1037 GF/Mental Health					
1048 University Receipts	17.5	17.5	17.5	17.5	17.5
<b>TOTAL</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>

Estimate of any current year (FY00) cost: none

**POSITIONS**

Full-time					
Part-time					
Temporary					

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

Estimated impact based on 6.3 percent increase as determined by Carolyn Pearl, State Relations Executive, National Council on Compensation Insurance, Inc.

Prepared by Jim Lynch, Interim VP for Finance Phone 474-2602  
 Division Statewide Office of University Relations Date 4/24/00  
 Approved by Commis: Jim Lynch, Interim VP for Finance Date 4/24/00  
 Agency Statewide Office of University Relations

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# FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. SCS CSHB 419 (JU)

Revision Date/Time 04/24/2000 Dept. Affected All State Agencies  
 Title "An act relating to workers' compensation reform. BRU  
 \_\_\_\_\_ Component \_\_\_\_\_  
 Sponsor House Rules Committee  
 Requester Senate Finance Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	762.9	762.9	762.9	762.9	762.9	762.9
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	75.0	75.0	75.0	75.0	75.0	75.0
1016 Federal Incentive Payments	0.3	0.3	0.3	0.3	0.3	0.3
1133 Indirect Cost Reimbursement	0.1	0.1	0.1	0.1	0.1	0.1
1003 GF Match	18.7	18.7	18.7	18.7	18.7	18.7
1004 GF	372.4	372.4	372.4	372.4	372.4	372.4
1005 GF/Program Receipts	27.5	27.5	27.5	27.5	27.5	27.5
other (GF)	28.0	28.0	28.0	28.0	28.0	28.0
Other (Specify Type)	240.9	240.9	240.9	240.9	240.9	240.9
<b>TOTAL</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Consolidation of statewide risk management costs to departments' personal services expense. See attached for detailed fund source amounts.

Prepared by: Joan Brown, Chief Budget Analyst Phone 465-4681  
 Division Office of Management and Budget Date/Time 4/24/00 4:17 PM  
 Approved by Director Annalee McConnell Date 04/24/2000  
 Agency Governor's Office

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Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstration 105.9	Comm. & Econ. Dev. 6.2	Corrections 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environmental Conservation 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislat ure 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transportati on & Public Facilities 194.2	Total
1002	Fed Rcpts	Fed	1.4	0.1	2.2		1.2	2.6	10.6	30.0	13.7	0.1		4.3	2.6	0.2	1.7	3.3	1.0	75.0
1016	Fed Incentive Payments	Fed																0.3		0.3
	Indirect Cost																			
1133	Reimbursement	Fed																0.1		0.1
		Fed Total	1.4	0.1	2.2	0.0	1.2	2.6	10.6	30.0	13.7	0.1	0.0	4.3	2.6	0.2	1.7	3.7	1.0	75.4
1003	GF Match	GF	0.4	0.1			0.2	0.6	0.2	14.4	0.8	0.0		0.7	0.3	0.3	0.6		0.1	18.7
1004	GF	GF	46.1	1.0	84.2	13.5	4.0	1.4	12.5	44.3	2.2	4.7	5.3	2.2	22.5	3.2	70.4	1.2	53.7	372.4
1005	GF/PR	GF	10.4	2.0			0.2	0.9	1.3	0.9	0.2	0.1			5.5		1.3	0.5	4.2	27.5
1037	GF/Mental Health	GF	14.9		3.6		0.0			7.1		0.0								25.6
1118	Pioneers Homes Rcpts	GF	2.4																	2.4
		GF Total	74.2	3.1	87.8	13.5	4.4	2.9	14.0	66.7	3.2	4.8	5.3	2.9	28.3	3.5	72.3	1.7	58.0	446.6
1007	IA Rcpts	Other	6.8	0.8	0.3		3.1	0.3	2.8	16.0	2.6	3.3		0.4	2.9		2.2	0.4	2.5	44.4
1011	Advance College Tuition Payment Fund	Other																0.0		0.0
1014	Donated Commodity / Handling Fee	Other					0.1													0.1
1017	Benefit Systems Rcpts	Other	2.3																	2.3
1018	Exxon Valdez Oil Spill	Other						0.0	0.9						0.2					1.1
1021	Ag Loan Fund	Other													1.0					1.0
1023	FICA Admin Fund	Other	0.1																	0.1
1024	Fish & Game Fund	Other							7.9			0.0					0.6			8.5
1025	Science & Tech	Other		0.2																0.2
1026	Hwy Working Capital	Other																	14.9	14.9
1027	International Airports Revenue Fund	Other																0.0	34.0	34.0
1029	PERS	Other	3.7																	3.7
1031	Second Injury Fund	Other									0.1									0.1
1032	Disabled Fishermans Reserve Acct	Other									0.1									0.1
1033	Surplus Property	Other	0.3																	0.3
1034	TERS	Other	1.5																	1.5
1035	Vets Revolving Loan Fund	Other		0.0																0.0
1036	Comm Fish Revolving Loan Fund	Other		0.4																0.4

Fund Code	Fund Source	Category	Adminstr tion 105.9	Comm. & Econ. Dev. 6.2	Correc tions 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environ mental Conser vation 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislat ure 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transporta tion & Public Facilities 194.2	Total
1040	Real Estate Surety Fund	Other		0.0																0.0
1042	Judicial Retirement System	Other	0.0																	0.0
1045	Natl Guard Retirement System	Other	0.1																	0.1
1046	Student Revolving Loan Fund	Other																0.0		0.0
1049	Training & Building Fund	Other									0.1									0.1
1050	Perm Fund Dividend Fund	Other															0.2	0.6		0.8
1051	Rural Dev Initiative Fund	Other		0.0																0.0
1052	Oil/Haz Response Fund	Other						2.5												2.5
1053	ILTF	Other																0.0		0.0
1055	IA Oil & Haz	Other							0.0			0.1		0.2	0.0		0.1			0.4
1057	Small Bus Loan Fund	Other		0.0																0.0
1061	CIP Rcpts	Other	0.2	0.2	0.6		0.0	0.6	1.1	0.8				0.2	2.2			0.3	83.0	89.2
1066	PJblic School Fund	Other																0.0		0.0
1067	Mining Revolving Loan Fund	Other		0.0																0.0
1068	Child Care Revolving Loan Fund	Other		0.0																0.0
1069	Historical District Revolving Loan Fund	Other		0.0																0.0
1070	Fisheries Enhancement Revolving Loan Fund	Other		0.1																0.1
1071	Alternative Energy Revolving Loan Fund	Other		0.0																0.0
1075	Clean Water Loan Fund	Other						0.1												0.1
1076	Marine Hwy System Fund	Other																	0.0	0.0
1079	Storage Tank Asst Fund	Other						0.2												0.2
1081	ISF	Other	12.8																	12.8
1092	MHTAAR	Other	0.1		0.1					1.5					0.6					2.3

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstr tion 105.9	Comm. & Econ. Dev. 6.2	Correc tions 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environ mental Conser vation 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legisla ture 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transporta tion & Public Facilities 194.2	Total
1093	Clean Air Protection Fund	Other						0.6												0.6
1094	Mental Health Trust Admin	Other																0.1		0.1
1098	Children's Trust Fund Earnings	Other																0.0		0.0
1100	Alaska Drinking Water Fund	Other						0.1												0.1
1101	Aerospace Dev Corp Rcpts	Other		0.0																0.0
1102	AIDEA Rcpts	Other		0.5																0.5
1103	AHFC Rcpts	Other																1.7		1.7
1104	Municipal Bond Bank Rcpts	Other																0.0		0.0
1105	Perm Fund Corp Rcpts	Other													1.0			0.6		1.6
1106	Post-Secondary Ed Comm Rcpts	Other					2.1													2.1
1108	SDPR	Other	2.2		2.0		0.3	0.1	1.1	2.2	0.1	0.0			1.6		0.1	0.0	0.8	10.5
1109	Tes! Fisheries Rcpts	Other							1.4											1.4
1115	International Trade & Bus Endowment Income	Other		0.0																0.0
1141	RCA Rcpts	Other		0.8																0.8
1147	Public Bldg Fund	Other	0.2																	0.2
		Other Total	30.3	3.0	3.0	0.0	5.6	4.5	15.2	20.5	3.0	3.4	0.0	0.8	9.5	0.0	3.2	3.7	135.2	240.9
		Grand Total	105.9	6.2	93.0	13.5	11.2	10.0	39.8	117.2	19.9	8.3	5.3	8.0	40.4	3.7	77.2	9.1	194.2	762.9

SENATE FINANCE  
COMMITTEE  
Amendment Number: 42  
Bill Number: HB 419  
Sponsor: Donley Date: 4/26/00  
Logged In By: Jamie

SENATE FINANCE COMMITTEE

AMENDMENT No. \_\_\_\_\_

By DONLEY

To: HB 419 ~~SENATE BILL NO.~~ \_\_\_\_\_

To: \_\_\_\_\_ ~~SENATE BILL NO.~~ \_\_\_\_\_

Page 10  
Sec 18 (Line 17)

Insert new section (1) and  
renumber existing sections:

(1) \$5,000 to widow or widower,  
or ~~the~~ equally divided among  
children when there is no widow  
or widower.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: SCS CSHB 419(JUD)

1 Page 11, following line 5:

2 Insert a new bill section to read:

3 **\*\* Sec. 19.** AS 23.30.215(f) is amended to read:

4 (f) Except as provided in (g) of this section, the death benefit payable to a  
5 widow or widower shall terminate ~~20~~<sup>12</sup> [10] years following death of the deceased  
6 employee."

