

LEG. FINANCE - BILLS 1981 - 1982 1689
SB 545 - SB 557 6689

COMMITTEE REPORT

HOUSE

FURTHER:

(11)

3/31/82

Date: 5-11-82

Mr. Speaker:

The Committee on FINANCE has had SB 545am

"An Act relating to release after conviction of an offense."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 515 (Waiver) same title
 new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Original sponsor: Bennett

Offered: 3/31/82
Referred: Finance

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 545 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to release after conviction of an
7 offense."

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

9 * Section 1. AS 12.30.040(b) is repealed and reenacted to read:

10 (b) Notwithstanding the provisions of (a) of this section, a
11 person convicted of any of the following offenses may not be released
12 on bail either before sentencing or pending appeal:

- 13 (1) murder in the first degree (AS 11.41.100);
- 14 (2) murder in the second degree (AS 11.41.110);
- 15 (3) manslaughter (AS 11.41.120);
- 16 (4) criminally negligent homicide (AS 11.41.130);
- 17 (5) assault in the first degree (AS 11.41.200);
- 18 (6) assault in the second degree (AS 11.41.210);
- 19 (7) assault in the third degree (AS 11.41.220);
- 20 (8) kidnapping (AS 11.41.300);
- 21 (9) sexual assault in the first degree (AS 11.41.410);
- 22 (10) sexual assault in the second degree (AS 11.41.420);
- 23 (11) robbery in the first degree (AS 11.41.500);
- 24 (12) robbery in the second degree (AS 11.41.510);
- 25 (13) burglary in the first degree (AS 11.46.300);
- 26 (14) arson in the first degree (AS 11.46.400);
- 27 (15) escape in the first degree (AS 11.56.300);
- 28 (16) riot (AS 11.61.100).

29

Introduced: 5/4/81
Referred: Judiciary

1 IN THE SENATE

BY BENNETT

2 SENATE BILL NO. 545 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to release after conviction of an
7 offense."

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

9 * Section 1. AS 12.30.040(b) is amended to read:

10 (b) Notwithstanding the provisions of (a) of this section, if the
11 offense a person has been convicted of is murder [IN THE FIRST DEGREE,
12 ROBBERY IN THE FIRST DEGREE], kidnapping, or a class A felony [SEXUAL
13 ASSAULT IN THE FIRST DEGREE UNDER AS 11.41.410(a)(1)], that person [HE]
14 may not be released on bail either before sentencing or pending appeal.
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCSSB 545
Title An Act relating to release after conviction of a criminal offense.
Requested by House Judiciary Date March 29, 1982

II. FISCAL DETAIL

Agency Affected Division of Adult Corrections, Department of Health & Social Services
Program Category Affected Offender Confinement, Reformation and Supv. Services
BRU, Program, Or Subprogram(s) Affected Adult Confinement
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		8.9	9.7	10.6	11.6	12.6
400 COMMODITIES		13.9	14.9	16.2	17.6	19.2
500 EQUIPMENT						
600 LAND & STRUCTURES		345.0				
700 GRANTS, CLAIMS, ETC.						
TOTAL		367.8	24.6	26.8	29.2	31.8

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		367.8	24.6	26.8	29.2	31.8
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		*	*	*	*	*
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section I, I)

A. Assumptions

1. Very few persons convicted of unclassified, Class A or Class B felonies are now granted bail or make bail when granted.
2. There is only a relatively short period of time between conviction and sentencing.
3. Historical data has not been gathered regarding the number of persons released on bail after conviction or offenses specified, or how long such persons were out on bail before sentencing or pending appeal.

IV. DATE March 29, 1982

PREPARED BY Roger C. Lange

AGENCY Division of Adult Corrections

PHONE 465-3376

Original: Legislative Finance
cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

Roger C. Lange
JCC

4. It is assumed that approximately five additional person years per year of incarceration will result if this statute amendment is adopted.
5. Since the Alaskan correctional centers are currently operating at emergency capacity levels, five additional beds would be necessary in the Alaska correctional system.

B. Cost Estimate

1. Capital Expenditures

It is assumed that these five beds would be incorporated into another capital project. The estimated cost per bed is \$69,000.

$$\begin{aligned} \text{Capital Expenditures} &= 5 \times \$69,000 \\ &= \underline{\$345,000} \end{aligned}$$

2. Operating Costs

a. Personal Services

No personal services are requested. It is assumed the five beds would be added to the design of the new facility after all legislation requiring new beds was analyzed.

Personnel requested for larger bed increases would probably cover the staff requirements for these beds.

b. Inmate related costs (FY 1982 level)

1.) Contractual (utilities, medical services, etc.)	8,200
2.) Commodities (food, clothing, etc.)	12,500

3. A 9% inflation rate is assumed for subsequent fiscal years.

COMMITTEE REPORT
SENATE

FURTHER: None

Date: 2/1/82

Mr. President:

The Committee on _____ has had _____

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Asper, 3/2/82

Original sponsor: Colletta

1 IN THE SENATE BY THE FINANCE COMMITTEE
 2 CS FOR SENATE BILL NO. 548 (Finance)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Medical Indemnity Corporation
7 of Alaska (AS 21.88)."

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

9 * Section 1. AS 21.88.030(a)(3) is amended to read:

10 (3) two professionals from the insurance industry who are
 11 authorized or licensed to do business [INSURANCE COMPANIES AUTHORIZED]
 12 in the state;

13 * Sec. 2. AS 21.88.050(a)(1) is amended to read:

14 (1) in the form approved by the director, issue to all phy-
 15 sicians and hospitals who are found to be acceptable risks under
 16 standards developed under (8) of this subsection, and who pay the
 17 premiums for it, a contract or contracts indemnifying physicians and
 18 hospitals and their employees who are health care providers against loss
 19 by reason of liability for covered claims for an act or omission in the
 20 delivery of professional health care in this state, and agreeing to
 21 tender on behalf of the physicians and hospitals and their employees who
 22 are health care providers a defense to a covered claim in a proceeding
 23 brought under AS 09.55.530 - 09.55.560; the limits of liability for
 24 policies issued by the corporation shall be approved by the director;
 25 the contract shall cover the defense against but need not indemnify
 26 liability for punitive damages arising from a covered claim; at the
 27 option of the corporation, if approved by the director, [PHYSICIAN OR
 28 HOSPITAL] and for an additional premium the contract may cover claims
 29 against the physician or hospital that arise out of professional services

1 performed by the physician or hospital for any period before the contract
2 is issued [AFTER DECEMBER 31, 1974, IF THE COVERAGE IS ISSUED BEFORE
3 JANUARY 1, 1977], except that coverage will not be provided for a claim
4 already filed or of which the physician or hospital had or reasonably
5 should have had notice at the time the retroactive insurance was pur-
6 chased;

7 * Sec. 3. AS 21.88.050(b)(3) is repealed and reenacted to read:

8 (3) provide coverage to insureds for other hazards customarily
9 included in medical malpractice insurance policies when there is a
10 finding by the director that this coverage is not available to insureds
11 of the Medical Indemnity Corporation of Alaska in the private insurance
12 market at a competitive price;

13 * Sec. 4. AS 21.88.050(b)(12) is repealed and reenacted to read:

14 (12) subject to approval by the director, extend coverage to a
15 person, entity, or facility that renders health care services in the
16 state under the supervision of a physician.

17 * Sec. 5. AS 21.88.080(17) is repealed and reenacted to read:

18 (17) upon application by any person, the director may issue a
19 certificate authorizing the corporation to extinguish all or a portion
20 of an assessment levied, or which could be levied, under (15) of this
21 section for all insureds with policies in force when the certificate is
22 issued, and to omit provisions levying an assessment under (15) of this
23 section in all policies delivered or issued for delivery after the
24 certificate is issued, if the director determines that there is a sound
25 actuarial basis for the extinguishment; the director may at any time
26 revoke the certificate; a policy in force at the time of revocation is
27 not subject to the revocation of the certificate for the remainder of
28 the period for which the premium has been paid, but after revocation a
29 policy may not be issued or renewed without providing for an assessment

1 of the insured.

2 * Sec. 6. AS 21.88.900(17)(A) is amended to read:

3 (A) a claim by an injured patient reported to the cor-
4 poration during the period of continuous coverage by the corpor-
5 ation of the insured health care provider for an act or omission in
6 the delivery of health care services [DURING THE SAME PERIOD OF
7 CONTINUOUS COVERAGE]; and

8 * Sec. 7. Section 1, ch. 177, SLA 1978 is amended to read:

9 * Section 1. PURPOSE. The purpose of this Act is to insure that
10 no person suffers denial or revocation of licensure for failure to
11 procure insurance from the Medical Indemnity Corporation of Alaska as
12 required by ch. 102 SLA 1976. This Act is for the further purpose of
13 insuring that the coverage of occurrence policies issued by the Medical
14 Indemnity Corporation of Alaska before the effective date of this Act
15 continues to extend to claims arising out of occurrences covered by
16 policies issued before the effective date of this Act, but that [(1) THE
17 MEDICAL INDEMNITY CORPORATION OF ALASKA NEED NOT BE LIABLE ON AN OCCUR-
18 RENCE BASIS FOR ANY CLAIMS ARISING UNDER POLICIES NEWLY ISSUED OR RENEWED
19 AFTER THE EFFECTIVE DATE OF THIS ACT; (2)] persons who procured coverage
20 from the Medical Indemnity Corporation of Alaska before the effective
21 date of this Act neither be allowed to cancel the coverage procured nor
22 evade the requirement of payment of premiums for that coverage [; AND
23 (3) PERSONS WHO DID NOT PROCURE RETROACTIVE COVERAGE FROM THE MEDICAL
24 INDEMNITY CORPORATION OF ALASKA BY JANUARY 1, 1977 ARE NOT ENTITLED TO,
25 NOR MAY THE MEDICAL INDEMNITY CORPORATION OF ALASKA ISSUE, THAT COVER-
26 AGE]. This Act is for the further purpose of assuring that the Medical
27 Indemnity Corporation of Alaska remains a viable and competitive market
28 for malpractice insurance. The purpose of the amendment made in sec. 22
29 of this Act and of the amendments of the provisions of AS 8 in this Act

1 is to assure that medical care is not denied to any person by virtue of
2 his failure or refusal to enter into an agreement with a health care
3 provider in the medical, dental and related professions to submit to
4 arbitration claims arising under health care or treatment provided.

