



State or Federal Issues Contacts: Please refer to the list of State Relations Executives at the end of this report.

## LEGISLATIVE ACTIVITY—LEGISLATIVE SESSION UPDATES

*This report includes descriptions and/or excerpts of relevant bills that passed the first chamber, passed the second chamber, or were enacted during the specific periods. In addition, a recap of significant legislative and judicial activity impacting the workers compensation system is included in the first report published each month. This report is issued on a weekly basis throughout the legislative season and provides updates on the content of these bills if and when they progress through the legislative process. This report covers bills from states where NCCI provides ratemaking services (see state list under Contact Information) and the US Congress.*

### BILLS ENACTED

The following workers compensation-related bill was enacted within the one-week period ending August 24, 2018.

#### Alaska

##### HB 79 was:

- Passed by the first chamber on March 12, 2018
- Included in NCCI's March 23, 2018 **Legislative Activity Report** (RLA-2018-12)
- Amended and passed by the second chamber on May 11, 2018
- Included in NCCI's May 18, 2018 **Legislative Activity Report** (RLA-2018-20)
- Enacted on August 24, 2018, with various effective dates

##### HB 79 amends numerous sections of the Alaska Workers' Compensation Act to:

- Provide for a definition of "independent contractor" by creating an eight-point test to determine whether an injured person is an employee
- Phase out the second injury fund, setting an end date for the fund's acceptance of new reimbursement claims, and clarify that the fund will continue to pay reimbursement claims until all liability for previously accepted claims to the second injury fund, and claims ordered to be paid from that fund, have been satisfied
- Allow the Department of Labor and Workforce Development (Department) to receive a greater percentage of the annual service fees that insurers pay
- Clarify that penalties for late reports accrue to the workers' safety and compensation administration account
- Make technical changes to allow electronic filing of documents
- Allow the division director to prescribe the format for reporting injuries to the division
- Add publications to a list that the Department may incorporate, including future amended versions, into regulation
- Eliminate the requirement that corporate executive officers seek the division's approval before opting out of workers compensation coverage for themselves and clarify the requirements for opting out
- Eliminate a requirement that the board approve attorney fees as part of a settlement when fees are the sole issue in the settlement that require board approval
- Define "employee"
- Repeal AS 23.30.050(f) and 23.30.155(q) relating to the second injury fund and methods of paying benefits
- Create a Legislative Workers' Compensation Working Group to act as an interim committee to continue work and develop new legislation for consideration during the 31st Alaska State Legislature
- Amend the uncodified law of the state of Alaska by adding transitional language and clarifying that subject to appropriation, the balance of the second injury fund lapses into the general fund after all liability for previously accepted claims to the second injury fund, and claims ordered to be paid from that fund, have been satisfied

- Amend the uncodified law of the state of Alaska, by authorizing the department to initiate the regulatory process before the effective date

*NCCI estimates that the impact of closing the Alaska Second Injury Fund, and thereby shifting the full financial liability for workers compensation (WC) benefits for affected claims to the employer/insurer, may result in a minimal (i.e., +/-0.2%) impact on overall WC system costs in Alaska.*

#### **BILLS PASSING SECOND CHAMBER**

There were no relevant workers compensation-related bills that passed the second chamber within the one-week period ending August 24, 2018.

#### **BILLS PASSING FIRST CHAMBER**

There were no relevant workers compensation-related bills that passed the first chamber within the one-week period ending August 24, 2018.

#### **Contact Information**

If you have any questions about the legislation or proposals mentioned, please contact the appropriate NCCI state relations executive (listed below) or a representative of your local insurance trade association.

<b>State</b>	<b>State Relations Executive</b>	<b>Phone Number</b>
IN, NC, SC, TN	Amy Quinn	561-893-3812
HI, NV, UT	Brett Barratt	801-401-6464
MO, NE, OK, SD	Carla Townsend	561-893-3819
AZ, IA, KS, KY	Clarissa Preston	561-945-4517
DC, MD, NM, VA, WV	David Benedict	804-380-3005
CO, FL	Dawn Ingham	561-893-3165
CT, ME, NH, RI	Justin Moulton	860-969-7903
VT	Laura Backus Hall	802-454-1800
AL, GA, LA, MS	Laura Hart Bryan	225-635-4481
AR, IL, TX	Terri Robinson	501-333-2835
Federal Issues	Tim Tucker	202-403-8526
AK, ID, MT, OR	Todd Johnson	503-892-8919

This report is informational and is not intended to provide an interpretation of state and federal legislation.