7 Renumber the following bill sections accordingly.

8 Page 13, line 5:

9 Delete "secs. 2 - 19"

10 Insert "secs. 2 - 20"

11 Page 13, line 6:

12 Delete "Section 20"

13 Insert "Section 21"

14 Page 13, line 7:

15 Delete "sec. 21"

16 Insert "sec. 22"

SENATE FINANCE  
COMMITTEE

1-LS1418\N.2

Amendment Number: #3

Ford

Bill Number: HB 419

4/26/00

Sponsor: Phillips Date: 4/26/00

Logged In By: Mindy

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR PHILLIPS

TO: SCS CSHB 419(JUD)

1 Page 1, line 6, following "benefits;":

2 Insert "relating to the duty of an insurer to file evidence of workers' compensation  
3 insurance;"

4 Page 6, following line 5:

5 Insert a new bill section to read:

6 **\*\* Sec. 8. AS 23.30.085 is amended to read:**

7 **Sec. 23.30.085. Duty of employer to file evidence of compliance.** (a) An  
8 employer subject to this chapter, unless exempted, or, if insured, the employer's  
9 insurer shall initially file evidence of compliance with the insurance provisions of this  
10 chapter with the board, in the form prescribed by it. The employer or, if insured, the  
11 employer's insurer shall also give evidence of compliance within 10 days after the  
12 termination of the employer's insurance by expiration or cancellation. These  
13 requirements do not apply to an employer who has certification from the board of the  
14 employer's financial ability to pay compensation directly without insurance.

15 (b) If an employer or an insurer fails, refuses, or neglects to comply with  
16 [THE PROVISION OF] this section, the board may impose a civil penalty of up to  
17 \$1,000 for each day of noncompliance. Nothing [EMPLOYER SHALL BE  
18 SUBJECT TO THE PENALTIES PROVIDED IN AS 23.30.070 FOR FAILURE TO  
19 REPORT ACCIDENTS; BUT NOTHING] in this section may be construed to affect  
20 the rights conferred upon an injured employee or the employee's beneficiaries under  
21 this chapter."

22 Renumber the following bill sections accordingly.

1-LS1418W.2

- 1 Page 13, line 5:
- 2 Delete "secs. 2 - 19"
- 3 Insert "secs. 2 - 20"

- 4 Page 13, line 6:
- 5 Delete "Section 20"
- 6 Insert "Section 21"

- 7 Page 13, line 7:
- 8 Delete "sec. 21"
- 9 Insert "sec. 22"

COMMITTEE

Amendment Number: #4

Bill Number: HB 419

1-LS1418N.3

Sponsor: Phillips Date: 4/26/00

Ford

Logged In By: Mindy

4/26/00

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR PHILLIPS

TO: SCS CSHB 419(JUD)

1 Page 1, line 6, following "benefits;":

2 Insert "relating to the duty of an employer to obtain workers' compensation  
3 insurance;"

4 Page 6, following line 5:

5 Insert a new bill section to read:

6 "\* Sec. 8. AS 23.30.080 is amended by adding a new section to read:

7 (c) If an employer fails to insure or provide security as required by

8 AS 23.30.075, the board shall require the employer to pay to the employee a penalty

9 equal to 50 percent of the compensation due under this chapter." *may assess a civil penalty of up to \$1000 per day.*

10 Renumber the following bill sections accordingly.

*Amend. 13 Struck.*

11 Page 13, line 5:

12 Delete "secs. 2 - 19"

13 Insert "secs. 2 - 20"

14 Page 13, line 6:

15 Delete "Section 20"

16 Insert "Section 21"

17 Page 13, line 7:

18 Delete "sec. 21"

19 Insert "sec. 22"

WORK DRAFT

WORK DRAFT

WORK DRAFT

1-LS1639A

Ford

4/26/00

**SENATE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIRST LEGISLATURE - SECOND SESSION**

BY

Introduced:

Referred:

**A RESOLUTION**

1 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State  
 2 Legislature, concerning House Bill No. 419, relating to workers' compensation.

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of  
 5 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding  
 6 changes to the title of a bill are suspended in consideration of House Bill No. 419, relating  
 7 to workers' compensation.



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### FAX COVER SHEET

DATE: 26 April 00 TIME: 11:10 am

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 3

FROM: MINDY ROWLAND  
SENATE FINANCE COMMITTEE SECRETARY  
PHONE: 465-4935  
FAX: 465-2187

NOTES: HB 419 1-LS1418\N  
+ 2 attached amendments  
(Note N.1: change to line 5)

Scheduled for the floor!!!

Thx  
Mindy

Kelly COMMITTEE  
2000 COMMITTEE ACTION

Bill Number	#B 419		
Amendment	#3		
Motion	adopt		
<u>Motion by</u>	Phillips		
<u>Objection by</u>	Torgerson		
<u>Removed</u>	J		
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Pete Kelly			✓
Senator Lyda Green			✓
Senator Randy Phillips	✓		
Senator Dave Donley	✓		
Senator Loren Leman	✓		
Senator Al Adams			✓
Senator Gary Wilken			✓
Co-Chair Sean Parnell			✓
Co-Chair John Torgerson			✓
<u>Tally</u>			
Yea	3		
Nay	6		
Absent	1		
<u>MOTION</u>		FAIL	

Donley COMMITTEE  
2000 COMMITTEE ACTION

Bill Number	HB 419		
Amendment	#4		
Motion	amand		
<u>Motion by</u> Phillips			
<u>Objection by</u> Green			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	Vote	N
Senator Dave Donley	✓		
Senator Loren Leman			✓
Senator Al Adams		—	
Senator Gary Wilken	✓		
Senator Pete Kelly			✓
Senator Lyda Green			✓
Senator Randy Phillips	✓		
Co-Chair Sean Parnell			✓
Co-Chair John Torgerson	✓		<del>✓</del>
<u>Tally</u>			
Yea	4		
Nay	4		
Absent	1		
<u>MOTION</u> FAILED			

page 1 lines 8 & 9 of amendment #4  
 delete: "shall require the employer... under  
 this chapter."

insert: "may access a civil penalty of  
 up to \$1000. per day."

Green COMMITTEE  
2000 COMMITTEE ACTION

Bill Number	HB 419		
Amendment	#4 -		
Motion	adopt		
<u>Motion by</u>	Phillips		
<u>Objection by</u>	Parnell		
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Lyda Green			
Senator Randy Phillips			
Senator Dave Donley			
Senator Loren Leman			
Senator Al Adams			
Senator Gary Wilken			
Senator Pete Kelly			
Co-Chair Sean Parnell			
Co-Chair John Torgerson			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u>	Withdrawn		

Leman COMMITTEE  
2000 COMMITTEE ACTION

<b>Bill Number</b>	HB 419		
<b>Amendment</b>	Report from Cmte		
<b>Motion</b>	as amended		
<b><u>Motion by</u></b>			
	D		
<b><u>Objection by</u></b>			
	none		
<b><u>Removed</u></b>			
<b><u>Second Objection by</u></b>			
<b><u>Committee Member</u></b>	<b>Y</b>	<b><u>Vote</u></b>	<b>N</b>
Senator Loren Leman			
Senator Al Adams			
Senator Gary Wilken			
Senator Pete Kelly			
Senator Lyda Green			
Senator Randy Phillips			
Senator Dave Donley			
Co-Chair Sean Parnell			
Co-Chair John Torgerson			
<b><u>Tally</u></b>			
Yea			
Nay			
Absent			
<b><u>MOTION</u></b>			
Pass			

Leman COMMITTEE  
2000 COMMITTEE ACTION

Bill Number	HB 419		
Amendment	#1		
Motion	adopt		
<u>Motion by</u>	Donley		
<u>Objection by</u>	Green		
Removed	✓		
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Loren Leman			
Senator Al Adams			
Senator Gary Wilken			
Senator Pete Kelly			
Senator Lyda Green			
Senator Randy Phillips			
Senator Dave Donley			
Co-Chair Sean Parnell			
Co-Chair John Torgerson			
<u>Tally</u>			
Yea			
Nay			
Absent			
<b>MOTION</b> Passed			

Wilken COMMITTEE  
2000 COMMITTEE ACTION

Bill Number	HB 419		
Amendment	#2		
Motion	adopt		
<u>Motion by</u>	Donley		
<u>Objection by</u>	Green		
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Gary Wilken	✓		
Senator Pete Kelly	✓		
Senator Lyda Green			✓
Senator Randy Phillips	✓		
Senator Dave Donley	✓		
Senator Loren Leman	✓		
Senator Al Adams	✓		
Co-Chair Sean Parnell	✓		
Co-Chair John Torgerson	✓		
<u>Tally</u>			
Yea	8		
Nay	1		
Absent	-		
<u>MOTION</u>	Pass		

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: SCS CSHB 419(JUD)

1 Page 11, following line 5:

2 Insert a new bill section to read:

3 **\*\* Sec. 19.** AS 23.30.215(f) is amended to read:

4 (f) Except as provided in (g) of this section, the death benefit payable to a  
5 widow or widower shall terminate ~~10~~<sup>12</sup> [10] years following death of the deceased  
6 employee."