5 * Sec. 8. Section 21(b), ch. 177, SLA 1978 is amended to read:

6 (b) All policies issued by the Medical Indemnity Corporation of
7 Alaska and in force on the effective date of this Act are terminated as
8 of the first annual renewal of the in-force policy after the effective
9 date of this Act. A person purchasing a policy for any term beginning
10 after the effective date of this Act shall be issued a policy to cover
11 only "covered claims" as defined in AS 21.88.900(17), added in sec. 20
12 of this Act[, WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT].

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Asper / 3/2/82

Original sponsor: Colletta

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 548 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Medical Indemnity Corporation
7 of Alaska (AS 21.88)."

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

9 * Section 1. AS 21.88.030(a)(3) is amended to read:

10 (3) two professionals from the insurance industry who are
11 authorized or licensed to do business [INSURANCE COMPANIES AUTHORIZED]
12 in the state;

13 * Sec. 2. AS 21.88.050(a)(1) is amended to read:

14 (1) in the form approved by the director, issue to all phy-
15 sicians and hospitals who are found to be acceptable risks under
16 standards developed under (8) of this subsection, and who pay the
17 premiums for it, a contract or contracts indemnifying physicians and
18 hospitals and their employees who are health care providers against loss
19 by reason of liability for covered claims for an act or omission in the
20 delivery of professional health care in this state, and agreeing to
21 tender on behalf of the physicians and hospitals and their employees who
22 are health care providers a defense to a covered claim in a proceeding
23 brought under AS 09.55.530 - 09.55.560; the limits of liability for
24 policies issued by the corporation shall be approved by the director;
25 the contract shall cover the defense against but need not indemnify
26 liability for punitive damages arising from a covered claim; at the
27 option of the corporation, if approved by the director, [PHYSICIAN OR
28 HOSPITAL] and for an additional premium the contract may cover claims
29 against the physician or hospital that arise out of professional services

1 performed by the physician or hospital for any period before the contract
2 is issued [AFTER DECEMBER 31, 1974, IF THE COVERAGE IS ISSUED BEFORE
3 JANUARY 1, 1977], except that coverage will not be provided for a claim
4 already filed or of which the physician or hospital had or reasonably
5 should have had notice at the time the retroactive insurance was pur-
6 chased;

7 * Sec. 3. AS 21.88.050(b)(3) is repealed and reenacted to read:

8 (3) provide coverage to insureds for other hazards customarily
9 included in medical malpractice insurance policies when there is a
10 finding by the director that this coverage is not available to insureds
11 of the Medical Indemnity Corporation of Alaska in the private insurance
12 market at a competitive price;

13 * Sec. 4. AS 21.88.050(b)(12) is repealed and reenacted to read:

14 (12) subject to approval by the director, extend coverage to a
15 person, entity, or facility that renders health care services in the
16 state under the supervision of a physician.

17 * Sec. 5. AS 21.88.080(17) is repealed and reenacted to read:

18 (17) upon application by any person, the director may issue a
19 certificate authorizing the corporation to extinguish all or a portion
20 of an assessment levied, or which could be levied, under (15) of this
21 section for all insureds with policies in force when the certificate is
22 issued, and to omit provisions levying an assessment under (15) of this
23 section in all policies delivered or issued for delivery after the
24 certificate is issued, if the director determines that there is a sound
25 actuarial basis for the extinguishment; the director may at any time
26 revoke the certificate; a policy in force at the time of revocation is
27 not subject to the revocation of the certificate for the remainder of
28 the period for which the premium has been paid, but after revocation a
29 policy may not be issued or renewed without providing for an assessment

1 of the insured.

2 * Sec. 6. AS 21.88.900(17)(A) is amended to read:

3 (A) a claim by an injured patient reported to the cor-
4 poration during the period of continuous coverage by the corpor-
5 ation of the insured health care provider for an act or omission in
6 the delivery of health care services [DURING THE SAME PERIOD OF
7 CONTINUOUS COVERAGE]; and

8 * Sec. 7. Section 1, ch. 177, SLA 1978 is amended to read:

9 * Section 1. PURPOSE. The purpose of this Act is to insure that
10 no person suffers denial or revocation of licensure for failure to
11 procure insurance from the Medical Indemnity Corporation of Alaska as
12 require' by ch. 102 SLA 1976. This Act is for the further purpose of
13 insuring that the coverage of occurrence policies issued by the Medical
14 Indemnity Corporation of Alaska before the effective date of this Act
15 continues to extend to claims arising out of occurrences covered by
16 policies issued before the effective date of this Act, but that [(1) THE
17 MEDICAL INDEMNITY CORPORATION OF ALASKA NEED NOT BE LIABLE ON AN OCCUR-
18 RENCE BASIS FOR ANY CLAIMS ARISING UNDER POLICIES NEWLY ISSUED OR RENEWED
19 AFTER THE EFFECTIVE DATE OF THIS ACT; (2)] persons who procured coverage
20 from the Medical Indemnity Corporation of Alaska before the effective
21 date of this Act neither be allowed to cancel the coverage procured nor
22 evade the requirement of payment of premiums for that coverage [; AND
23 (3) PERSONS WHO DID NOT PROCURE RETROACTIVE COVERAGE FROM THE MEDICAL
24 INDEMNITY CORPORATION OF ALASKA BY JANUARY 1, 1977 ARE NOT ENTITLED TO,
25 NOR MAY THE MEDICAL INDEMNITY CORPORATION OF ALASKA ISSUE, THAT COVER-
26 AGE]. This Act is for the further purpose of assuring that the Medical
27 Indemnity Corporation of Alaska remains a viable and competitive market
28 for malpractice insurance. The purpose of the amendment made in sec. 22
29 of this Act and of the amendments of the provisions of AS 8 in this Act

1 is to assure that medical care is not denied to any person by virtue of
2 his failure or refusal to enter into an agreement with a health care
3 provider in the medical, dental and related professions to submit to
4 arbitration claims arising under health care or treatment provided.

5 * Sec. 8. Section 21(b), ch. 177, SLA 1978 is amended to read:

6 (b) All policies issued by the Medical Indemnity Corporation of
7 Alaska and in force on the effective date of this Act are terminated as
8 of the first annual renewal of the in-force policy after the effective
9 date of this Act. A person purchasing a policy for any term beginning
10 after the effective date of this Act shall be issued a policy to cover
11 only "covered claims" as defined in AS 21.88.900(17), added in sec. 20
12 of this Act[, WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT].
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Asper, 3/2/82

Original sponsor: Colletta

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 548 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Medical Indemnity Corporation
7 of Alaska (AS 21.88)."

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

9 * Section 1. AS 21.88.030(a)(3) is amended to read:

10 (3) two professionals from the insurance industry who are
11 authorized or licensed to do business [INSURANCE COMPANIES AUTHORIZED]
12 in the state;

13 * Sec. 2. AS 21.88.050(a)(1) is amended to read:

14 (1) in the form approved by the director, issue to all phy-
15 sicians and hospitals who are found to be acceptable risks under
16 standards developed under (8) of this subsection, and who pay the
17 premiums for it, a contract or contracts indemnifying physicians and
18 hospitals and their employees who are health care providers against loss
19 by reason of liability for covered claims for an act or omission in the
20 delivery of professional health care in this state, and agreeing to
21 tender on behalf of the physicians and hospitals and their employees who
22 are health care providers a defense to a covered claim in a proceeding
23 brought under AS 09.55.530 - 09.55.560; the limits of liability for
24 policies issued by the corporation shall be approved by the director;
25 the contract shall cover the defense against but need not indemnify
26 liability for punitive damages arising from a covered claim; at the
27 option of the corporation, if approved by the director, [PHYSICIAN OR
28 HOSPITAL] and for an additional premium the contract may cover claims
29 against the physician or hospital that arise out of professional services

1 performed by the physician or hospital for any period before the contract
2 is issued [AFTER DECEMBER 31, 1974, IF THE COVERAGE IS ISSUED BEFORE
3 JANUARY 1, 1977], except that coverage will not be provided for a claim
4 already filed or of which the physician or hospital had or reasonably
5 should have had notice at the time the retroactive insurance was pur-
6 chased;

7 * Sec. 3. AS 21.88.050(b)(3) is repealed and reenacted to read:

8 (3) provide coverage to insureds for other hazards customarily
9 included in medical malpractice insurance policies when there is a
10 finding by the director that this coverage is not available to insureds
11 of the Medical Indemnity Corporation of Alaska in the private insurance
12 market at a competitive price;

13 * Sec. 4. AS 21.88.050(b)(12) is repealed and reenacted to read:

14 (12) subject to approval by the director, extend coverage to a
15 person, entity, or facility that renders health care services in the
16 state under the supervision of a physician.

