

## **Bill and Sectional Analysis for SB 66**

**Department:** Labor and Workforce Development

**Division(s):** Workers' Compensation and Labor Standards and Safety

**Prepared Date:** March 6, 2019

**Bill Number:** SB 66, version A

**Bill Sponsor:** Rules by Request of the Governor

**Bill Short Title:** Labor Stdrs/Safety; Worker Compensation

### **BILL SUMMARY – WHAT DOES THIS BILL DO?**

This bill will merge the Department of Labor and Workforce Development divisions of Labor Standards and Safety and Workers' Compensation into a new Division of Workers' Safety and Compensation. The new division would administer the same programs currently administered by the two separate divisions. This bill is needed to improve fiscal management of these programs and to allow for efficiencies through management and administrative restructuring and improved coordination of service delivery. This restructuring will result in an immediate savings estimated at \$238,000 per year starting in FY2020. Potential future year cost savings will have to be determined as position responsibilities and lease space needs are evaluated moving forward. Also, with office consolidations wherever possible this merger will improve program services to the public and the private sector by giving individuals one place to go versus multiple.

### **DETAILED SECTIONAL ANALYSIS**

**Section 1:** Renames the division of labor standards and safety to the division of workers' safety and compensation in AS18.20.410(b).

**Section 2:** Renames the division of labor standards and safety to the division of workers' safety and compensation in AS18.20.450(a).

**Section 3:** Renames the division of labor standards and safety to the division of workers' safety and compensation in AS18.60.055.

**Section 4:** Renames the division of labor standards and safety to the division of workers' safety and compensation in AS18.60.055(a).

**Section 5:** Renames the division of labor standards and safety to the division of workers' safety and compensation in AS18.60.235(a).

**Section 6:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 23.05.067(a)(1)(B).

**Section 7:** Renames the division of labor standards and safety to the division of workers' safety and compensation in AS 23.10.075.

**Section 8:** Amends the powers and duties of the division director under AS 23.10.080 to include intent language established in AS 23.30.001(1); this bring the legislative intent of the current division of workers' compensation into the new division of workers' safety and compensation.

**Section 9:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 23.30.025(a).

**Section 10:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 23.30.280(e)(2).

**Section 11:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 23.30.395(15).

**Section 12:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 23.30.395(17).

**Section 13:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 23.30.120(c)(14).

**Section 14:** Renames the division of workers' compensation to the division of workers' safety and compensation in AS 39.25.158(b).

**Section 15:** Repeals AS 23.30.002; this is the statutory reference to the current division of workers' compensation and its director, which is replaced by the division of workers' safety and compensation and its director established under section 7 of the bill.

**Section 16:** Establishes transition provisions in the uncoded law of Alaska to allow completion of any pending actions under the merged division.