7 Renumber the following bill sections accordingly.

8 Page 13, line 5:

9 Delete "secs. 2 - 19"

10 Insert "secs. 2 - 20"

11 Page 13, line 6:

12 Delete "Section 20"

13 Insert "Section 21"

14 Page 13, line 7:

15 Delete "sec. 21"

16 Insert "sec. 22"

SENATE FINANCE  
COMMITTEE  
Amendment Number: 42  
Bill Number: HB 419  
Sponsor: Donley Date: 4/26/00  
Logged In By: Jamie

SENATE FINANCE COMMITTEE

AMENDMENT No. \_\_\_\_\_

By DONLEY

To: HB 419 ~~SENATE BILL NO.~~ \_\_\_\_\_

To: \_\_\_\_\_ ~~SENATE BILL NO.~~ \_\_\_\_\_

Page 10  
Sec 18 (Line 17)

Insert new section (1) and  
renumber existing sections:

(1) \$5,000 to widow or widower,  
or ~~the~~ equally divided among  
children when there is no widow  
or widower.

SENATE FINANCE  
COMMITTEE #3  
Amendment Number: #3  
Bill Number: HB 419  
Sponsor: Phillips Date: 4/26/00  
Logged In By: Mindy

I-LS1418\N.2  
Ford  
4/26/00

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR PHILLIPS

TO: SCS CSHB 419(JUD)

1 Page 1, line 6, following "benefits;":

2 Insert "relating to the duty of an insurer to file evidence of workers' compensation  
3 insurance;"

4 Page 6, following line 5:

5 Insert a new bill section to read:

6 **\*\* Sec. 8. AS 23.30.085 is amended to read:**

7 **Sec. 23.30.085. Duty of employer to file evidence of compliance.** (a) An  
8 employer subject to this chapter, unless exempted, or, if insured, the employer's  
9 insurer shall initially file evidence of compliance with the insurance provisions of this  
10 chapter with the board, in the form prescribed by it. The employer or, if insured, the  
11 employer's insurer shall also give evidence of compliance within 10 days after the  
12 termination of the employer's insurance by expiration or cancellation. These  
13 requirements do not apply to an employer who has certification from the board of the  
14 employer's financial ability to pay compensation directly without insurance.

15 (b) If an employer or an insurer fails, refuses, or neglects to comply with  
16 [THE PROVISION OF] this section, the board may impose a civil penalty of up to  
17 \$1,000 for each day of noncompliance. Nothing [EMPLOYER SHALL BE  
18 SUBJECT TO THE PENALTIES PROVIDED IN AS 23.30.070 FOR FAILURE TO  
19 REPORT ACCIDENTS; BUT NOTHING] in this section may be construed to affect  
20 the rights conferred upon an injured employee or the employee's beneficiaries under  
21 this chapter."

22 Renumber the following bill sections accordingly.

1-J.S1418N.2

- 1 Page 13, line 5:
- 2       Delete "secs. 2 - 19"
- 3       Insert "secs. 2 - 20"
  
- 4 Page 13, line 6:
- 5       Delete "Section 20"
- 6       Insert "Section 21"
  
- 7 Page 13, line 7:
- 8       Delete "sec. 21"
- 9       Insert "sec. 22"

Amendment Number: #4  
Bill Number: HB 419 I-LS1418\N.3  
Sponsor: Phillips Date: 4/26/00 Ford  
Logged In By: Cindy 4/26/00

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR PHILLIPS

TO: SCS CSHB 419(JUD)

- 1 Page 1, line 6, following "benefits;":
- 2       Insert "relating to the duty of an employer to obtain workers' compensation
- 3 insurance;"
  
- 4 Page 6, following line 5:
- 5       Insert a new bill section to read:
- 6       "\* Sec. 8. AS 23.30.080 is amended by adding a new section to read:
- 7               (c) If an employer fails to insure or provide security as required by
- 8       AS 23.30.075, the board shall require the employer to pay to the employee a penalty
- 9       equal to 50 percent of the compensation due under this chapter."
  
- 10 Renumber the following bill sections accordingly.
  
- 11 Page 13, line 5:
- 12       Delete "secs. 2 - 19"
- 13       Insert "secs. 2 - 20"
  
- 14 Page 13, line 6:
- 15       Delete "Section 20"
- 16       Insert "Section 21"
  
- 17 Page 13, line 7:
- 18       Delete "sec. 21"
- 19       Insert "sec. 22"

WORK DRAFT

WORK DRAFT

WORK DRAFT

1-LS1639A  
Ford  
4/26/00

**SENATE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIRST LEGISLATURE - SECOND SESSION**

**BY**

**Introduced:**

**Referred:**

**A RESOLUTION**

**1 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State**  
**2 Legislature, concerning House Bill No. 419, relating to workers' compensation.**

**3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**4 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of**  
**5 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding**  
**6 changes to the title of a bill are suspended in consideration of House Bill No. 419, relating**  
**7 to workers' compensation.**

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: SCS CSHB 419(JUD)

1 Page 11, following line 5:

2 Insert a new bill section to read:

3 "\* Sec. 19. AS 23.30.215(f) is amended to read:

4 (f) Except as provided in (g) of this section, the death benefit payable to a  
5 widow or widower shall terminate ~~28~~<sup>12</sup> [10] years following death of the deceased  
6 employee."

7 Renumber the following bill sections accordingly.

8 Page 13, line 5:

9 Delete "secs. 2 - 19"

10 Insert "secs. 2 - 20"

11 Page 13, line 6:

12 Delete "Section 20"

13 Insert "Section 21"

14 Page 13, line 7:

15 Delete "sec. 21"

16 Insert "sec. 22"

SENATE FINANCE  
COMMITTEE  
Amendment Number: 2  
Bill Number: HB 419  
Sponsor: Donley Date: 4/20/00  
Logged In By: Jamie

SENATE FINANCE COMMITTEE

AMENDMENT No. \_\_\_\_\_

By DONLEY

To: HB 419 ~~SENATE BILL No.~~ \_\_\_\_\_

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

Page 10  
Sec 18 (Line 17)

Insert new section (1) and  
renumber existing sections:

(1) \$5,000 to widow or widower,  
or ~~the~~ equally divided among  
children when there is no widow  
or widower.



# Teleconference Participants

TCN: 10843

## Participant Lists

View List for

ALL

Testifiers

Go >>>

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## Participants

Unidentified Testifiers: 0

Unidentified Observers: 0

### ANCHORAGE (ANC)

1

Name: Mr. Kevin Dougherty

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: HB 419: WORKERS' COMPENSATION

### FAIRBANKS (FBX)

1

Name: Mr. Paul Lyle

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 298: PAY RAISE FOR NON-UNION STATE EMPLOYEES

2

Name: Mr. John Athens

Phone:

Address:

Affiliation:

City /St /Zip:

Type: Testifier

Bill: SB 298: PAY RAISE FOR NON-UNION STATE EMPLOYEES

# FISCAL NOTE

Bil. ersion: CSHB 419 (L&C)  
 (H) Publish Date: 3/29/00

**STATE OF ALASKA  
 2000 LEGISLATIVE SESSION**

Revision Date/Time 03/13/2000 Dept. Affected All State Agencies  
 Title "An act relating to workers' compensation reform. BRU  
 \_\_\_\_\_  
 \_\_\_\_\_ Component \_\_\_\_\_  
 Sponsor House Rules Committee  
 Requester House Labor & Commerce Committee Component No. \_\_\_\_\_

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	762.9	762.9	762.9	762.9	762.9	762.9
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts	75.0	75.0	75.0	75.0	75.0	75.0
1016 Federal Incentive Payments	0.3	0.3	0.3	0.3	0.3	0.3
1133 Indirect Cost Reimbursement	0.1	0.1	0.1	0.1	0.1	0.1
1003 GF Match	18.7	18.7	18.7	18.7	18.7	18.7
1004 GF	372.4	372.4	372.4	372.4	372.4	372.4
1005 GF/Program Receipts	27.5	27.5	27.5	27.5	27.5	27.5
other (GF)	28.0	28.0	28.0	28.0	28.0	28.0
Other (Specify Type)	240.9	240.9	240.9	240.9	240.9	240.9
<b>TOTAL</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Consolidation of statewide risk management costs to departments' personal services expense. See attached for detailed fund source amounts.