17 * Sec. 5. AS 21.88.080(17) is repealed and reenacted to read:

18 (17) upon application by any person, the director may issue a
19 certificate authorizing the corporation to extinguish all or a portion
20 of an assessment levied, or which could be levied, under (15) of this
21 section for all insureds with policies in force when the certificate is
22 issued, and to omit provisions levying an assessment under (15) of this
23 section in all policies delivered or issued for delivery after the
24 certificate is issued, if the director determines that there is a sound
25 actuarial basis for the extinguishment; the director may at any time
26 revoke the certificate; a policy in force at the time of revocation is
27 not subject to the revocation of the certificate for the remainder of
28 the period for which the premium has been paid, but after revocation a
29 policy may not be issued or renewed without providing for an assessment

1 of the insured.

2 * Sec. 6. AS 21.88.900(17)(A) is amended to read:

3 (A) a claim by an injured patient reported to the cor-
4 poration during the period of continuous coverage by the corpor-
5 ation of the insured health care provider for an act or omission in
6 the delivery of health care services [DURING THE SAME PERIOD OF
7 CONTINUOUS COVERAGE]; and

8 * Sec. 7. Section 1, ch. 177, SLA 1978 is amended to read:

9 * Section 1. PURPOSE. The purpose of this Act is to insure that
10 no person suffers denial or revocation of licensure for failure to
11 procure insurance from the Medical Indemnity Corporation of Alaska as
12 required by ch. 102 SLA 1976. This Act is for the further purpose of
13 insuring that the coverage of occurrence policies issued by the Medical
14 Indemnity Corporation of Alaska before the effective date of this Act
15 continues to extend to claims arising out of occurrences covered by
16 policies issued before the effective date of this Act, but that [(1) THE
17 MEDICAL INDEMNITY CORPORATION OF ALASKA NEED NOT BE LIABLE ON AN OCCUR-
18 RENCE BASIS FOR ANY CLAIMS ARISING UNDER POLICIES NEWLY ISSUED OR RENEWED
19 AFTER THE EFFECTIVE DATE OF THIS ACT; (2)] persons who procured coverage
20 from the Medical Indemnity Corporation of Alaska before the effective
21 date of this Act neither be allowed to cancel the coverage procured nor
22 evade the requirement of payment of premiums for that coverage [; AND
23 (3) PERSONS WHO DID NOT PROCURE RETROACTIVE COVERAGE FROM THE MEDICAL
24 INDEMNITY CORPORATION OF ALASKA BY JANUARY 1, 1977 ARE NOT ENTITLED TO,
25 NOR MAY THE MEDICAL INDEMNITY CORPORATION OF ALASKA ISSUE, THAT COVER-
26 AGE]. This Act is for the further purpose of assuring that the Medical
27 Indemnity Corporation of Alaska remains a viable and competitive market
28 for malpractice insurance. The purpose of the amendment made in sec. 22
29 of this Act and of the amendments of the provisions of AS 8 in this Act

1 is to assure that medical care is not denied to any person by virtue of
2 his failure or refusal to enter into an agreement with a health care
3 provider in the medical, dental and related professions to submit to
4 arbitration claims arising under health care or treatment provided.

5 * Sec. 8. Section 21(b), ch. 177, SLA 1978 is amended to read:

6 (b) All policies issued by the Medical Indemnity Corporation of
7 Alaska and in force on the effective date of this Act are terminated as
8 of the first annual renewal of the in-force policy after the effective
9 date of this Act. A person purchasing a policy for any term beginning
10 after the effective date of this Act shall be issued a policy to cover
11 only "covered claims" as defined in AS 21.88.900(17), added in sec. 20
12 of this Act[, WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT].
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29



Official Business

Alaska State Legislature

Senate

Committee on Finance

Pouch V
State Capitol
Juneau, Alaska 99811

CSSB 548 (Finance)

This short sectional analysis describes the one change made in the Senate Finance Committee Substitute to the Senate Labor & Commerce Committee Substitute.

Section 3 of the bill is tightened to allow coverage to other hazards only when such other hazards are customarily included in medical malpractice insurance, and further restricts such coverage for other hazards to instances where the coverage is not competitively available from private insurance companies.



Official Business

Alaska State Legislature

Senate

Labor & Commerce Committee

Pouch V
State Capitol
Juneau, Alaska 99811

CS SB 548; Sectional Analysis:

"An act relating to the Medical Indemnity Corporation of Alaska"

Section 1): Amends AS 21.88.030(a) (3) to read: (3) Two professionals from the insurance industry who are authorized to do business in the State. The current statute reads "insurance companies authorized" and the proposed change would allow for persons who are agents or brokers (insurance industry professionals) to have board membership.

Section 2): Amends AS 21.88.050(a) (1) provides for a substantive change to permit "tail coverage" (retroactive insurance) to cover malpractice claims. New language states: at the option of the corporation, if approved by the director, and for an additional premium the contract may cover claims against the physician or hospital that arise out of professional services performed by the physician for any period before the contract is issued except that coverage will not be provided for a claim already filed or of which the physician or hospital had or reasonably should have had notice at the time the retroactive insurance was purchased.

Section 3): Amends AS 21.88.050 (b) (3): Provides coverage to insureds for other hazards when approved by the director; Encompasses insurance coverage for premises liability for circumstances in which an injury occurs on the premises as a result of "an omission of health care" by a physician or medical staff. Example: Inadvertantly, the rail on a hospital bed is left down, and a patient sleeping under medication falls from the bed, injuring himself on the premises. The injury resulted from an "omission in health care" by the attending nurse, and should be covered as such.

Section 4): Repeals and reenacts AS21.88.050(b) (12) to extend coverage to a person, entity, or facility that renders health care services in the state under the supervision of a physician. Expanded coverage for health care providers such as "bush medicine teams" who don't ordinarily fall within the conventional definition.

Section 5): Repeals and reenacts AS21.88.080 (17): Major change allows for a sliding

706

scale" assessment levied upon insureds in the event that the earned premiums for any given year are less than the incurred claims, claim expenses, underwriting expenses, and reserves. Presently, by statute, the director of the Division of Insurance must assess 150% on the premiums for all insureds if the earned premiums fall beneath incurred claims and expenses. Although this condition has never occurred, if it were to happen in the future, and if the director determines there is sound actuarial basis for the extinguishment of the assessment, the director would be able to extinguish all or a portion of the assessment.

Section 6: Amends AS 21.88.900 (17) (a) Deletes the phrase (DURING THE SAME PERIOD OF CONTINUOUS COVERAGE) to provide consistency throughout the MICA statutes for the ability to offer "tail coverage" (retroactive insurance) to insureds to cover claims which occurred prior to MICA coverage.

Section 7: Relates to the purpose of the bill which would allow MICA to remain more competitive within the marketplace and better fulfill its obligations to the medical community.

Section 8: Amends section 21(b), CH 177, SLA 1978; Technical change to permit "tail coverage" through the deletion of the following language: (WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT).

Additional Information: The Division of Insurance estimates there are 400 licensed physicians in the State, including part time and retired physicians. There are presently 137 MICA insured physicians, with 33 new enrollees this quarter, demonstrating more faith among the medical community in the program.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB548 (L & C)
 Title An act relating to the medical indemnity corporation of alaska (AS 21-88)
 Requested by Senate Labor & Commerce Date 1/27/82

II. FISCAL DETAIL

Agency Affected Division of Insurance
 Program Category Affected Public Protection
 BRU, Program, or Subprogram(s) Affected Division of Insurance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		0				
200 TRAVEL		0				
300 CONTRACTUAL		0				
400 COMMODITIES		0				
500 EQUIPMENT		0				
600 LAND & STRUCTURES		0				
700 GRANTS, CLAIMS, ETC.		0				
TOTAL		0				

FUNDING (Thousands of Dollars)

GENERAL FUND		0				
FEDERAL FUNDS		0				
OTHER (Specify Fund Source)		0				

POSITIONS

FULL TIME		0				
PART TIME		0				
TEMPORARY		0				

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

IV. DATE 1/28/82

PREPARED BY *Kenneth C. Moore*
 AGENCY Commerce & Economic Development
 PHONE 465-2515

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

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 548
 Title An act relating to the medical indemnity corporation of Alaska -
 Requested by Colletta Date 5/5/81 (as.21.88)

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development
 Program Category Affected Public Protection
 BRU, Program, or Subprogram(s) Affected Division of Insurance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	0					
200 TRAVEL	0					
300 CONTRACTUAL	0					
400 COMMODITIES	0					
500 EQUIPMENT	0					
600 LAND & STRUCTURES	0					
700 GRANTS. CLAIMS. ETC.	0					
TOTAL	0					

FUNDING (Thousands of Dollars)

GENERAL FUND	0					
FEDERAL FUNDS	0					
OTHER (Specify Fund Source)	0					

POSITIONS

FULL TIME	0					
PART TIME	0					
TEMPORARY	0					

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

IV. DATE May 12, 1981 PREPARED BY Kenneth G. Moore Director of Insurance
 AGENCY Commerce & Economic Development
 PHONE 465-2515
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Original sponsor: Colletta

Offered: 1/27/82
Referred: Finance

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2

CS FOR SENATE BILL NO. 548 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the Medical Indemnity Corporation
7 of Alaska (AS 21.88)."

