

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 164
 (H) Publish Date: 3/5/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An Act relating to state immunity for certain BRU Risk Management
actions by state employed seaman.... Component Risk Management
 Sponsor _____
 Requester _____ Component No. 71

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Very significant cost savings will be realized in future years as the AMHS and the few other maritime employees injury claims transition into the state average employee injury rate and cost. The state funds its claim costs on a "cash flow" basis (appropriating only the amounts expected to be paid the next fiscal year) collected solely through interagency receipts (cost of risk allocations) assessed each agency. If Risk Management (RM) was provided continuing funds for each FY (held in reserve until all outstanding liabilities from that period are paid - as an insurance carrier operates), then RM could immediately reduce premium assessments — reflecting the cost savings anticipated. Future year premium assessments will reflect the cost reductions actually realized by this legislation as premiums are developed from actual claims expenses incurred.

Prepared by: J. Brad Thompson, Director Phone _____
 Division: Risk Management Date/Time 3/6/03 10:57 AM
 Approved by: _____ Date 3/6/2003
 Agency: Administration