Prepared by: Joan Brown, Chief Budget Analyst *Joan Brown* Phone 465-4681  
 Division Office of Management and Budget Date/Time 3/13/00 12:23 PM  
 Approved by Director Annalee McConne *Annalee McConne* Date 03/07/2000  
 Agency Governor's Office

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HD419 and SB278

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminis- tion 105 9	Comm & Econ Dev 6 2	Correc-tio- ns 93 0	Cour- t System 13 5	Ed & En- vironm- ental Early Dev 11 2	Environ- mental Conser- va- tion 10 0	Fish & Game 39 8	Health & Social Svcs 117 2	Labor & Workforce Dev 19 9	Law 8 3	Legisla- ture 5 3	Military & Veterans Affairs 8 0	Natural Resources 40 4	Office of the Governor 3 7	Public Safety 7 2	Revenue 9 1	Transporta- tion & Public Facilities 19 2	Total
1002	Fed Rcpts	Fed	1 4	0 1	2 2		1 2	2 6	10 6	30 0	13 7	0 1		4 3	2 6	0 2	1 7	3 3	1 0	75 0
1016	Fed Incentive Payments Indirect Cost	Fed																0 3		0 3
1133	Reimbursement	Fed	1 4	0 1	2 2	0 0	1 2	2 6	10 6	30 0	13 7	0 1	0 0	4 3	2 6	0 2	1 7	3 3	1 0	75 4
1003	GF Match	GF	0 4	0 1			0 2	0 6	0 2	1 4	0 8	0 0		0 7	0 3	0 3	0 6		0 1	18 7
1004	GF	GF	46 1	1 0	8 4	13 5	4 0	1 4	12 5	4 4	2 2	4 7	5 3	2 2	22 5	3 2	70 4	1 2	53 7	372 4
1005	GF/PR	GF	10 4	2 0			0 2	0 9	1 3	0 9	0 2	0 1			5 5		1 3	0 5	4 2	27 5
1037	GF/Mental Health	GF	1 4		3 6		0 0			7 1		0 0								25 6
1118	Pioneers Homes Rcpts	GF	2 4																	2 4
	GF Total		7 4	3 1	8 7	13 5	4 4	2 9	1 4	6 6	3 2	4 8	5 3	2 9	28 3	3 5	7 2	1 7	58 0	446 6
1007	IA Rcpts	Other	6 8	0 8	0 3		3 1	0 3	2 8	1 6	2 6	3 3		0 4	2 9		2 2	0 4	2 5	44 4
	Advance College																			0 0
1011	Tuition Payment Fund Donated Commodity /	Other																		0 0
1014	Handling Fee	Other					0 1													0 1
1017	Benefit Systems Rcpts	Other	2 3																	2 3
1018	Exxon Valdez Oil Spill	Other						0 0	0 9						0 2					1 0
1021	Ag Loan Fund	Other													1 0					1 0
1023	FICA Admin Fund	Other	0 1																	0 1
1024	Fish & Game Fund	Other							7 9			0 0					0 6			8 5
1025	Science & Tech	Other		0 2																0 2
1026	Hwy Working Capital International Airports	Other																	1 4	1 4
1027	Revenue Fund	Other																0 0	3 4	3 4
1029	PERS	Other	3 7																	3 7
1031	Second Injury Fund Disabled Fishermans	Other									0 1									0 1
1032	Reserve Acct	Other									0 1									0 1
1033	Surplus Property	Other	0 3																	0 3
1034	TERS	Other	1 5																	1 5
	Velr Revolving Loan																			0 0
1035	Fund	Other		0 0																0 0
	Comm Fish Revolving																			0 4
1036	Loan Fund	Other		0 4																0 4
	Real Estate Surety																			0 0
1040	Fund	Other		0 0																0 0

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstra tion 105 9	Con.m & Econ Dev 6 2	Correcio ns 91 0	Court System 13 5	Ed & Early Dev 11 2	Environm ental Conserva tion 10 0	Fish & Game 39 8	Health & Social Srves 117 2	Labor & Workforce Dev 19 9	Law 8 3	Legislat ure 5 3	Military & Veterans Affairs 8 0	Natural Resources 40 4	Office of the Governor 3 7	Public Safety 77 2	Revenue 9 1	Transporta tion & Public Facilities 194 2	Total
1042	Judicial Retirement System	Other	0 0																	0 0
1045	Nail Guard Retirement System	Other	0 1																	0 1
1046	Student Revolving Loan Fund	Other																0 0		0 0
1049	Training & Building Fund	Other									0 1									0 1
1050	Perm Fund Dividend Fund	Other															0 2	0 6		0 8
1051	Rural Dev Initiative Fund	Other		0 0																0 0
1052	Oil/Haz Response Fund	Other						2 5												2 5
1053	ILTF	Other																0 0		0 0
1055	IA Oil & Haz	Other							0 0			0 1		0 2	0 0		0 1			0 4
1057	Small Bus Loan Fund	Other		0 0																0 0
1061	CIP Rcpts	Other	0 2	0 2	0 6		0 0	0 6	1 1	0 8				0 2	2 2			0 3	74 7	80 9
1066	Public School Fund	Other																0 0		0 0
1067	Mining Revolving Loan Fund	Other		0 0																0 0
1068	Child Care Revolving Loan Fund	Other		0 0																0 0
1069	Historical District Revolving Loan Fund	Other		0 0																0 0
1070	Fisheries Enhancement Revolving Loan Fund	Other		0 1																0 1
1071	Alternative Energy Revolving Loan Fund	Other		0 0																0 0
1075	Clean Water Loan Fund	Other						0 1												0 1
1076	Marine Hwy System Storage Tank Asst Fund	Other																		8 3
1079	Fund	Other						0 2												0 2
1081	ISF	Other	12 8																	12 8
1092	MHTAAR	Other	0 1		0 1					1 5					0 6					2 3
1093	Clean Air Protection Fund	Other						0 6												0 6

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstra tion 105 9	Comm & Econ Dev 62	Correcio ns 93 0	Court System 13 5	Ed & Environm Early Dev 11 2	Environm ental Conserva tion 10 0	Fish & Game 39 8	Health & Social Srvc 117 2	Labor & Workforce Dev 19 9	Law 8 3	Legislat ure 5 3	Military & Veterans Affairs 8 0	Natural Resources 40 4	Office of the Governor 3 7	Public Safety 77 2	Revenue 9 1	Transportati on & Public Facilities 194 2	Total
1094	Mental Health Trust Admin	Other																0 1		0 1
1098	Children's Trust Fund Earnings	Other																0 0		0 0
1100	Alaska Drinking Water Fund	Other						0 1												0 1
1101	Aerospace Dev Corp Rcpts	Other		0 0																0 0
1102	AIDEA Rcpts	Other		0 5																0 5
1103	AHFC Rcpts	Other																1 7		1 7
1104	Municipal Bond Bank Rcpts	Other																0 0		0 0
1105	Perm Fund Corp Rcpts Post-Secondary Ed	Other													1 0			0 6		1 6
1106	Comm Rcpts	Other					2 1													2 1
1108	SDPR	Other	2 2		2 0		0 3	0 1	1 1	2 2	0 1	0 0			1 6		0 1	0 0	0 8	10 5
1109	Test Fisheries Rcpts	Other							1 4											1 4
1115	International Trade & Bus Endowment Income	Other		0 0																0 0
1141	RCA Rcpts	Other		0 8																0 8
1147	Public Bldg Fund	Other	0 2																	0 2
		Other	30 3	3 0	3 0	0 0	5 6	4 5	1 5 2	20 5	3 0	3 4	0 0	0 0	9 5	0 0	3 2	3 7	1 3 5 2	2 4 0 9
		Grand	105 9	6 2	93 0	13 5	11 2	10 0	39 8	117 2	19 9	8 3	5 3	8 0	40 4	3 7	77 2	9 1	194 2	762 9

**FISCAL NOTE**

II Version: CSHB 419(L&C)  
 (H) Publish Date: 3/29/00

STATE OF ALASKA  
 2000 LEGISLATIVE SESSION

BILL NO.