8

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

9

* Section 1. AS 21.88.030(a)(3) is amended to read:

10

(3) two professionals from the insurance industry who are

11

authorized or licensed to do business [INSURANCE COMPANIES AUTHORIZED]

12

in the state;

13

* Sec. 2. AS 21.88.050(a)(1) is amended to read:

14

(1) in the form approved by the director, issue to all phy-

15

sicians and hospitals who are found to be acceptable risks under

16

standards developed under (8) of this subsection, and who pay the

17

premiums for it, a contract or contracts indemnifying physicians and

18

hospitals and their employees who are health care providers against loss

19

by reason of liability for covered claims for an act or omission in the

20

delivery of professional health care in this s'ate, and agreeing to

21

tender on behalf of the physicians and hospitals and their employees who

22

are health care providers a defense to a covered claim in a proceeding

23

brought under AS 09.55.530 - 09.55.560; the limits of liability for

24

policies issued by the corporation shall be approved by the director;

25

the contract shall cover the defense against but need not indemnify

26

liability for punitive damages arising from a covered claim; at the

27

option of the corporation, if approved by the director, [PHYSICIAN OR

28

HOSPITAL] and for an additional premium the contract may cover claims

29

against the physician or hospital that arise out of professional services

1 performed by the physician or hospital for any period before the contract
2 is issued [AFTER DECEMBER 31, 1974, IF THE COVERAGE IS ISSUED BEFORE
3 JANUARY 1, 1977], except that coverage will not be provided for a claim
4 already filed or of which the physician or hospital had or reasonably
5 should have had notice at the time the retroactive insurance was pur-
6 chased;

7 * Sec. 3. AS 21.88.050(b)(3) is amended to read:

8 (3) provide coverage to insureds [PHYSICIANS AND HOSPITALS]
9 for other hazards when approved by the director [THERE IS A FINDING BY
10 THE DIRECTOR THAT THIS COVERAGE IS OTHERWISE UNAVAILABLE BY REASON OF
11 THE OPERATION OF THE CORPORATION];

12 * Sec. 4. AS 21.88.050(b)(12) is repealed and reenacted to read:

13 (12) subject to approval by the director, extend coverage to a
14 person, entity, or facility that renders health care services in the
15 state under the supervision of a physician.

16 * Sec. 5. AS 21.88.080(17) is repealed and reenacted to read:

17 (17) upon application by any person, the director may issue
18 a certificate authorizing the corporation to extinguish all or a portion
19 of an assessment levied, or which could be levied, under (15) of this
20 section for all insureds with policies in force when the certificate is
21 issued, and to omit provisions levying an assessment under (15) of this
22 section in all policies delivered or issued for delivery after the
23 certificate is issued, if the director determines that there is a sound
24 actuarial basis for the extinguishment; the director may at any time
25 revoke the certificate; a policy in force at the time of revocation is
26 not subject to the revocation of the certificate for the remainder of
27 the period for which the premium has been paid, but after revocation a
28 policy may not be issued or renewed without providing for an assessment
29 of the insured.

1 * Sec. 6. AS 21.88.900(17)(A) is amended to read:

2 (A) a claim by an injured patient reported to the cor-
3 poration during the period of continuous coverage by the corpor-
4 ation of the insured health care provider for an act or omission in
5 the delivery of health care services [DURING THE SAME PERIOD OF
6 CONTINUOUS COVERAGE]; and

7 * Sec. 7. Section 1, ch. 177, SLA 1978 is amended to read:

8 * Section 1. PURPOSE. The purpose of this Act is to insure that
9 no person suffers denial or revocation of licensure for failure to
10 procure insurance from the Medical Indemnity Corporation of Alaska as
11 required by ch. 102 SLA 1976. This Act is for the further purpose of
12 insuring that the coverage of occurrence policies issued by the Medical
13 Indemnity Corporation of Alaska before the effective date of this Act
14 continues to extend to claims arising out of occurrences covered by
15 policies issued before the effective date of this Act, but that [(1) THE
16 MEDICAL INDEMNITY CORPORATION OF ALASKA NEED NOT BE LIABLE ON AN OCCUR-
17 RENCE BASIS FOR ANY CLAIMS ARISING UNDER POLICIES NEWLY ISSUED OR RENEWED
18 AFTER THE EFFECTIVE DATE OF THIS ACT; (2)] persons who procured coverage
19 from the Medical Indemnity Corporation of Alaska before the effective
20 date of this Act neither be allowed to cancel the coverage procured nor
21 evade the requirement of payment of premiums for that coverage [; AND
22 (3) PERSONS WHO DID NOT PROCURE RETROACTIVE COVERAGE FROM THE MEDICAL
23 INDEMNITY CORPORATION OF ALASKA BY JANUARY 1, 1977 ARE NOT ENTITLED TO,
24 NOR MAY THE MEDICAL INDEMNITY CORPORATION OF ALASKA ISSUE, THAT COVER-
25 AGE]. This Act is for the further purpose of assuring that the Medical
26 Indemnity Corporation of Alaska remains a viable and competitive market
27 for malpractice insurance. The purpose of the amendment made in sec. 22
28 of this Act and of the amendments of the provisions of AS 8 in this Act
29 is to assure that medical care is not denied to any person by virtue of

1 his failure or refusal to enter into an agreement with a health care
2 provider in the medical, dental and related professions to submit to
3 arbitration claims arising under health care or treatment provided.

4 * Sec. 8. Section 21(b), ch. 177, SLA 1978 is amended to read:

5 (b) All policies issued by the Medical Indemnity Corporation of
6 Alaska and in force on the effective date of this Act are terminated as
7 of the first annual renewal of the in-force policy after the effective
8 date of this Act. A person purchasing a policy for any term beginning
9 after the effective date of this Act shall be issued a policy to cover
10 only "covered claims" as defined in AS 21.88.900(17), added in sec. 20
11 of this Act[, WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT].
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Introduced: 5/5/81
Referred: Labor & Commerce and
Finance

1 IN THE SENATE

BY COLLETTA

2 SENATE BILL NO. 548

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Medical Indemnity Corporation
7 of Alaska (AS 21.88)."

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

9 * Section 1. AS 21.88.050(a)(1) is amended to read:

10 (1) in the form approved by the director, issue to all
11 physicians and hospitals who are found to be acceptable risks under
12 standards developed under (8) of this subsection, and who pay the
13 premiums for it, a contract or contracts indemnifying physicians and
14 hospitals and their employees who are health care providers against
15 loss by reason of liability for covered claims for an act or omission
16 in the delivery of professional health care in this state, and agreeing
17 to tender on behalf of the physicians and hospitals and their employees
18 who are health care providers a defense to a covered claim in a proceed-
19 ing brought under AS 09.55.530 - 09.55.560; the limits of liability for
20 policies issued by the corporation shall be approved by the director;
21 the contract shall cover the defense against but need not indemnify
22 liability for punitive damages arising from a covered claim; at the
23 option of the physician or hospital and for an additional premium the
24 contract may cover claims against the physician or hospital that arise
25 out of professional services performed by the physician or hospital for
26 any period before the contract is issued [AFTER DECEMBER 31, 1974, IF
27 THE COVERAGE IS ISSUED BEFORE JANUARY 1, 1977], except that coverage
28 will not be provided for a claim already filed or of which the physi-
29 cian or hospital had or reasonably should have had notice at the time

1 the retroactive insurance was purchased;

2 * Sec. 2. AS 21.88.080(17) is repealed and reenacted to read:

3 (17) upon application by any person, the director shall issue
4 a certificate authorizing the corporation to extinguish all or a portion
5 of an assessment levied under (15) of this section for all insureds
6 with policies in force when the certificate is issued, and to omit
7 provisions levying an assessment under (15) of this section in all
8 policies delivered or issued for delivery after the certificate is
9 issued, if the director determines that there is a sound actuarial
10 basis for the extinguishment; the director may at any time revoke the
11 certificate; a policy in force at the time of revocation is not subject
12 to the revocation of the certificate for the remainder of the period
13 for which the premium has been paid, but after revocation a policy may
14 not be issued or renewed without providing for an assessment of the
15 insured.

16 * Sec. 3. AS 21.88.900(17)(A) is amended to read:

17 (A) a claim by an injured patient reported to the
18 corporation during the period of continuous coverage by the corpor-
19 ation of the insured health care provider for an act or omission
20 in the delivery of health care services [DURING THE SAME PERIOD OF
21 CONTINUOUS COVERAGE]; and

22 * Sec. 4. Section 1, ch. 177, SLA 1978 is amended to read:

23 * Section 1. PURPOSE. The purpose of this Act is to insure that no
24 person suffers denial or revocation of licensure for failure to procure
25 insurance from the Medical Indemnity Corporation of Alaska as required by
26 ch. 102 SLA 1976. This Act is for the further purpose of insuring that the
27 coverage of occurrence policies issued by the Medical Indemnity Corporation
28 of Alaska before the effective date of this Act continues to extend to
29 claims arising out of occurrences covered by policies issued before the

1 effective date of this Act, but that [(1) THE MEDICAL INDEMNITY CORPORATION
2 OF ALASKA NEED NOT BE LIABLE ON AN OCCURRENCE BASIS FOR ANY CLAIMS ARISING
3 UNDER POLICIES NEWLY ISSUED OR RENEWED AFTER THE EFFECTIVE DATE OF THIS
4 ACT;] (2) persons who procured coverage from the Medical Indemnity Corpora-
5 tion of Alaska before the effective date of this Act neither be allowed to
6 cancel the coverage procured nor evade the requirement of payment of premiums
7 for that coverage [; AND (3) PERSONS WHO DID NOT PROCURE RETROACTIVE COVERAGE
8 FROM THE MEDICAL INDEMNITY CORPORATION OF ALASKA BY JANUARY 1, 1977 ARE NOT
9 ENTITLED TO, NOR MAY THE MEDICAL INDEMNITY CORPORATION OF ALASKA ISSUE, THAT
10 COVERAGE]. This Act is for the further purpose of assuring that the Medical
11 Indemnity Corporation of Alaska remains a viable and competitive market for
12 malpractice insurance. The purpose of the amendment made in sec. 22 of this
13 Act and of the amendments of the provisions of AS 8 in this Act is to assure
14 that medical care is not denied to any person by virtue of his failure or
15 refusal to enter into an agreement with a health care provider in the medi-
16 cal, dental and related professions to submit to arbitration claims arising
17 under health care or treatment provided.

18 * Sec. 5. Section 21(b), ch. 177, SLA 1978 is amended to read:

19 (b) All policies issued by the Medical Indemnity Corporation of
20 Alaska and in force on the effective date of this Act are terminated as
21 of the first annual renewal of the in-force policy after the effective
22 date of this Act. A person purchasing a policy for any term beginning
23 after the effective date of this Act shall be issued a policy to cover
24 only "covered claims" as defined in AS 21.88.900(17), added in sec. 20
25 of this Act[, WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT].
26
27
28
29



Official Business

Alaska State Legislature

Senate

Committee on Finance

Fouch V
State Capitol
Juneau, Alaska 99811

CSSB 548 (Finance)

This short sectional analysis describes the one change made in the Senate Finance Committee Substitute to the Senate Labor & Commerce Committee Substitute.

Section 3 of the bill is tightened to allow coverage to other hazards only when such other hazards are customarily included in medical malpractice insurance, and further restricts such coverage for other hazards to instances where the coverage is not competitively available from private insurance companies.



Official Business

Alaska State Legislature

Senate

Labor & Commerce Committee

Pouch V
State Capitol
Juneau, Alaska 99811

CS SB 548; Sectional Analysis:

"An act relating to the Medical Indemnity Corporation of Alaska"

Section 1): Amends AS 21.88.030(a) (3) to read: (3) Two professionals from the insurance industry who are authorized to do business in the State. The current statute reads "insurance companies authorized" and the proposed change would allow for persons who are agents or brokers (insurance industry professionals) to have board membership.

Section 2): Amends AS 21.88.050(a) (1) provides for a substantive change to permit "tail coverage" (retroactive insurance) to cover malpractice claims. New language states: at the option of the corporation, if approved by the director, and for an additional premium the contract may cover claims against the physician or hospital that arise out of professional services performed by the physician for any period before the contract is issued except that coverage will not be provided for a claim already filed or of which the physician or hospital had or reasonably should have had notice at the time the retroactive insurance was purchased.

Section 3): Amends AS 21.88.050 (b) (3): Provides coverage to insureds for other hazards when approved by the director; Encompasses insurance coverage for premises liability for circumstances in which an injury occurs on the premises as a result of "an omission of health care" by a physician or medical staff. Example: Inadvertantly, the rail on a hospital bed is left down, and a patient sleeping under medication falls from the bed, injuring himself on the premises. The injury resulted from an "omission in health care" by the attending nurse, and should be covered as such.

Section 4): Repeals and reenacts AS21.88.050(b) (12) to extend coverage to a person, entity, or facility that renders health care services in the state under the supervision of a physician. Expanded coverage for health care providers such as "bush medicine teams" who don't ordinarily fall within the conventional definition.

Section 5): Repeals and reenacts AS21.88.080 (17): Major change allows for a sliding

scale" assessment levied upon insureds in the event that the earned premiums for any given year are less than the incurred claims, claim expenses, underwriting expenses, and reserves. Presently, by statute, the director of the Division of Insurance must assess 150% on the premiums for all insureds if the earned premiums fall beneath incurred claims and expenses. Although this condition has never occurred, if it were to happen in the future, and if the director determines there is sound actuarial basis for the extinguishment of the assessment, the director would be able to extinguish all or a portion of the assessment.

Section 6: Amends AS 21.88.900 (17) (a) Deletes the phrase (DURING THE SAME PERIOD OF CONTINUOUS COVERAGE) to provide consistency throughout the MICA statutes for the ability to offer "tail coverage" (retroactive insurance) to insureds to cover claims which occurred prior to MICA coverage.

Section 7: Relates to the purpose of the bill which would allow MICA to remain more competitive within the marketplace and better fulfill its obligations to the medical community.

Section 8: Amends section 21(b), CH 177, SLA 1978; Technical change to permit "tail coverage" through the deletion of the following language: (WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT).

Additional Information: The Division of Insurance estimates there are 400 licensed physicians in the State, including part time and retired physicians. There are presently 137 MICA insured physicians, with 33 new enrollees this quarter, demonstrating more faith among the medical community in the program.

COMMITTEE REPORT

HOUSE

4/12/82

FURTHER:

(11)

Date: 4/16/82

Mr. Speaker:

The Committee on FINANCE has had CSSB 548 (Fin)

"An Act relating to the Medical Indemnity Corporation of Alaska (AS 21.88)."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
- and recommends _____ new title
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

 CHAIRMAN

Original sponsor: Colletta

Offered: 3/17/82
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

CS FOR SENATE BILL NO. 548 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the Medical Indemnity Corporation

7

of Alaska (AS 21.88)."

8

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

9

*Section 1. AS 21.88.030(a)(3) is amended to read:

10

(3) two professionals from the insurance industry who are

11

authorized or licensed to do business [INSURANCE COMPANIES AUTHORIZED]

12

in the state;

13

* Sec. 2. AS 21.88.050(a)(1) is amended to read:

14

(1) in the form approved by the director, issue to all phy-

15

sicians and hospitals who are found to be acceptable risks under

16

standards developed under (8) of this subsection, and who pay the

17

premiums for it, a contract or contracts indemnifying physicians and

18

hospitals and their employees who are health care providers against loss

19

by reason of liability for covered claims for an act or omission in the

20

delivery of professional health care in this state, and agreeing to

21

tender on behalf of the physicians and hospitals and their employees who

22

are health care providers a defense to a covered claim in a proceeding

23

brought under AS 09.55.530 - 09.55.560; the limits of liability for

24

policies issued by the corporation shall be approved by the director;

25

the contract shall cover the defense against but need not indemnify

26

liability for punitive damages arising from a covered claim; at the

27

option of the corporation, if approved by the director, [PHYSICIAN OR

28

HOSPITAL] and for an additional premium the contract may cover claims

29

against the physician or hospital that arise out of professional services

1 performed by the physician or hospital for any period before the contract
2 is issued [AFTER DECEMBER 31, 1974, IF THE COVERAGE IS ISSUED BEFORE
3 JANUARY 1, 1977], except that coverage will not be provided for a claim
4 already filed or of which the physician or hospital had or reasonably
5 should have had notice at the time the retroactive insurance was pur-
6 chased;

7 * Sec. 3. AS 21.88.050(b)(3) is repealed and reenacted to read:

8 (3) provide coverage to insureds for other hazards customarily
9 included in medical malpractice insurance policies when there is a
10 finding by the director that this coverage is not available to insureds
11 of the Medical Indemnity Corporation of Alaska in the private insurance
12 market at a competitive price;

13 * Sec. 4. AS 21.88.050(b)(12) is repealed and reenacted to read:

14 (12) subject to approval by the director, extend coverage to a
15 person, entity, or facility that renders health care services in the
16 state under the supervision of a physician.

17 * Sec. 5. AS 21.88.080(17) is repealed and reenacted to read:

18 (17) upon application by any person, the director may issue a
19 certificate authorizing the corporation to extinguish all or a portion
20 of an assessment levied, or which could be levied, under (15) of this
21 section for all insureds with policies in force when the certificate is
22 issued, and to omit provisions levying an assessment under (15) of this
23 section in all policies delivered or issued for delivery after the
24 certificate is issued, if the director determines that there is a sound
25 actuarial basis for the extinguishment; the director may at any time
26 revoke the certificate; a policy in force at the time of revocation is
27 not subject to the revocation of the certificate for the remainder of
28 the period for which the premium has been paid, but after revocation a
29 policy may not be issued or renewed without providing for an assessment

1 of the insured.

2 * Sec. 6. AS 21.88.900(17)(A) is amended to read:

3 (A) a claim by an injured patient reported to the cor-
4 poration during the period of continuous coverage by the corpor-
5 ation of the insured health care provider for an act or omission in
6 the delivery of health care services [DURING THE SAME PERIOD OF
7 CONTINUOUS COVERAGE]; and

8 * Sec. 7. Section 1, ch. 177, SLA 1978 is amended to read:

9 * Section 1. PURPOSE. The purpose of this Act is to insure that
10 no person suffers denial or revocation of licensure for failure to
11 procure insurance from the Medical Indemnity Corporation of Alaska as
12 required by ch. 102 SLA 1976. This Act is for the further purpose of
13 insuring that the coverage of occurrence policies issued by the Medical
14 Indemnity Corporation of Alaska before the effective date of this Act
15 continues to extend to claims arising out of occurrences covered by
16 policies issued before the effective date of this Act, but that [(1) THE
17 MEDICAL INDEMNITY CORPORATION OF ALASKA NEED NOT BE LIABLE ON AN OCCUR-
18 RENCE BASIS FOR ANY CLAIMS ARISING UNDER POLICIES NEWLY ISSUED OR RENEWED
19 AFTER THE EFFECTIVE DATE OF THIS ACT; (2)] persons who procured coverage
20 from the Medical Indemnity Corporation of Alaska before the effective
21 date of this Act neither be allowed to cancel the coverage procured nor
22 evade the requirement of payment of premiums for that coverage [; AND
23 (3) PERSONS WHO DID NOT PROCURE RETROACTIVE COVERAGE FROM THE MEDICAL
24 INDEMNITY CORPORATION OF ALASKA BY JANUARY 1, 1977 ARE NOT ENTITLED TO,
25 NOR MAY THE MEDICAL INDEMNITY CORPORATION OF ALASKA ISSUE, THAT COVER-
26 AGE]. This Act is for the further purpose of assuring that the Medical
27 Indemnity Corporation of Alaska remains a viable and competitive market
28 for malpractice insurance. The purpose of the amendment made in sec. 22
29 of this Act and of the amendments of the provisions of AS 8 in this Act

1 is to assure that medical care is not denied to any person by virtue of
2 his failure or refusal to enter into an agreement with a health care
3 provider in the medical, dental and related professions to submit to
4 arbitration claims arising under health care or treatment provided.

