

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: SB 160
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB160-DOLWD-OSH-03-24-22
Title: FLOOD INSURANCE
Sponsor: STEDMAN
Requester: (S) L&C

Department: Department of Labor and Workforce Development
Appropriation: Labor Standards and Safety
Allocation: Occupational Safety and Health
OMB Component Number: 970

Expenditures/Revenues

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

| | FY2023 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | Appropriation Requested | Governor's FY2023 Request | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| OPERATING EXPENDITURES | FY 2023 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

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

Change in Revenues

| | | | | | | | |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|
| 1004 Gen Fund (UGF) | 3,049.6 | | 2,341.0 | 2,341.0 | 2,341.0 | 2,341.0 | 2,341.0 |
| 1157 Wrkrs Safe (DGF) | (3,049.6) | | (2,341.0) | (2,341.0) | (2,341.0) | (2,341.0) | (2,341.0) |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2023) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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? N/A

Why this fiscal note differs from previous version/comments:

Not Applicable - Initial version.

| | |
|--|-----------------------------|
| Prepared By: <u>William Harlan, Director</u> | Phone: <u>(907)269-4961</u> |
| Division: <u>Labor Standards and Safety</u> | Date: <u>03/24/2022</u> |
| Approved By: <u>Dan DeBartolo, Director</u> | Date: <u>03/24/22</u> |
| Agency: <u>DOL&WD Administrative Services Division</u> | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. SB 160

Analysis

A service fee is collected on each workers' compensation policy written in the State of Alaska. The funds generated are deposited into the Worker Safety and Compensation Administration Account (WSCAA) and are used to pay the administrative expenses of the State of Alaska workers' safety programs under AS 18.60 and the workers' compensation program under AS 23.30.

The structure of this proposed legislation would eliminate funding for WSCAA by allowing insurers to claim a 3% premium tax credit, which is larger than the service fee collected for workers' compensation policies.

The Alaska Occupational Safety and Health section uses funds from WSCAA to cover the state matching funds for the federal grants from United States Department of Labor (USDOL) Occupational safety and Health Administration (OSHA) for the operation of the state program. Loss of these funds would require replacement from another funding source in Fiscal Year 2023 and beyond in order to continue operating the State of Alaska's worker safety program.