

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version:	CSHB 79(FIN)
Fiscal Note Number:	6
(H) Publish Date:	2/21/2018

Identifier: HB79-OOG-OMB-02-13-18  
Title: OMNIBUS WORKERS' COMPENSATION  
Sponsor: RLS BY REQUEST OF THE GOVERNOR  
Requester: HFIN

Department: Various (for Fiscal Notes only)  
Appropriation: Various  
Allocation: All Branches  
OMB Component Number: 0

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services	40.0		12.9	12.9	12.9	12.9	12.9
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>40.0</b>	<b>0.0</b>	<b>12.9</b>	<b>12.9</b>	<b>12.9</b>	<b>12.9</b>	<b>12.9</b>

## Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	5.6		1.8	1.8	1.8	1.8	1.8
1004 Gen Fund (UGF)	20.0		6.5	6.5	6.5	6.5	6.5
1178 temp code (UGF)	14.4		4.6	4.6	4.6	4.6	4.6
<b>Total</b>	<b>40.0</b>	<b>0.0</b>	<b>12.9</b>	<b>12.9</b>	<b>12.9</b>	<b>12.9</b>	<b>12.9</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 (separate supplemental appropriation required)

(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2019) cost:** 0.0 (separate capital appropriation required)

(discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no

If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version/comments:

Initial OMB fiscal note for all agencies

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Phone: (907)465-4663  
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**REPORTED OUT OF  
HFC 02/20/2018**

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

## Analysis

This legislation will clarify, amend, add and repeal several statutes relating to workers' compensation. One change made by this legislation is a requirement that the state's Division of Risk Management transitions from a manual to electronic reporting process, which will result in additional costs.

The Division of Risk Management administers the state's workers' compensation program for state employees. The Division is funded through inter-agency receipts from all departments based on rates calculated each year.

The Division of Risk Management has submitted a separate fiscal note that details the projected costs of this legislation. The Division anticipates a first year implementation cost of \$40.0, with \$12.9 in operating costs in the out years. These costs will be passed on through rates charged to the personal services lines for all agencies. As such, these costs are being reflected in an Office of Management and Budget (OMB) various fiscal note for all agencies. Based on current fund source allocation for personal services across agencies, OMB has estimated costs as follows:

FY19 (\$ in thousands):

Total costs = \$40.0

50% UGF = \$20.0

14% Fed = \$5.6

36% DGF/Other (shown as temp code) = \$14.4

FY20 - FY24 (\$ in thousands):

Total costs = \$12.9

50% UGF = \$6.5

14% Fed = \$1.8

36% DGF/Other (shown as temp code) = \$4.6