5 * Sec. 8. Section 21(b), ch. 177, SLA 1978 is amended to read:

6 (b) All policies issued by the Medical Indemnity Corporation of
7 Alaska and in force on the effective date of this Act are terminated as
8 of the first annual renewal of the in-force policy after the effective
9 date of this Act. A person purchasing a policy for any term beginning
10 after the effective date of this Act shall be issued a policy to cover
11 only "covered claims" as defined in AS 21.88.900(17), added in sec. 20
12 of this Act[, WHICH OCCUR AFTER THE EFFECTIVE DATE OF THIS ACT].
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB548 (L & C)
 Title An act relating to the medical indemnity corporation of alaska (AS 21-88)
 Requested by Senate Labor & Commerce Date 1/27/82

II. FISCAL DETAIL

Agency Affected Division of Insurance
 Program Category Affected Public Protection
 BRU, Program, or Subprogram(s) Affected Division of Insurance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		0				
200 TRAVEL		0				
300 CONTRACTUAL		0				
400 COMMODITIES		0				
500 EQUIPMENT		0				
600 LAND & STRUCTURES		0				
700 GRANTS, CLAIMS, ETC.		0				
TOTAL		0				

FUNDING (Thousands of Dollars)

GENERAL FUND		0				
FEDERAL FUNDS		0				
OTHER (Specify Fund Source)		0				

POSITIONS

FULL TIME		0				
PART TIME		0				
TEMPORARY		0				

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

IV. DATE 1/28/82 PREPARED BY Kenneth C. Moore, Div. of Insurance
 AGENCY Commerce & Economic Development
 PHONE 465-2515
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

COMMITTEE REPORT
SENATE

FURTHER: Finance

5/5/81

Date:

5/12/81

Mr. President:

The Committee on STATE AFFAIRS has had SB 550
making an appropriation to the Office of the Governor, State Commission for
Human Rights

under consideration and (a majority of the committee) (the committee)
reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 550 (S.A) same title
 new title
- and recommends ~~do pass as follows~~
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

1 [Signature]
[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

2 Gallitta no rec
 2 Bradley no rec
 2 [Signature] " "

1 [Signature]
 CHAIRMAN

Original sponsors: Stimson and Fischer

Offered: 5/15/81
Referred: Finance

Funding Information

General Fund	\$411,800
Other Funds	-0-
	<u>\$411,800</u>

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 550 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making an appropriation to the Office of the
7 Governor, State Commission for Human Rights; and
8 providing for an effective date."

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

10 * Section 1. The sum of \$411,800 is appropriated from the general fund
11 to the Office of the Governor, State Commission for Human Rights, to be
12 allocated as follows:

13 rural employment rights office \$278,600

14 local human rights commissions 133,200

15 * Sec. 2. The unexpended and unobligated portion of the appropriation
16 made by this Act lapses into the general fund June 30, 1983.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
18 070(c).

19
20
21
22
23
24
25
26
27
28
29
COMMITTEE COPY

Funding Information
General Fund \$411,800
Other Funds -0-
\$411,800

Introduced: 5/5/81
Referred: State Affairs and
Finance

1 IN THE SENATE

BY STIMSON AND FISCHER

2 SENATE BILL NO. 550

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making an appropriation to the Office of the
7 Governor, State Commission for Human Rights; and
8 providing for an effective date."

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

10 * Section 1. The sum of \$411,800 is appropriated from the general fund
11 to the Office of the Governor, State Commission for Human Rights, to be
12 allocated as follows:

13	tribal equal rights officer program	\$278,600
14	local human rights commissions	133,200

15 * Sec. 2. The unexpended and unobligated portion of the appropriation
16 made by this Act lapses into the general fund June 30, 1983.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
18 070(c).

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

SENATE BILL NO. 550

By STIMSON

"An Act making an appropriation to the Office of the Governor, State Commission for Human Rights; and providing for an effective date."

Introduced in the Senate 5/5/81, 19....

HISTORY IN THE SENATE

19 81

5 5

5 14

Read first time and referred to Committee on

State Affairs and Finance

Reported back with SA -
recommendation that replace
WCS - 2 copies, 3 no
Act = setting intent
to Finance

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration	
PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration	
PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

Funding Information
General Fund \$411,800
Other Funds -0-
\$411,800

Introduced: 5/5/81
Referred: State Affairs and
Finance

1 IN THE SENATE

BY STIMSON AND FISCHER

2 SENATE BILL NO. 550

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making an appropriation to the Office of the
7 Governor, State Commission for Human Rights; and
8 providing for an effective date."

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

10 * Section 1. The sum of \$411,800 is appropriated from the general fund
11 to the Office of the Governor, State Commission for Human Rights, to be
12 allocated as follows:

13	tribal equal rights officer program	\$278,600
14	local human rights commissions	133,200

15 * Sec. 2. The unexpended and unobligated portion of the appropriation
16 made by this Act lapses into the general fund June 30, 1983.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
18 070(c).

19
20
21
22
23
24
25
26
27
28
29

COMMITTEE REPORT
SENATE

5/5/81

FURTHER: Finance

Date: _____

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 551

making a special appropriation for payment of outstanding debts of Southcentral Regional Resource Center

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 551 (HESS) same title new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Chris Long
Charles H. A.
Tony P. Thomas

MEMBERS HAVING
OTHER RECOMMENDATIONS:

~~*Collectors abstain this bill affects
 payment to my company for a debt owed
 by SPPC*~~
Kelly - No Rec

Charles H. A.

CHAIRMAN

Original sponsor: Stinson

Offered: 6/11/81
Referred: Finance

Funding Information

General Fund \$400,000
Other Funds -0-
\$400,000

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 551 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation for the payment
7 of outstanding debts and obligations of the South-
8 central Regional Resource Center; and providing for an
9 effective date."

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

11 * Section 1. The legislature finds that the outstanding debts and obliga-
12 tions of the Southcentral Regional Resource Center were incurred for a
13 public purpose and, although the debts and obligations of the center are not
14 legal obligations of the state, payment of those debts and obligations by
15 the state serves a public purpose by allowing the resources of participants
16 in the center that would otherwise be used for payment of the debts and
17 obligations to be used for education in the state.

18 * Sec. 2. The sum of \$400,000 is appropriated from the general fund to
19 the Department of Education for payment of the outstanding debts and obliga-
20 tions of the Southcentral Regional Resource Center.

21 * Sec. 3. The unexpended and unobligated portion of the appropriation
22 made by this Act lapses into the general fund July 1, 1982.

23 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
24 070(c).

Funding Information
General Fund \$400,000
Other Funds -0-
\$400,000

Introduced: 5/5/81
Referred: Health, Education &
Social Services and Finance

1 IN THE SENATE

BY STIMSON

2 SENATE BILL NO. 551

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation for the payment
7 of outstanding debts and obligations of the South-
8 central Regional Resource Center; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$400,000 is appropriated from the general fund
12 to the Department of Education for payment of the outstanding debts and
13 obligations of the Southcentral Regional Resource Center.

14 * Sec. 2. The unexpended and unobligated portion of the appropriation
15 made by this Act lapses into the general fund July 1, 1982.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST... Session

SENATE BILL..... NO. 551..

By ... STIMSON

"An Act making a special appropriation for the payment of outstanding debts and obligations of the Southcentral Regional Resource Center; and providing for an effective date."

Introduced in the Senate 5/5/....., 19.... *1

HISTORY IN THE SENATE

19 81 Read first time and referred to Committee on HESS and Finance

5 5 Reported back with recommendation that *replace HESS w/ES 3 do pass 1- abstain to finance*

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

Original sponsor: Stimson

Offered: 6/11/81
Referred: Finance

Funding Information
General Fund \$400,000
Other Funds -0-
\$400,000

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 551 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation for the payment
7 of outstanding debts and obligations of the South-
8 central Regional Resource Center; and providing for an
9 effective date."

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

11 * Section 1. The legislature finds that the outstanding debts and obliga-
12 tions of the Southcentral Regional Resource Center were incurred for a
13 public purpose and, although the debts and obligations of the center are not
14 legal obligations of the state, payment of those debts and obligations by
15 the state serves a public purpose by allowing the resources of participants
16 in the center that would otherwise be used for payment of the debts and
17 obligations to be used for education in the state.

18 * Sec. 2. The sum of \$400,000 is appropriated from the general fund to
19 the Department of Education for payment of the outstanding debts and obliga-
20 tions of the Southcentral Regional Resource Center.

21 * Sec. 3. The unexpended and unobligated portion of the appropriation
22 made by this Act lapses into the general fund July 1, 1982.

23 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
24 070(c).

25
26
27
28
29

Funding Information
General Fund \$400,000
Other Funds -0-
\$400,000

Introduced: 5/5/81
Referred: Health, Education &
Social Services and Finance

1 IN THE SENATE

BY STIMSON

2 SENATE BILL NO. 551

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation for the payment
7 of outstanding debts and obligations of the South-
8 central Regional Resource Center; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$400,000 is appropriated from the general fund
12 to the Department of Education for payment of the outstanding debts and
13 obligations of the Southcentral Regional Resource Center.

