

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	HB 79
Fiscal Note Number:	2
(H) Publish Date:	1/25/2017

Identifier: DOLWD-WC-01-24-17
 Title: OMNIBUS WORKERS' COMPENSATION
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: Governor

Department: Department of Labor and Workforce Development
 Appropriation: Workers' Compensation
 Allocation: Workers' Compensation
 OMB Component Number: 344

Expenditures/Revenues

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

	FY2018	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2018 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018						
Personal Services			(59.3)	(59.3)	(59.3)	(59.3)	(59.3)	(59.3)
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	(59.3)	(59.3)	(59.3)	(59.3)	(59.3)	(59.3)

Fund Source (Operating Only)

1157 Wrkrs Safe (DGF)			(59.3)	(59.3)	(59.3)	(59.3)	(59.3)
Total	0.0	0.0	(59.3)	(59.3)	(59.3)	(59.3)	(59.3)

Positions

Full-time			(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Part-time							
Temporary							

Change in Revenues

1004 Gen Fund (UGF)	(1,890.9)		(1,890.9)	(1,890.9)	(1,890.9)	(1,890.9)	(1,890.9)
1157 Wrkrs Safe (DGF)	1,890.9		1,890.9	1,890.9	1,890.9	1,890.9	1,890.9
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 (separate capital appropriation required)
 (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 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable; initial version.

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Division:	Workers' Compensation	Date:	01/24/2017 09:00 AM
Approved By:	Heidi Drygas, Commissioner	Date:	01/24/17
Agency:	Department of Labor and Workforce Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

This legislation makes a number of changes to the Workers' