

# FISCAL NOTE

**STATE OF ALASKA**  
**2005 LEGISLATIVE SESSION**

Fiscal Note Number: 14  
 Bill Version: CCS SB 130  
 (S) Publish Date: 5/13/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: \_\_\_\_\_  
 Title Workers' Compensation BRU Alaska Court System  
 Component Appellate Courts  
 Sponsor Senate Rules Committee  
 Requester Governor Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	193.7	193.7	193.7	193.7	193.7	193.7
Travel						
Contractual						
Supplies	25.3	4.2	4.2	4.2	4.2	4.2
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>219.0</b>	<b>197.9</b>	<b>197.9</b>	<b>197.9</b>	<b>197.9</b>	<b>197.9</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	219.0	197.9	197.9	197.9	197.9	197.9
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>219.0</b>	<b>197.9</b>	<b>197.9</b>	<b>197.9</b>	<b>197.9</b>	<b>197.9</b>

Estimate of any current year (FY2005) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

CCS SB 130 makes several changes to the way the Department of Labor and Workforce Development and the Alaska Court System resolve workers' compensation disputes and appeals. Most important for purposes of the court's fiscal note is that appeals from the newly-created Workers' Compensation Appeals Commission will bypass the superior court and go directly to the supreme court.

The court system does not believe that the creation of the new commission will result in a decrease in the number of workers' compensation cases that are appealed to the court system each year. However, bypassing the superior court will lead to a significant increase in the number of these appeals that go to the supreme court. This is because the superior court resolves over 75% of the workers' compensation cases appealed to the court system.

Prepared by: Doug Wooliver, Administrative Attorney Phone 907-463-4750  
 Division: Alaska Court System Date/Time 5/13/05 5:36 PM  
 Approved by: Doug Wooliver for Stephanie Cole, Administrative Director Date 5/13/2005  
 Agency: Alaska Court System

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### ANALYSIS CONTINUATION

Of the yearly average of 34 appeals filed with the superior court, only 8 (less than 25%) are further appealed to the supreme court. Because the bill bypasses the superior court the supreme court anticipates that it will see all 34 cases.

Although the removal of these cases from the superior court will ease the workload of that court, the reduction only averages one case a year per judge. Although this will allow judges some additional time to focus on other cases, it is not a significant enough reduction to produce a cost savings. However, an additional 26 cases a year for the supreme court would represent a 10% increase in its civil caseload.

In order to mitigate the impact of these additional cases the court will hire a central staff attorney with expertise in workers' compensation law to research the record and the legal issues associated with each of the workers' compensation cases. This assistance should reduce the time required to resolve these cases and lessen the impact they will have on other matters before the court.

Additionally, this note reflects the costs of an administrative assistant to assist the attorney and an additional clerical position to handle the increased paper work and to interact with the agency in the preparation of the records on appeal.

This note conservatively assumes that the number of cases appealed to the court system will not grow above the current average of 34 cases a year. Should that average increase the court system may be back before the legislature with a request for additional funding.