Revision Date/Time (Note if correction): \_\_\_\_\_  
 Title: Workers' Compensation  
 Sponsor: House L&C  
 Requestor: House L&C

Department Affected: Labor & Workforce Development  
 BRU: Workers' Compensation  
 Component: Workers' Compensation

COMPONENT SERIAL NO. 344

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	6.7	6.7	6.7	6.7	6.7	6.7
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>
CAPITAL						
CHANGE IN REVENUE FUND SOURCE #						

**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	6.7	6.7	6.7	6.7	6.7	6.7
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other (New Fund)						
<b>TOTAL</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>	<b>6.7</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY00) impact: \$ 0.0

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

Please See Attached

Prepared by: Paul Grossi, Director Phone: 465-2790  
 Division: Workers' Compensation Date/Time: 3/7/00 9:18 AM

Approved by Commissioner: Ed Flanagan, Commissioner  
 Agency: Department of Labor Date: 3/7/00

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## FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. HB 419

**Title:** An Act relating to the Alaska Workers' Compensation Act, including the weekly rate of compensation and minimum and maximum compensation rates, specifying components of a reemployment plan, adjusting benefits for permanent partial impairment for reemployment plans, for rehabilitation benefits, for widows, widowers and orphans, and for funerals, calculation of gross weekly earnings for seasonal and temporary workers and for workers with overtime or premium pay, setting time limits for requesting a hearing or rehabilitation benefits, setting time limits for claims for compensation and for the rehabilitation process, setting time limits for payment of medical bills, waiver of rehabilitation benefits, obtaining medical releases and resolving discovery disputes, setting an interest rate for late compensation, and providing for updating the medical fee schedule; and providing for an effective date.

This bill will require that the Division of Workers' Compensation obtain an updated usual, customary, and reasonable medical fee schedule annually. It is anticipated that the additional cost for updating the schedule annually would be approximately \$6.7 per year. It is believed that the change in frequency of medical fee schedule updates will be the only increased cost associated with this bill.

## FISCAL NOTE

STATE OF ALASKA

BILL NO. HB419

2000 LEGISLATIVE SESSION

Revision Date (Note if correction) \_\_\_\_\_ Dept. Affected University of Alaska  
 Title \_\_\_\_\_ BRU Statewide  
 Worker's Comp \_\_\_\_\_ Component \_\_\_\_\_  
 Sponsor House Labor & Commerce by Request  
 Requester \_\_\_\_\_ Component Serial No \_\_\_\_\_

**Expenditures/Revenues**

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services					
Travel					
Contractual					
Supplies					
Equipment					
Land & Structures					
Grants & Claims	83.0	83.0	83.0	83.0	83.0
Miscellaneous					
<b>TOTAL OPERATING</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
-----------------------------	------------	------------	------------	------------	------------

<b>CHANGE IN REVENUES ( ) ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
-----------------------------------	------------	------------	------------	------------	------------

**FUND SOURCE**

1002 Federal Receipts	3.2	3.2	3.2	3.2	3.2
1003 GF Match					
1004 GF	62.3	62.3	62.3	62.3	62.3
1005 GF/Program Receipts					
1037 GF/Mental Health					
1048 University Receipts	17.5	17.5	17.5	17.5	17.5
<b>TOTAL</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>	<b>83.0</b>

Estimate of any current year (FY00) cost: none

**POSITIONS**

Full-time					
Part-time					
Temporary					

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

Estimated impact based on 8.3 percent increase as determined by Carolyn Pearl, State Relations Executive, National Council on Compensation Insurance, Inc.

Prepared by	<u>Pat Pitney, Director</u>	Phone	<u>474-2602</u>
Division	<u>UA Budget and Institutional Research</u>	Date	<u>3/27/00</u>
Approved by	<u>Commis Pat Pitney, Director</u>	Date	<u>3/27/00</u>
Agency	<u>UA Budget and Institutional Research</u>		

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**HB 419**  
**Side-by-Side Analysis**

SB 278 Section & Alaska Statute Citation	Proposed Law	Present Law
Section 1	Quick, efficient, fair, etc.	The same.
Section 2 amends AS 23.30.041(g)	The employee's choice of a rehabilitation specialist must be made within 15 days.	The employee must notify the employer of a choice of a rehabilitation specialist within 10 days.
Section 3 amends AS 23.30.041(h)	Allows suspension of benefits for failure to give the employer timely notice of the choice of specialist.	There is no penalty for late notification.
Section 3 amends AS 23.30.041(h)	Reemployment plans require continuous participation by employees	Reemployment plans require a defined schedule, not continuous participation.
Section 3 amends AS 23.30.041(h)	Plans must maximize use of the employees' transferable skills.	An employee's technical skills are simply one element of the plan.
Section 3 amends AS 23.30.041(h)	An employee's medical stability to be determined by a Board-appointed physician or a physician retained by the employer, as well as by a treating physician.	An employee's medical stability is to be determined by a treating physician.
Section 4 amends AS 23.30.041(k)	Provides benefits in this section be called "compensation."	Benefits under this section are termed "wages."
Section 4 amends AS 23.30.041(k)	Increases the weekly benefit rate to 70% of employee's spendable weekly wage.	Weekly benefits under this section is 60% of the employee's spendable weekly wage.
Section 4 amends AS 23.30.041(k)	Allows an offset or reduction of compensation when compensation and wages exceed 80% of the spendable weekly wage.	Benefits are not reduced for wages earned for work in a reemployment plan.

It suspends compensation when a lump-sum permanent partial impairment (PPI) payment has been made, until that PPI amount would have been paid out as weekly compensation benefits.

Uncertain if a PPI lump-sum paid before rehabilitation may be offset against benefits received during the reemployment plan.

Bars entitlement to permanent total disability (PTD) benefits while an employee is engaged in a reemployment process, changing the law as interpreted by the Alaska Supreme Court decision in Meek v. Unocal Corp., 914 P.2d. 1276 (Alaska 1996).

An employee may be entitled to PTD benefits while an employee is engaged in a reemployment process when no compensation is provided.

Section 5  
amends AS 23.30.041(l)

Increases the maximum cost of a reemployment plan to \$13,300.

The maximum cost of a reemployment plan is \$10,000.

Section 6  
amends AS 23.30.041(n)

Permits an employer to suspend benefits if an employee fails to give the employer timely notice of the employee's choice of rehabilitation specialist under AS 23.30.041(g).

There is no penalty if an employee fails to give timely notice to the employer, concerning the employee's choice of rehabilitation specialist under AS 23.30.041(g).

Section 7  
adds a new subsection,  
AS 23.30.041(r)

Permits an employee to waive reemployment benefits after a doctor has determined that the employee may have a permanent impairment and is unable to return to their job at the time of the injury, without having to go through a formal Compromise and Release (C&R) agreement.

An employee's entitlement to reemployment benefits may not be forfeited or waived without Board approval of a formal C&R agreement. Under 8 AAC 45.160 at present, waiver of vocational rehabilitation is presumed unreasonable.

Section 8  
amends AS 23.30.095(f)

Requires the usual, customary and reasonable (UCR) medical fee schedule to be updated at least once a year.

The UCR medical fee schedule has no specific updating requirement.

<p>Section 9 adds new subsections, AS 23.30.095(l)&amp;(m)</p>	<p>Delays the deadline for the payment of medical bills to 30 days. This changes the law resulting from the Alaska Supreme Court decision in Childs v. Copper Valley Electrical Association, 860 P.2d 1184 (Alaska 1993).</p>	<p>The Alaska Supreme Court decided in Childs v. Copper Valley Electrical Association, that payment on medical bills is due within 14 days under AS 23.30.155.</p>
<p>Section 10 amends AS 23.30.105(a)</p>	<p>Places a two-year time limit on the employee's right to request reemployment benefits.</p>	<p>AS 23.30.105(a) does not list reemployment benefits under the provision placing a two-year time limit on requests for benefits.</p>
<p>Section 11 amends AS 23.30.107(a)</p>	<p>Requires all requests for medical releases to be in writing, and to give notice of the employee's right to request a protective order from the Board.</p>	<p>Does not require requests for medical releases to be in any particular form; and does not require the employer to give notice of the employee's right to request a protective order from the Board.</p>
<p>Section 12 adds a new section, AS 23.30.108</p>	<p>Requires decisions concerning medical releases to be made in prehearing conferences by a Board designee, with a limited right of appeal to the Board for abuse of discretion.</p>	<p>Decisions concerning medical releases may be made in prehearing conferences or by the Board in a hearing. The Board reviews prehearing release decisions under a "preponderance of the evidence" standard.</p>
<p>Section 13 adds a new subsection, AS 23.30.110(h)</p>	<p>Restarts a two-year statute of limitations on an employee's right to pursue a claim, whenever the Board continues or cancels a hearing. This changes the law from the Alaska Supreme Court decisions in Tipton v Arco and Huston v Coho cases.</p>	<p>The Alaska Supreme Court decided in Tipton and Huston cases, that a request for a hearing completely stops the running of 110(c), the two-year statute of limitations on an employee's right to pursue a claim.</p>
<p>Section 14 adds a new subsection, AS 23.30.155(p)</p>	<p>Requires interest on late benefits to be paid at the rate used by the Alaska courts.(3% above the Jan. 2nd. prime)</p>	<p>Interest on late benefits are paid at the rate of 10.5 % under A S 45.45.010.</p>

Section 15  
amends AS 23.30.175(a)

Ties future maximum and minimum weekly compensation rates to the Alaska average weekly wage rate of the year preceding the injury. The maximum compensation rate would be 122% of the Alaska average weekly wage rate, and the minimum compensation rate would be 22% of the maximum compensation rate.

