

Click Bishop
Commissioner

P.O. Box 111149
Juneau, AK 99811-1149

www.labor.alaska.gov



Beth Leschper
Communications Director

907.465.2700

cell: 907.723.1321

beth.leschper@alaska.gov

Press Release

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For more information: Guy Bell, Assistant Commissioner
907-465-2700, Guy.Bell@Alaska.Gov

New Legislation Helps Alaska Workers

JUNEAU, Alaska—The 26th Alaska Legislature passed a number of bills that will help Alaska's working men and women.

"What we do in the Alaska Department of Labor and Workforce Development has become more critical than ever to help Alaska weather the current economic downturn," Labor Commissioner Click Bishop said. "We know we can put people to work when government, industry and education create unique partnerships to accomplish our mutual goal – achieving workforce excellence."

Chapter 4 SLA 09 Workers Compensation Medical Treatment Fees – Effective March 31, 2009

This new law helps control costs by extending the medical fee cost containment provision for Alaska's workers' compensation – by adjusting the percentage change from 2004 to 2008 by the Consumer Price Index. This law, which expires Dec. 31, 2010, allows additional time to identify and adopt a permanent method for establishing medical fees. Currently more than 70 cents of every dollar paid in a claim goes to a medical provider.

(HB 105) State Training and Employment Program – Passed by the Legislature

Since its inception in 1989, STEP was reauthorized by the Alaska Legislature six times. This legislation makes STEP permanent. STEP provides job training funds to help unemployed and underemployed Alaskans. STEP grants are funded by one-tenth of one percent of employee contributions to Alaska's unemployment insurance trust fund. They are awarded in priority industries, such as health care, construction, information technology, education, natural resource development, transportation, hospitality and tourism, and seafood industry. In 2007, the latest year for which figures are available, the 1,445 participants who exited STEP increased their earnings by \$9.3 million, more than twice the \$4.4 million cost for the program that year.

Items that didn't pass, but will remain priorities for the next legislative session, would create a new State Vocational Rehabilitation Council, improve crane safety and increase the Fishermen's Fund coverage maximum.

(HB 89/SB 83) State Vocational Rehabilitation Council

This legislation would repeal the Governor's Committee on Employment of People with Disabilities, creating the State Vocational Rehabilitation Committee in its place. This bill eliminates the need to change state law every time federal requirements change the number and or constituency of the membership required for the Governor's committee on employment of people with disabilities and to expand its responsibilities to include the functions of an assistive technology advisory council as required under federal law. About 70 percent of the financing for the committee comes from the federal government, compliance with federal requirements is necessary. Assisting those with disabilities in obtaining employment is vital to the economic and social well-being of the state. Given the opportunity, these Alaskans have the ability to contribute significantly to our workforce and to our communities, while granting them financial independence and affirmation of their value to society.

(SB 97) Crane Operator Licenses

This legislation would establish minimum licensing standards to ensure that operators are adequately qualified. Although Alaska has not experienced a major crane accident for several years, the alarm sounded by accidents across the rest of the nation should not be ignored. In the past few years, crane accidents have caused numerous workplace deaths and millions of dollars in property damages. Several accidents caused the death of public bystanders. Sixteen states and six municipalities have passed legislation to require crane operator licensing and legislation is pending in six other states. The majority of these licensing requirements established a requirement for certification through the National Commission for the Certification of Crane Operators or an equivalent nationally-accredited training provider.

(HB 207/SB 163) Increasing Fishermen's Fund Coverage Maximum

This legislation would increase the medical coverage for participants in the Alaska Fishermen's Fund to \$10,000. The fund, financed from resident and nonresident commercial fisherman's license and permit fees, was established in 1951 to provide for the treatment and care of Alaska licensed commercial fishermen and crew who have been injured while fishing on shore or off shore in Alaska. The upper limit on claims in the fund has been \$2,500 since 1959. If \$2,500 in 1959 dollars was adjusted for the Consumer Price Index, it would be about \$18,000 today.

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