14 * Sec. 2. The unexpended and unobligated portion of the appropriation
15 made by this Act lapses into the general fund July 1, 1982.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

18

19

20

21

22

23

24

25

26

27

28

29

COMMITTEE REPORT
SENATE

FURTHER: None

5/28/81

Date: March 18, 1982

Mr. President:

The Committee on FINANCE has had SB 552
employment practices and working conditions

under consideration and (a majority of the committee) (the committee)
reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 552 (Finance) same title
 new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

CHAIRMAN

Original sponsor: Mulcahy

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 552 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act exempting certain child care workers from the
7 Alaska Wage and Hour Act."

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

9 * Section 1. AS 23.10.055 is amended by adding a new paragraph to read:

10 (12) employment by a nonprofit educational or child care
11 facility to serve as a parent of children while the children are in
12 residence at the facility if the employment requires residence at the
13 facility and is compensated on a cash basis exclusive of room and board
14 at an annual rate of not less than

15 (A) \$10,000 for an unmarried person; or

16 (B) \$15,000 for a married couple.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 552
 Title "An Act relating to employment practices and working conditions."
 Requested by Senate Finance Committee Date March 10, 1982

II. FISCAL DETAIL

Agency Affected Labor
 Program Category Affected Public Protection
 BRU, Program, Or Subprogram(s) Affected Labor Standards & Safety
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME		0	0	0	0	0
PART TIME						
TEMPORARY						

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

No Fiscal Impact

IV. DATE March 10, 1982 PREPARED BY *Nico Bus*
 AGENCY Labor
 PHONE 465-2720
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Introduced: 5/6/81
Referred: Labor & Commerce and
Finance

1 IN THE SENATE

BY MULCAHY

2 SENATE BILL NO. 552

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to employment practices and working
7 conditions."

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

9 * Section 1. AS 23.10.055 is amended by adding a new paragraph to read:
10 (12) an employee and spouse employed by a nonprofit educa-
11 tional or child care facility to serve as parents of children while the
12 children are in residence at the facility, if the employee and spouse
13 reside in the facility and are together compensated on a cash basis at
14 an annual rate of not less than \$10,000 exclusive of room and board.
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Original sponsor: Mulcahy

Offered: 5/28/81
Referred: Finance

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2

CS FOR SENATE BILL NO. 552 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to employment practices and working
7 conditions."

8

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

9

* Section 1. AS 23.10.055 is amended by adding a new paragraph to read:

10

(12) employment by a nonprofit educational or child care

11

facility as a parent of children while the children are in residence at

12

the facility if the employment requires residence at the facility and

13

is compensated on a cash basis exclusive of room and board at an annual

14

rate of not less than

15

(A) \$5,000 for an unmarried person; or

16

(B) \$10,000 for a married couple.

17

18

19

20

21

22

23

24

25

26

27

28

29

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 552
 Title "An Act relating to employment practices and working conditions."
 Requested by Senate Finance Committee Date March 10, 1982

II. FISCAL DETAIL

Agency Affected Labor
 Program Category Affected Public Protection
 BRU, Program, Or Subprogram(s) Affected Labor Standards & Safety
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0	0	0

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		0	0	0	0	0
PART TIME						
TEMPORARY						

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

No Fiscal Impact

IV. DATE March 10, 1982 PREPARED BY *Nico Bus*
 AGENCY Labor
 Original: Legislative Finance PHONE 465-2720
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Offered: 3/18/82
Referred: Rules

Original sponsor: Mulcahy

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 552 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act exempting certain child care workers from the
7 Alaska Wage and Hour Act."

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

9 * Section 1. AS 23.10.055 is amended by adding a new paragraph to read:

10 (12) employment by a nonprofit educational or child care
11 facility to serve as a parent of children while the children are in
12 residence at the facility if the employment requires residence at the
13 facility and is compensated on a cash basis exclusive of room and board
14 at an annual rate of not less than

15 (A) \$10,000 for an unmarried person; or

16 (B) \$15,000 for a married couple.

17
18
19
20
21
22
23
24
25
26
27
28
29

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 552
 Title "An Act relating to employment practices and working conditions."
 Requested by Senate Finance Committee Date March 10, 1982

II. FISCAL DETAIL

Agency Affected Labor
 Program Category Affected Public Protection
 BRU, Program, Or Subprogram(s) Affected Labor Standards & Safety
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0	0	0

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		0	0	0	0	0
PART TIME						
TEMPORARY						

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

No Fiscal Impact

IV. DATE March 10, 1982 PREPARED BY *Nico Bus*
 AGENCY Labor
 Original: Legislative Finance PHONE 465-2720
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

1
COMMITTEE REPORT

SENATE

5/11/81

FURTHER: HESS and Finance

Date:

3/18/82

Mr. President:

The Committee on STATE AFFAIRS has had SB 557

teachers', public employees', judicial and national guard benefits

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass [] do not pass

do pass with attached amendments(s)

replace with CS for SB 557 (SA) [] same title
~~[] new title~~

and recommends may do pass

[] AND attaches a "Letter of Intent" [] New Fiscal Note

[] reports it back without recommendation

[] referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Terry J. Stinson
Victor Fishman
Brad Bradley

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Victor Fishman
CHAIRMAN

Offered: 3/25/82
Referred: Health,
Education & Social
Services and Finance

Original sponsor: Fischer

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 557 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to retirement benefits for marine
7 highway system employees; and providing for an effec-
8 tive date."

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

10 * Section 1. AS 39.35 is amended by adding a new section to read:

11 Sec. 39.3 505. CREDITED SERVICE FOR EMPLOYMENT WITH THE MARINE
12 HIGHWAY SYSTEM. (a) A vested employee who is a member of the system on
13 July 1, 1981, is entitled to service credit for periods of employment
14 before January 1, 1977, with the marine highway system of the Department
15 of Transportation and Public Facilities for which the employee received
16 service credit under the Northwest Marine Retirement Trust. The service
17 credit allowed under this section may not exceed an aggregate of nine
18 years. Benefits are not payable on service credit under this section
19 unless the employee makes retroactive contributions to the system for the
20 period of time for which service credit is claimed.

21 (b) In order to obtain service credit under this section, an em-
22 ployee shall make an election to do so and shall verify the period of
23 service. When eligibility for service credit has been established, an
24 indebtedness shall be determined as follows: (1) the employee's actual
25 compensation, or the calculated annual compensation for an employee
26 working less than 12 months, during the calendar year 1981 or the year
27 in which an employee first becomes vested under this chapter, whichever
28 is later, multiplied by (2) six percent, and this product multiplied by
29 (3) the number of years of service credited under this section. Interest

1 as prescribed by regulation accrues on this indebtedness beginning on
2 July 1, 1981, or one year following the date a person first becomes
3 vested, whichever is later. Any outstanding indebtedness that exists at
4 the time a person is appointed to retirement will necessitate an actuar-
5 ial adjustment to the benefits payable based on service credited under
6 this section.

7 * Sec. 2. AS 39.35.370 is amended by adding a new subsection to read:

8 (g) A member may not receive retirement benefits under this sec-
9 tion based on a period of employment for which the member received ser-
10 vice credit under AS 39.35.305 if the member is receiving retirement
11 benefits from a marine retirement trust based on the same period of em-
12 ployment.

13 * Sec. 3. This Act takes effect July 1, 1982.
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Introduced: 5/11/81
Referred: State Affairs, Health,
Education and Social Services and
Finance

1 IN THE SENATE

BY FISCHER

2 SENATE BILL NO. 557

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teachers', public employees', ju-
7 dicial, and national guard benefits; and providing for
8 an effective date."

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

10 * Section 1. AS 14.25.020(a)(1) is repealed and reenacted to read:

11 (1) formulate and recommend to the Alaska Teachers' Retirement
12 Board regulations to govern the operation of the system;

13 * Sec. 2. AS 14.25.022 is amended to read:

14 Sec. 14.25.022. REGULATIONS. Regulations adopted by the Alaska
15 Teachers' Retirement Board [PROMULGATED BY THE ADMINISTRATOR] under
16 AS 14.25.010 - 14.25.220 relate to the internal management of a state
17 agency and their adoption is not subject to the Administrative Proce-
18 dure Act (AS 44.62).

19 * Sec. 3. AS 14.25.035 is amended by adding a new subsection to read:

20 (1) The board may adopt regulations recommended by the adminis-
21 trator to carry out this chapter with modifications it considers proper.

22 * Sec. 4. AS 14.25.115(a) is amended to read:

23 (a) A teacher in membership service on or after July 1, 1977 who
24 is appointed to retirement on or after July 1, 1978 may elect to apply
25 his unused sick leave credit in computing the total number of years of
26 creditable service under AS 14.25.110(d) [AS 14.25.120(c)(1) AND (4)].
27 To obtain service credit for unused sick leave, a teacher must apply to
28 the administrator no later than one year after appointment to retire-
29 ment. Unused sick leave shall be credited on a day-for-day basis in

1 accordance with the table for service after July 1, 1969 contained in
2 AS 14.25.220(40) [AS 14.25.220(16)]. No teacher contributions may be
3 required for credited unused sick leave.

4 * Sec. 5. AS 14.25.130(a) is amended to read:

5 (a) An active [A] member who is terminated as a proximate result
6 of a permanent disability [HAS BECOME PERMANENTLY DISABLED], as defined
7 in AS 14.25.220, after July 1, 1966, before age 55 and who has five or
8 more years of membership service may be retired by the administrator as
9 of the first day of the month following the permanent disability. Af-
10 ter a report of medical examination of the member, an application, and
11 other requested information has been submitted, the administrator shall
12 determine if the member is physically or mentally incapacitated for
13 further performance of duty, and if the incapacity is likely to be per-
14 manent and whether the member should receive disability benefits.

15 * Sec 6. AS 14.25.143(b) is amended to read:

16 (b) The amount of the increase in benefit payments may not exceed
17 the lesser [GREATER] of

18 (1) the increase in the cost of living since the date of re-
19 tirement; or

20 (2) four percent of the retirement benefit compounded for
21 each year of retirement.

