

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version: HB 69
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB069-DOLWD-WCAC-02-13-17
Title: REPEAL WORKERS' COMP APPEALS
COMMISSION
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: (H) LAC

Department: Department of Labor and Workforce Development
Appropriation: Workers' Compensation
Allocation: Workers' Compensation Appeals Commission
OMB Component Number: 2816

Expenditures/Revenues

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

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates					
			FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
Personal Services	(148.4)		(296.7)	(296.7)	(296.7)	(296.7)	(296.7)	(296.7)
Travel	(9.4)		(18.7)	(18.7)	(18.7)	(18.7)	(18.7)	(18.7)
Services	(61.5)		(122.9)	(122.9)	(122.9)	(122.9)	(122.9)	(122.9)
Commodities	(2.5)		(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	(221.8)	0.0	(443.3)	(443.3)	(443.3)	(443.3)	(443.3)	(443.3)

Fund Source (Operating Only)

1157 Wrkrs Safe (DGF)	(221.8)		(443.3)	(443.3)	(443.3)	(443.3)	(443.3)	(443.3)
Total	(221.8)	0.0	(443.3)	(443.3)	(443.3)	(443.3)	(443.3)	(443.3)

Positions

Full-time			(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) 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? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/18

Why this fiscal note differs from previous version:

Updated with current costs from the FY2018 Governor's Budget and identified the need for regulation repeal or update in order to dissolve the Workers' Compensation Appeals Commission.

Prepared By: Marie Marx, Director Phone: (907)465-6060
Division: Workers' Compensation Date: 02/13/2017 10:00 AM
Approved By: Heidi Drygas, Commissioner Date: 02/13/17
Agency: Department of Labor and Workforce Development

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

BILL NO. HB 69

Analysis

Currently, Workers' Compensation Board decision appeals are heard by the Workers' Compensation Appeals Commission (WCAC). This legislation will require Workers' Compensation appeals cases to be filed with the Alaska Superior Court beginning on June 1, 2017, but the WCAC will retain jurisdiction over pending matters until December 1, 2017. The WCAC will be dissolved, effective December 31, 2017.

The FY2018 cost savings reflected on this fiscal note assumes that the WCAC will cease incurring operating expenses after December 31, 2017, and was calculated based on budgeting for six months instead of 12. This fiscal note also assumes that the WCAC positions will terminate on December 31, 2017 and be deleted in FY2019.

This legislation will require the Workers' Compensation Board to repeal or update all regulations pertaining to the WCAC.