The maximum compensation rate is \$700 per wk \$154/\$110.

Section 16  
adds a new section,  
AS 23.30.175(d)

Requires the annual determination of Alaska average weekly wage.

N/A

Section 17  
amends AS 23.30.190(a)

Increases the whole-person value for permanent partial impairment ratings to \$177,000.

The whole-person value for a permanent partial impairment rating is \$135,000.

Section 18  
amends AS 23.30.215(a)

Increases funeral expense benefits \$5000.  
It also increases the combined benefits for a widow / widower with one child to 90% of the spendable weekly wage.

Funeral expense benefits are \$2,500.

Combined benefits for a widow/widower with one child are 80% of the spendable weekly wage.

It increases the combined benefits of a widow/widower with two children to 100% of the spendable weekly wage. |

The combined benefits of a widow/widower with two children is 80% of the spendable weekly wage.

It increases the benefits to orphans to 100% of the spendable weekly wage.

The benefits of orphans are 80% of the spendable weekly wage.

Section 19  
amends AS 23.30.220(a)

Incorporates overtime wages into the calculation of an employee's gross weekly wages.  
It bases the calculation of seasonal and temporary workers' gross weekly wages on earnings from the 12 months immediately preceding the injury.

Overtime and premium pay are excluded from the calculation of an employee's gross weekly wages.

It bases the calculation of seasonal and temporary workers' gross weekly wages on earnings from the calendar year preceding the calendar year of injury.

SENATE FINANCE COMMITTEE

SIGN-IN

HB 419-WORKERS' COMPENSATION

NAME: Paul Grossi Subject/Bill No: HB 419

Co./Dept./Title: Dept of Labor W.D. Director W. Comp Phone: 465-2790

Address: Dept of Labor + W.D. Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: DON ETHERIDGE Subject/Bill No: H 13419

Co./Dept./Title: AFI-CIO Phone: 586 3707

Address: 710 W 9TH ST JEFFERSON Zip: 79901

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_

Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_

Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Zip: \_\_\_\_\_

Do you wish to testify?  Yes  No  Respond To Questions

# Bill History/Action Display



BILL: HB 419                      SHORT TITLE: WORKERS' COMPENSATION  
 BILL VERSION: CSHB 419(RLS)  
 SPONSOR(S): LABOR & COMMERCE BY REQUEST

CURRENT STATUS: (S) FIN

STATUS DATE: 4/19/00

HEARING: (S) JUD Apr 19 2:00 PM BELTZ 211

TELECONFERENCE

HEARING: (S) FIN Apr 20 9:00 AM SENATE FINANCE 532

TITLE: "An Act relating to the weekly rate of compensation and minimum and maximum compensation rates for workers' compensation; specifying components of a workers' compensation reemployment plan; adjusting workers' compensation benefits for permanent partial impairment, for reemployment plans, for rehabilitation benefits, for widows, widowers, and orphans, and for funerals; relating to permanent total disability of an employee receiving rehabilitation benefits; relating to calculation of gross weekly earnings for workers' compensation benefits for seasonal and temporary workers and for workers with overtime or premium pay; setting time limits for requesting a hearing on claims for workers' compensation, for selecting a rehabilitation specialist, and for payment of medical bills; relating to termination and to waiver of rehabilitation benefits, obtaining medical releases, and resolving discovery disputes relating to workers' compensation; setting an interest rate for late payments of workers' compensation; providing for updating the workers' compensation medical fee schedule; and providing for an effective date."

Full Text

Fiscal Notes

Detailed 2000 fiscal note information currently not available on-line.

## Committee Action With Bill History

Jrn-Date	Jrn-Page	Action
2/23/00	<u>2279</u>	(H) READ THE FIRST TIME - REFERRALS
2/23/00	<u>2279</u>	(H) L&C, JUD, FIN
3/29/00	<u>2750</u>	(H) L&C RPT CS(L&C) NT 1DP 5NR
3/29/00	<u>2751</u>	(H) DP: ROKEBERG; NR: MURKOWSKI, HARRIS,
3/29/00	<u>2751</u>	(H) CISSNA, SANDERS, HALCRO
3/29/00	<u>2751</u>	(H) 3 FNS (UA, LABOR, GOV/ALL DEPTS)
4/05/00	<u>2869</u>	(H) JUD RPT CS(JUD) 2DP 3NR 1AM
4/05/00	<u>2869</u>	(H) DP: ROKEBERG, KOTT; NR: MURKOWSKI,
4/05/00	<u>2869</u>	(H) KERTTULA, JAMES; AM: CROFT
4/05/00	<u>2869</u>	(H) 3 FNS (GOV/ALL DEPTS, LABOR, UA)3/29/00
4/13/00	<u>3107</u>	(H) FIN RPT CS(FIN) NT 4DP 7NR
4/13/00	<u>3108</u>	(H) DP: MULDER, DAVIES, WILLIAMS, PHILLIPS;
4/13/00	<u>3108</u>	(H) NR: THERRIAULT, BUNDE, AUSTERMAN,
4/13/00	<u>3108</u>	(H) GRUSSENDORF, MOSES, DAVIS, FOSTER
4/13/00	<u>3108</u>	(H) LETTER OF INTENT WITH H.FIN REPORT
4/13/00	<u>3109</u>	(H) 3 FNS (GOV/ALL DEPTS, LABOR, UA)3/29/00
4/15/00	<u>3168</u>	(H) RLS RPT CS(RLS) 3DP 1NR
4/15/00	<u>3169</u>	(H) DP: GREEN, PORTER, KOTT; NR: COWDERY
4/15/00	<u>3169</u>	(H) 3 FNS (GOV/ALL DEPTS, LABOR, UA)3/29/00
4/15/00	<u>3183</u>	(H) RULES TO CALENDAR 4/15/00
4/15/00	<u>3183</u>	(H) READ THE SECOND TIME
4/15/00	<u>3184</u>	(H) RLS CS ADOPTED UNAN CONSENT
4/15/00	<u>3184</u>	(H) ADVANCED TO THIRD READING UNAN CONSENT
4/15/00	<u>3184</u>	(H) READ THE THIRD TIME CSHB 419(RLS)
4/15/00	<u>3185</u>	(H) PASSED Y34 N2 E2 A2
4/15/00	<u>3185</u>	(H) EFFECTIVE DATE(S) SAME AS PASSAGE
4/15/00	<u>3211</u>	(H) TRANSMITTED TO (S)
4/16/00	<u>3153</u>	(S) READ THE FIRST TIME - REFERRALS

4/16/00	<u>3154</u>	(S)	JUD, FIN	
4/19/00		(S)	JUD RPT SCS 3NR	SAME TITLE
4/19/00		(S)	NR: TAYLOR, ELLIS, DONLEY	
4/19/00		(S)	(H) FISCAL NOTES (GOV/ALL, LABOR, UA)	
4/19/00		(S)	REFERRED TO FINANCE	

Similar Subject Match or Exact Subject Match

BUSINESS

EMPLOYMENT

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WORKERS COMPENSATION

Bill Root:

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SENATE FINANCE COMMITTEE

SIGN-IN

HB 419-WORKERS' COMPENSATION

NAME: Paul Grossi Subject/Bill No: HB 419  
Co./Dept./Title: Dept of Labor + W.D. Phone: 465-2790  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond To Questions

NAME: \_\_\_\_\_ Subject/Bill No: \_\_\_\_\_  
Co./Dept./Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond To Questions

COMMITTEE

Amendment Number: #4

Bill Number: HB 419

1-LS1418N.3

Sponsor: Phillips Date: 4/26/00

Ford

Logged In By: Mindy

4/26/00

AMENDMENT

OFFERED IN THE SENATE  
TO: SCS CSHB 419(JUD)

BY SENATOR PHILLIPS  
Recommendation # 5, Page 47

1 Page 1, line 6, following "benefits;":

2 Insert "relating to the duty of an employer to obtain workers' compensation  
3 insurance;"

4 Page 6, following line 5:

5 Insert a new bill section to read:

6 "\* Sec. 8. AS 23.30.080 is amended by adding a new section to read:

7 (c) If an employer fails to insure or provide security as required by  
8 AS 23.30.075, the board ~~shall~~ <sup>may assess a civil penalty of up to \$1,000<sup>00</sup> per day.</sup> require the employer to pay to the employee a penalty  
9 equal to 50 percent of the compensation due under this chapter."

10 Renumber the following bill sections accordingly.

11 Page 13, line 5:

12 Delete "secs. 2 - 19"

13 Insert "secs. 2 - 20"

14 Page 13, line 6:

15 Delete "Section 20"

16 Insert "Section 21"

17 Page 13, line 7:

18 Delete "sec. 21"

19 Insert "sec. 22"

WORK DRAFT

WORK DRAFT

WORK DRAFT

1-LS1639A  
Ford  
4/26/00

**SENATE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIRST LEGISLATURE - SECOND SESSION**

BY

Introduced:

Referred:

**A RESOLUTION**

1 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State  
2 Legislature, concerning House Bill No. 419, relating to workers' compensation.