22 * Sec. 7. AS 14.25.168 is repealed and reenacted to read:

23 Sec. 14.25.168. MEDICAL BENEFITS. (a) The following are entitled
24 to major medical insurance coverage:

25 (1) a person receiving a monthly benefit from the system;

26 (2) the spouse of a person receiving a monthly benefit from
27 the system;

28 (3) a natural or adopted child of a person receiving a
29 monthly benefit, if the child is a dependent child as defined in AS 14.-

1 25.220(12).

2 (b) Major medical insurance coverage takes effect on the same
3 date as retirement benefits begin and stops when the retired person or
4 survivor is no longer eligible to receive a monthly benefit. The
5 coverage for persons over age 65 is the same as that available for
6 persons under age 65. The benefits payable to those persons 65 or
7 older supplement those afforded under the federal old age survivor and
8 disability insurance program, if any.

9 * Sec. 8. AS 14.25.220(9) is amended to read:

10 (9) "compensation" means the total remuneration paid under
11 contract to a member for services rendered during a school year, in-
12 cluding cost-of-living differentials, payments for leave which is
13 actually used by the member, the amount by which the member's wages
14 are reduced under AS 39.30.150(c), and the amount deferred under the
15 state deferred compensation plan or the tax shelter annuity plan
16 approved by the Department of Education, but does not include retire-
17 ment benefits, welfare benefits, per diem, expense allowances, workers'
18 compensation payments, or payments for leave not used by the member,
19 whether those leave payments are scheduled payments, lump sum payments,
20 donations, or cash-ins; for purposes of AS 14.25.050, compensation paid
21 includes any payment made after June 30 of a school year for services
22 rendered before the end of the school year;

23 * Sec. 9. AS 14.25.220(10) is amended to read:

24 (10) "credited service" means all membership service as pro-
25 vided in (20) of this section, territorial employment as defined in
26 (41) of this section, plus outside, military, and BIA service not ex-
27 ceeding 15 years, with outside and military service limited to 10 years
28 except under the conditions set out in AS 14.25.100;

29 * Sec. 10. AS 14.25.220 is amended by adding a new paragraph to read:

1 (41) "territorial employment" means non-teaching employment
2 with the Territory of Alaska as provided under AS 14.25.105; territor-
3 ial employment is not membership service.

4 * Sec. 11. AS 22.25.011 is amended to read:

5 Sec. 22.25.011. CONTRIBUTIONS. Each justice and judge appointed
6 after July 1, 1978 shall contribute seven percent of his base annual
7 salary to the judicial retirement system. Contributions shall be made
8 for all creditable service under this chapter up to a maximum of 15
9 years. This contribution is made in the form of a deduction from
10 compensation, and is made notwithstanding that the compensation paid in
11 cash to the justice or judge is reduced thereby below the minimum
12 prescribed by law. Each justice and judge is considered to consent to
13 the deduction made from his compensation. Payment of compensation less
14 the deduction constitutes a full and complete discharge and acquittance
15 of all claims and demands for the services rendered by him during the
16 period covered by the payment, except as to the benefits provided for
17 under AS 22.25.010 - 22.25.090. The contributions shall be credited
18 to the judicial retirement fund established in accordance with AS 22.-
19 25.048 [INTO THE GENERAL FUND OF THE STATE].

20 * Sec. 12. AS 22.25 is amended by adding a new section to read:

21 Sec. 22.25.048. ACCOUNTING AND INVESTMENT. (a) The commissioner
22 of administration shall establish a fund for the judicial retirement
23 system and shall maintain accounts and records for the judicial retire-
24 ment system.

25 (b) All income of the judicial retirement fund and all disburse-
26 ments made by the fund must be credited or charged, whichever is appro-
27 priate, to the following accounts:

28 (1) an individual account which contains the mandatory
29 contributions collected from a person under AS 22.25.011;

1 (2) an account which is credited with the contributions of
2 the state court system;

3 (3) a retirement reserve account; and

4 (4) an expense account for the judicial retirement system
5 which shall be credited with funds transferred from the account
6 described in (b)(2) of this section.

7 (c) Investment of surplus amounts in the fund may be made as
8 provided in AS 39.35.110.

9 (d) Within one year following retirement, an amount actuarially
10 determined as necessary to pay fully for the benefits to be received by
11 a person receiving a benefit under this chapter shall be transferred
12 first from the individual account described in (b)(1) of this section
13 and, after the individual contributions have been exhausted, then from
14 the court system account described in (b)(2) of this section, into the
15 retirement reserve account described in (b)(3) of this section.

16 (e) The contributions of the court system to the retirement
17 reserve account shall contain the actuarially determined amount neces-
18 sary to fully fund the pension, death benefits, and other benefits paid
19 under the judicial retirement system to a person receiving a benefit
20 under this chapter.

21 (f) The investment income of the judicial retirement fund shall
22 be allocated first to the retired reserve account described in (b)(3)
23 of this section and then to the account described in (b)(2) of this
24 section.

25 (g) The account described in (b)(4) of this section is charged
26 with all disbursements representing the administrative expenses in-
27 curred by the judicial retirement system. Expenditures from this
28 account shall be included in the budget of the governor for each fiscal
29 year.

1 * Sec. 13. AS 22.25.090 is repealed and reenacted to read:

2 Sec. 22.25.090. MEDICAL BENEFITS. (a) The following are entitled
3 to major medical insurance coverage:

4 (1) a person receiving a monthly benefit under this chapter;

5 (2) the spouse of a person receiving a monthly benefit under
6 this chapter;

7 (3) a natural or adopted child of a person receiving a
8 monthly benefit under this chapter, if the child is a dependent child
9 under (c) of this section.

10 (b) Major medical insurance coverage takes effect on the same
11 date as retirement benefits begin, and stops when the retired person or
12 survivor is no longer eligible to receive a monthly benefit. The
13 coverage for persons 65 or older is the same as that available for
14 persons under 65. The benefits payable to those persons 65 or older
15 supplement the benefits provided under the federal old age survivor and
16 disability insurance program, if any.

17 (c) In this section "dependent child" means an unmarried child of
18 a person receiving a monthly benefit under this chapter, including an
19 adopted child, who is dependent upon the person for support and who is
20 either (1) less than 19 years old, or (2) less than 23 years old and
21 registered at and attending on a full-time basis an accredited educa-
22 tional or technical institution recognized by the Department of Educa-
23 tion. The age limits set out in this subsection do not apply to a
24 child who is totally and permanently disabled.

25 * Sec. 14. AS 26.05.227 is amended to read:

26 Sec. 26.05.227. DEFINITIONS. As used in AS 26.05.222 - 26.05.228
27 [AS 26.05.222 - 26.05.226],

28 (1) "beneficiary" means a person designated by a member to
29 receive benefits that may be due from the system upon the death of a

1 member;

2 (2) "member means a commissioned or warrant officer or an
3 enlisted person in the Alaska National Guard or Alaska Naval Militia;

4 (3) "system" means the Alaska National Guard retirement
5 system.

6 * Sec. 15. AS 26.05 is amended by adding a new section to read:

7 Sec. 26.05.228. ACCOUNTING AND INVESTMENT. (a) The commissioner
8 of administration shall establish a fund for the system and maintain
9 accounts and records for the system.

10 (b) All income of the fund and all disbursements made by the fund
11 must be credited or charged, whichever is appropriate, to the following
12 accounts:

13 (1) an individual account for each retired member of the
14 system which records the benefits paid under this system to the member
15 or surviving beneficiary;

16 (2) a separate account for the Department of Military
17 Affairs' contribution to fund the system based on the actuarial require-
18 ments of the system as established by the commissioner of administration
19 under this chapter;

20 (3) an expense account for the system; this account is
21 charged with all disbursements representing administrative expenses
22 incurred by the system; expenditures from this account are included in
23 the governor's budget for each fiscal year.

24 (c) Investment of surplus amounts in the fund may be made as
25 provided in AS 39.35.110.

26 * Sec. 16. AS 39.30.090 is amended to read:

27 Sec. 39.30.090. PROCUREMENT OF GROUP INSURANCE. The Department
28 of Administration may obtain a policy or policies of group insurance
29 covering state employees, persons entitled to coverage under AS 14.-

1 25.168, AS 22.25.090 or AS 39.35.535, or [AND] employees of other
2 participating governmental units subject to the following conditions:

3 (1) A group insurance policy shall provide one or more of
4 the following benefits: life insurance, accidental death and dismem-
5 berment insurance, weekly indemnity insurance, hospital expense insur-
6 ance, surgical expense insurance, dental expense insurance, audio-vis-
7 ual insurance, or other medical care insurance.

8 (2) Each eligible employee of the state, his spouse and his
9 unmarried children chiefly dependent on him for support and each eli-
10 gible employee of another participating governmental unit shall be cov-
11 ered by the group policy, unless exempt under regulations adopted by
12 the commissioner of administration.

13 (3) A governmental unit may participate under a group policy
14 if

15 (A) its governing body adopts a resolution authorizing
16 participation, and payment of required premiums;

17 (B) a certified copy of the resolution is filed with
18 the Department of Administration; and

19 (C) the commissioner of administration approves the
20 participation in writing.

21 (4) (repealed).

22 (5) (repealed).

23 (6) The Department of Administration shall obtain the insur-
24 ance policy from any insurer authorized to transact business in the
25 state under AS 21.09 and AS 21.90.

26 (7) The Department of Administration shall make available
27 bid specifications for desired insurance benefits to all insurance car-
28 riers licensed in the state and qualified to provide the desired bene-
29 fits. The specifications shall be made available on or before July 1,