

# Fiscal Note

State of Alaska  
2016 Legislative Session

|                     |               |
|---------------------|---------------|
| Bill Version:       | CSHB 214(L&C) |
| Fiscal Note Number: | 1             |
| (H) Publish Date:   | 3/31/2016     |

Identifier: HB214-DOA-DRM-03-11-16  
 Title: REPEAL WORKERS' COMP APPEALS  
 COMMISSION  
 Sponsor: OLSON  
 Requester: House Labor and Commerce

Department: Department of Administration  
 Appropriation: Risk Management  
 Allocation: Risk Management  
 OMB Component Number: 71

### Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

|                               | FY2017                  | Included in               | Out-Year Cost Estimates |                |                |                |                |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
|                               | Appropriation Requested | Governor's FY2017 Request | FY 2018                 | FY 2019        | FY 2020        | FY 2021        | FY 2022        |
| <b>OPERATING EXPENDITURES</b> | <b>FY 2017</b>          | <b>FY 2017</b>            | <b>FY 2018</b>          | <b>FY 2019</b> | <b>FY 2020</b> | <b>FY 2021</b> | <b>FY 2022</b> |
| Personal Services             |                         |                           |                         |                |                |                |                |
| Travel                        |                         |                           |                         |                |                |                |                |
| Services                      |                         |                           |                         |                |                |                |                |
| Commodities                   |                         |                           |                         |                |                |                |                |
| Capital Outlay                |                         |                           |                         |                |                |                |                |
| Grants & Benefits             |                         |                           |                         |                |                |                |                |
| Miscellaneous                 |                         |                           |                         |                |                |                |                |
| <b>Total Operating</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>     |

### Fund Source (Operating Only)

|              |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None         |            |            |            |            |            |            |            |
| <b>Total</b> | <b>0.0</b> |

### Positions

|           |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |  |

### Change in Revenues

|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|

**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2017) 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:

Not applicable, initial version.

|              |                              |        |                     |
|--------------|------------------------------|--------|---------------------|
| Prepared By: | Scott Jordan, Director       | Phone: | (907)465-5723       |
| Division:    | Risk Management              | Date:  | 03/11/2016 11:00 PM |
| Approved By: | Sheldon Fisher, Commissioner | Date:  | 03/11/16            |
| Agency:      | Administration               |        |                     |

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

## Analysis

Risk Management (RM) would not be financially impacted by this proposed legislation.

The intent of this bill is to repeal the Workers' Compensation Appeals Commission and turn jurisdiction of the Alaska Workers Compensation Board appeals back over to the superior courts. RM averages only about one appeal a year, and has historically experienced both superior court and appeals commission appeals and experienced no cost difference.

The state does pay a self-insurance service fee annually (FY2016 was \$653.2) to the Department of Labor and Workforce Development per AS 23.05.067 which the partially funds the Appeals Commission. This bill does not address a reduction in fees as it relates to the reduction of the Appeals Commission.

RM submits a zero fiscal note.