



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Labor
& Workforce Development

WORKERS' COMPENSATION DIVISION
Office Name

P.O. Box 115512
Juneau, Alaska 99811-5512
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April 6, 2023

[REDACTED]
[REDACTED]
RE: AWCB 201916026, Benefit Payments from the Benefits Guaranty Fund

Dear [REDACTED]

On 11/9/2021, the legislature approved legislature sub-fund sweeps on into the unassigned repayment of Constitutional Budget Reserve Fund (CBRF). The Benefits Guaranty Fund (BGF) was included in this sweep and \$3.1 million was transferred into the CBRF. There are no provisions to move funds back into designated accounts.

The BGF entered Fiscal Year 2023 (July 1, 2022) with a zero balance and an expenditure appropriation of \$432,100. The agency was able to acquire a supplemental line increase of \$221,400 to cover expenses through OMB.

You are receiving notice as this will directly impact the fund's ability to pay injured worker benefits in a timely manner and this may cause disruption in benefit payments. Currently, the fund has \$0.00 to pay additional benefits.

Under Alaska Statute 23.30.082(e), if the money deposited in the fund is insufficient at a given time to satisfy a duly authorized claim against the fund, the fund shall, when sufficient money has been deposited in the fund and appropriated, satisfy unpaid claims in the order in which the claims were originally filed, without interest.

We are diligently working to garner funds from other budget lines and revenue resources to cover expenses for this fiscal year ending on June 30, 2023.

Sincerely,

Velma Thomas

State of Alaska

Department of Labor and Workforce Development

Workers' Compensation Division

Fund Administrator

Phone: (907) 465-6045