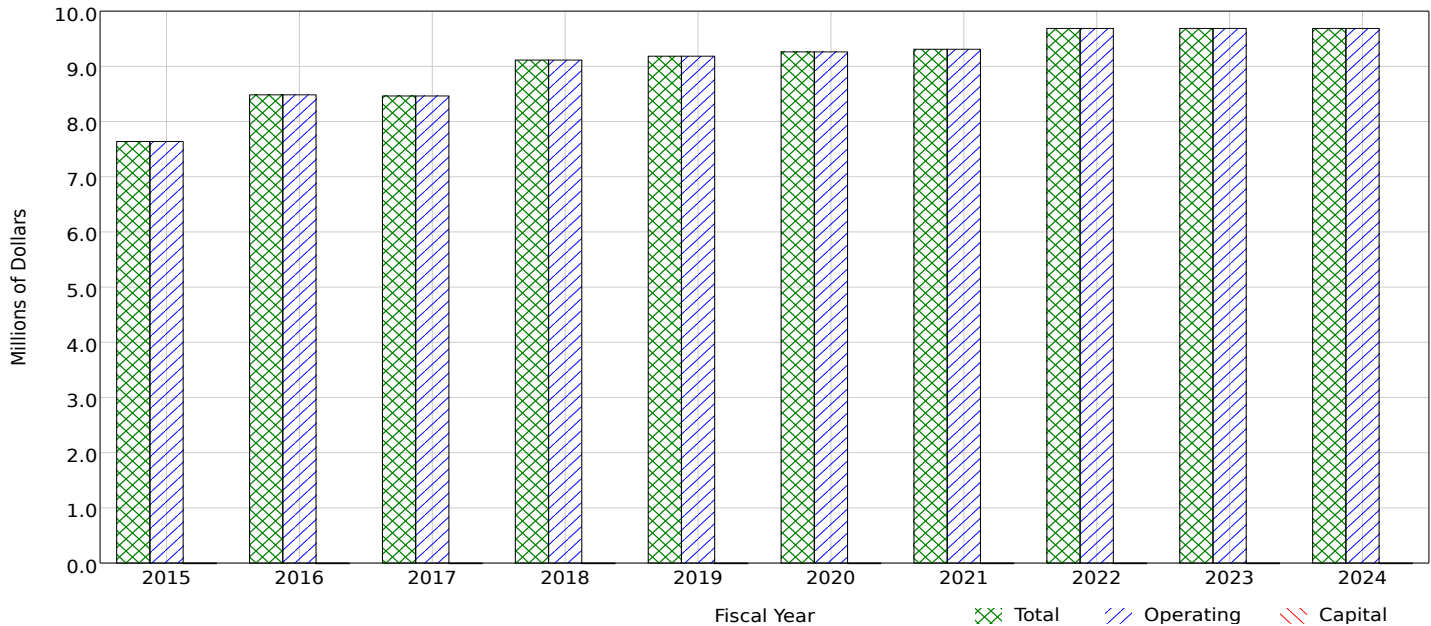


Fund Source Report

1157	Wrkrs Safe	Workers Safety and Compensation Administration Account
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Year Authorized 2000	Year Repealed	Active? Yes	Mental Health? No	Duplicated? No	Fund Group Designated General
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Operating and Capital Appropriations



Legal Authority

AS 23.05.067(e), AS 18.60, AS 23.30

Source of Revenue

Service fees and civil penalties from insurers and employers are deposited into the fund.

Restrictions on Use

May be appropriated for necessary costs of the department in the administration of worker' safety programs and workers' compensation.

Description and History

The Workers' Safety and Compensation Administration Account was established by Chapter 89, SLA 2000 (HB 378) in April 2000.

Under HB 378, employers pay annual service fees for state administration of workers' safety and compensation programs. A separate subfund of the general fund was established to track inflow and outflow of money, and so that an unexpended, unobligated balance could be calculated. Money deposited into the account does not lapse at the end of the fiscal year. Expenditures from the fund require an appropriation.

The Workers' Safety and Compensation Administration Account was developed as a way to establish a more stable fund source for the workers' safety and workers' compensation programs that have been historically funded by general funds. Additionally, disparities in the cost of doing business existed between insured employers and the self-insured or uninsured employers. Establishment of the account and the service fee for self-insurers and the approximation of that fee from premium tax paid by insurers was intended to correct these problems.

The fund code is used for both the occupational safety and health program and for workers' compensation.