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of  
5 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding  
6 changes to the title of a bill are suspended in consideration of House Bill No. 419, relating  
7 to workers' compensation.

# LEGAL SERVICES

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STATE OF ALASKA

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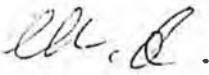
State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

April 26, 2000

**SUBJECT:** Workers' compensation - (SCS CSHB 419(FIN))

**TO:** Senator John Torgerson  
Attn: Darwin

**FROM:** Michael F. Ford   
Legislative Counsel

The Senate Finance Committee passed out HB 419 with an amendment that raises an issue that I wanted to bring to your attention. The committee amended bill sec. 18 of the SCS to provide an additional death benefit for a widow, widower, or children of the deceased (See AS 23.30.215(a)(5)). However, the added provision fails to indicate what happens if there is no widow, widower, or children of the deceased. Presumably the death benefit would go to the heirs of the deceased, but that is unclear in this amendment.

Please contact me if you have further questions.

MFF:pl  
00-166.plm

# FISCAL NOTE

**STATE OF ALASKA**  
**2000 LEGISLATIVE SESSION**

**BILL NO. SCS CSHB 419 (JU)**

Revision Date/Time 04/24/2000 Dept. Affected All State Agencies  
 Title "An act relating to workers' compensation reform. BRU  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Sponsor House Rules Committee Component \_\_\_\_\_  
 Requester Senate Finance Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	762.9	762.9	762.9	762.9	762.9	762.9
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

CAPITAL EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006

CHANGE IN REVENUES ( )	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	75.0	75.0	75.0	75.0	75.0	75.0
1016 Federal Incentive Payments	0.3	0.3	0.3	0.3	0.3	0.3
1133 Indirect Cost Reimbursement	0.1	0.1	0.1	0.1	0.1	0.1
1003 GF Match	18.7	18.7	18.7	18.7	18.7	18.7
1004 GF	372.4	372.4	372.4	372.4	372.4	372.4
1005 GF/Program Receipts	27.5	27.5	27.5	27.5	27.5	27.5
other (GF)	28.0	28.0	28.0	28.0	28.0	28.0
Other (Specify Type)	240.9	240.9	240.9	240.9	240.9	240.9
<b>TOTAL</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Consolidation of statewide risk management costs to departments' personal services expense. See attached for detailed fund source amounts.

Prepared by: Joan Brown, Chief Budget Analyst Phone 465-4681  
 Division Office of Management and Budget Date/Time 4/24/00 4:17 PM  
 Approved by Director Annalee McConnell Date 04/24/2000  
 Agency Governor's Office

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Workers' Compensation Reform

Fund Code	Fund Source	Category	Administra- tion 105.9	Comm. & Econ. Dev. 6.2	Correc-tions 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environ- mental Conser- vation 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislat- ure 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transporta- tion & Public Facilities 194.2	Total		
1002	Fed Rcpts	Fed	1.4	0.1	2.2		1.2	2.6	10.6	30.0	13.7	0.1		4.3	2.6	0.2	1.7	3.3	1.0	75.0		
1016	Fed Incentive Payments	Fed																	0.3		0.3	
1133	Indirect Cost Reimbursement	Fed																	0.1		0.1	
		Fed Total	1.4	0.1	2.2	0.0	1.2	2.6	19.6	30.0	13.7	0.1	0.0	4.3	2.6	0.2	1.7	3.7	1.0	75.4		
1003	GF Match	GF	0.4	0.1			0.2	0.6	0.2	14.4	0.8	0.0		0.7	0.3	0.3	0.6			0.1	18.7	
1004	GF	GF	46.1	1.0	84.2	13.5	4.0	1.4	12.5	44.3	2.2	4.7	5.3	2.2	22.5	3.2	70.4	1.2	53.7	372.4		
1005	GF/PR	GF	10.4	2.0			0.2	0.9	1.3	0.9	0.2	0.1			5.5		1.3	0.5	4.2	27.5		
1037	GF/Mental Health	GF	14.9		3.6		0.0			7.1		0.0									25.6	
1118	Pioneers Homes Rcpts	GF	2.4																		2.4	
		GF Total	74.2	3.1	87.8	13.5	4.4	2.9	14.0	66.7	3.2	4.8	5.3	2.9	28.3	3.5	72.3	1.7	58.0	446.6		
1007	IA Rcpts	Other	6.8	0.8	0.3		3.1	0.3	2.8	16.0	2.6	3.3		0.4	2.9		2.2	0.4	2.5	44.4		
1011	Advance College Tuition Payment Fund	Other																	0.0		0.0	
1014	Donated Commodity / Handling Fee	Other					0.1														0.1	
1017	Benefit Systems Rcpts	Other	2.3																		2.3	
1018	Exxon Valdez Oil Spill	Other						0.0	0.9						0.2						1.1	
1021	Ag Loan Fund	Other													1.0						1.0	
1023	FICA Admin Fund	Other	0.1																		0.1	
1024	Fish & Game Fund	Other							7.9			0.0					0.6				8.5	
1025	Science & Tech	Other		0.2																	0.2	
1026	Hwy Working Capital	Other																		14.9	14.9	
1027	International Airports Revenue Fund	Other																		0.0	34.0	34.0
1029	PERS	Other	3.7																		3.7	
1031	Second Injury Fund	Other									0.1										0.1	
1032	Disabled Fishermans Reserve Acct	Other									0.1										0.1	
1033	Surplus Property	Other	0.3																		0.3	
1034	TERS	Other	1.5																		1.5	
1035	Vets Revolving Loan Fund	Other		0.0																	0.0	
1036	Comm Fish Revolving Loan Fund	Other		0.4																	0.4	

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstration 105.9	Comm. & Econ. Dev. 6.2	Corrections 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environmental Conservation 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislature 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transportation & Public Facilities 194.2	Total
1040	Real Estate Surety Fund	Other		0.0																0.0
1042	Judicial Retirement System	Other	0.0																	0.0
1045	Nail Guard Retirement System	Other	0.1																	0.1
1046	Student Revolving Loan Fund	Other																		0.0
1049	Training & Building Fund	Other									0.1									0.1
1050	Perm Fund Dividend Fund	Other															0.2	0.6		0.8
1051	Rural Dev Initiative Fund	Other		0.0																0.0
1052	Oil/Haz Response Fund	Other						2.5												2.5
1053	ILTF	Other																0.0		0.0
1055	IA Oil & Haz	Other							0.0		0.1			0.2	0.0		0.1			0.4
1057	Small Bus Loan Fund	Other		0.0																0.0
1061	CIP Rcpts	Other	0.2	0.2	0.6		0.0	0.6	1.1	0.8				0.2	2.2			0.3	83.0	89.2
1066	Public School Fund	Other																0.0		0.0
1067	Mining Revolving Loan Fund	Other		0.0																0.0
1068	Child Care Revolving Loan Fund	Other		0.0																0.0
1069	Historical District Revolving Loan Fund	Other		0.0																0.0
1070	Fisheries Enhancement Revolving Loan Fund	Other		0.1																0.1
1071	Alternative Energy Revolving Loan Fund	Other		0.0																0.0
1075	Clean Water Loan Fund	Other						0.1												0.1
1076	Marine Hwy System Fund	Other																	0.0	0.0
1079	Storage Tank Asst Fund	Other						0.2												0.2
1081	ISF	Other	12.8																	12.8
1092	MHTAAR	Other	0.1		0.1					1.5					0.6					2.3

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstration 105.9	Comm. & Econ. Dev. 6.2	Corrections 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environmental Conservation 10.0	Fish & Game 39.8	Health & Social Svcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislature 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transportation & Public Facilities 194.2	Total
1093	Clean Air Protection Fund	Other						0.6												0.6
1094	Mental Health Trust Admin	Other																0.1		0.1
1098	Children's Trust Fund Earnings	Other																0.0		0.0
1100	Alaska Drinking Water Fund	Other						0.1												0.1
1101	Aerospace Dev Corp Rcpts	Other		0.0																0.0
1102	AIDEA Rcpts	Other		0.5																0.5
1103	AHFC Rcpts	Other																1.7		1.7
1104	Municipal Bond Bank Rcpts	Other																0.0		0.0
1105	Perm Fund Corp Rcpts	Other													1.0			0.6		1.6
1106	Post-Secondary Ed Comm Rcpts	Other					2.1													2.1
1108	SDPR	Other	2.2		2.0		0.3	0.1	1.1	2.2	0.1	0.0			1.6		0.1	0.0	0.8	10.5
1109	Test Fisheries Rcpts	Other							1.4											1.4
1115	International Trade & Bus Endowment Income	Other		0.0																0.0
1141	RCA Rcpts	Other		0.8																0.8
1147	Public Bldg Fund	Other	0.2																	0.2
		Other Total	30.3	3.0	3.0	0.0	5.6	4.5	15.2	20.5	3.0	3.4	0.0	0.8	9.5	0.0	3.2	3.7	135.2	240.9
		Grand Total	105.9	6.2	93.0	13.5	11.2	10.0	39.8	117.2	19.9	8.3	5.3	8.0	40.4	3.7	77.2	9.1	194.2	762.9

# FISCAL NOTE

**STATE OF ALASKA  
2000 LEGISLATIVE SESSION**

**BILL NO. SCS CSHB 419 (JU)**

Revision Date/Time 04/24/2000 Dept. Affected All State Agencies  
 Title "An act relating to workers' compensation reform. BRU  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Component \_\_\_\_\_  
 \_\_\_\_\_  
 Sponsor House Rules Committee  
 Requester Senate Finance Component No. \_\_\_\_\_

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	762.9	762.9	762.9	762.9	762.9	762.9
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts	75.0	75.0	75.0	75.0	75.0	75.0
1016 Federal Incentive Payments	0.3	0.3	0.3	0.3	0.3	0.3
1133 Indirect Cost Reimbursement	0.1	0.1	0.1	0.1	0.1	0.1
1003 GF Match	18.7	18.7	18.7	18.7	18.7	18.7
1004 GF	372.4	372.4	372.4	372.4	372.4	372.4
1005 GF/Program Receipts	27.5	27.5	27.5	27.5	27.5	27.5
other (GF)	28.0	28.0	28.0	28.0	28.0	28.0
Other (Specify Type)	240.9	240.9	240.9	240.9	240.9	240.9
<b>TOTAL</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>	<b>762.9</b>

Estimate of any current year (FY2000) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Consolidation of statewide risk management costs to departments' personal services expense. See attached for detailed fund source amounts.

Prepared by: Joan Brown, Chief Budget Analyst Phone 465-4681  
 Division Office of Management and Budget Date/Time 4/24/00 4:17 PM  
 Approved by Director Annalee McConnell Date 04/24/2000  
 Agency Governor's Office

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Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstr tion 105.9	Comm. & Econ. Dev. 6.2	Correc tions 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environm ental Conserva tion 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislat ure 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transportati on & Public Facilities 194.2	Total
1002	Fed Rcpts	Fed	1.4	0.1	2.2		1.2	2.6	10.6	30.0	13.7	0.1		4.3	2.6	0.2	1.7	3.3	1.0	75.0
1016	Fed Incentive Payments	Fed																0.3		0.3
1133	Indirect Cost Reimbursement	Fed																0.1		0.1
		<b>Fed Total</b>	1.4	0.1	2.2	0.0	1.2	2.6	10.6	30.0	13.7	0.1	0.0	4.3	2.6	0.2	1.7	3.7	1.0	75.4
1003	GF Match	GF	0.4	0.1			0.2	0.6	0.2	14.4	0.8	0.0		0.7	0.3	0.3	0.6		0.1	18.7
1004	GF	GF	46.1	1.0	84.2	13.5	4.0	1.4	12.5	44.3	2.2	4.7	5.3	2.2	22.5	3.2	70.4	1.2	53.7	372.4
1005	GF/PR	GF	10.4	2.0			0.2	0.9	1.3	0.9	0.2	0.1		5.5			1.3	0.5	4.2	27.5
1037	GF/Mental Health	GF	14.9		3.6		0.0			7.1		0.0								25.6
1118	Pioneers Homes Rcpts	GF	2.4																	2.4
		<b>GF Total</b>	74.2	3.1	87.8	13.5	4.4	2.9	14.0	66.7	3.2	4.8	5.3	2.9	28.3	3.5	72.3	1.7	58.0	446.6
1007	IA Rcpts	Other	6.8	0.8	0.3		3.1	0.3	2.8	16.0	2.6	3.3		0.4	2.9		2.2	0.4	2.5	44.4
1011	Advance College Tuition Payment Fund Donated Commodity / Handling Fee	Other					0.1													0.1
1017	Benefit Systems Rcpts	Other	2.3																	2.3
1018	Exxon Valdez Oil Spill	Other						0.0	0.9						0.2					1.1
1021	Ag Loan Fund	Other													1.0					1.0
1023	FICA Admin Fund	Other	0.1																	0.1
1024	Fish & Game Fund	Other							7.9			0.0					0.6			8.5
1025	Science & Tech	Other		0.2																0.2
1026	Hwy Working Capital International Airports	Other																		14.9
1027	Revenue Fund	Other																0.0	34.0	34.0
1029	PERS	Other	3.7																	3.7
1031	Second Injury Fund Disabled Fishermans	Other									0.1									0.1
1032	Reserve Acct	Other									0.1									0.1
1033	Surplus Property	Other	0.3																	0.3
1034	TERS	Other	1.5																	1.5
1035	Vets Revolving Loan Fund	Other		0.0																0.0
1036	Comm Fish Revolving Loan Fund	Other		0.4																0.4

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstra tion 105.9	Comm. & Econ. Dev. 6.2	Correcio ns 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environm ental Conserva tion 10.0	Fish & Game 39.8	Health & Social Srvcs. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislat ure 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transportati on & Public Facilities 194.2	Total
1040	Real Estate Surety Fund	Other		0.0																0.0
1042	Judicial Retirement System	Other	0.0																	0.0
1045	Natl Guard Retirement System	Other	0.1																	0.1
1046	Student Revolving Loan Fund	Other																	0.0	0.0
1049	Training & Building Fund	Other									0.1									0.1
1050	Perm Fund Dividend Fund	Other															0.2	0.6		0.8
1051	Rural Dev Initiative Fund	Other		0.0																0.0
1052	Oil/Haz Response Fund	Other						2.5												2.5
1053	ILTF	Other																0.0		0.0
1055	IA Oil & Haz	Other							0.0			0.1		0.2	0.0		0.1			0.4
1057	Small Bus Loan Fund	Other		0.0																0.0
1061	CIP Rcpts	Other	0.2	0.2	0.6		0.0	0.6	1.1	0.8				0.2	2.2			0.3	83.0	89.2
1066	Public School Fund	Other																0.0		0.0
1067	Mining Revolving Loan Fund	Other		0.0																0.0
1068	Child Care Revolving Loan Fund	Other		0.0																0.0
1069	Historical District Revolving Loan Fund	Other		0.0																0.0
1070	Fisheries Enhancement Revolving Loan Fund	Other		0.1																0.1
1071	Alternative Energy Revolving Loan Fund	Other		0.0																0.0
1075	Clean Water Loan Fund	Other						0.1												0.1
1076	Marine Hwy System Fund	Other																	0.0	0.0
1079	Storage Tank Asst Fund	Other						0.2												0.2
1081	ISF	Other	12.8																	12.8
1092	MHTAAR	Other	0.1		0.1					1.5					0.6					2.3

Workers' Compensation Reform

Fund Code	Fund Source	Category	Adminstr tion 105.9	Comm. & Econ. Dev. 6.2	Correctio ns 93.0	Court System 13.5	Ed & Early Dev. 11.2	Environm ental Conserva tion 10.0	Fish & Game 39.8	Health & Social Srvc. 117.2	Labor & Workforce Dev. 19.9	Law 8.3	Legislat ure 5.3	Military & Veterans Affairs 8.0	Natural Resources 40.4	Office of the Governor 3.7	Public Safety 77.2	Revenue 9.1	Transportati on & Public Facilities 194.2	Total
1093	Clean Air Protection Fund	Other						0.6												0.6
1094	Mental Health Trust Admin	Other																0.1		0.1
1098	Children's Trust Fund Earnings	Other																0.0		0.0
1100	Alaska Drinking Water Fund	Other						0.1												0.1
1101	Aerospace Dev Corp Rcpts	Other		0.0																0.0
1102	AIDEA Rcpts	Other		0.5																0.5
1103	AHFC Rcpts	Other																1.7		1.7
1104	Municipal Bond Bank Rcpts	Other																0.0		0.0
1105	Perm Fund Corp Rcpts	Other													1.0			0.6		1.6
1106	Post-Secondary Ed Comm Rcpts	Other					2.1													2.1
1108	SDPR	Other	2.2		2.0		0.3	0.1	1.1	2.2	0.1	0.0			1.6		0.1	0.0	0.8	10.5
1109	Test Fisheries Rcpts	Other							1.4											1.4
1115	International Trade & Bus Endowment Income	Other		0.0																0.0
1141	RCA Rcpts	Other		0.8																0.8
1147	Public Bldg Fund	Other	0.2																	0.2
		Other Total	30.3	3.0	3.0	0.0	5.6	4.5	15.2	20.5	3.0	3.4	0.0	0.8	9.5	0.0	3.2	3.7	135.2	240.9
		Grand Total	105.9	6.2	93.0	13.5	11.2	10.0	39.8	117.2	19.9	8.3	5.3	8.0	40.4	3.7	77.2	9.1	194.2	762.9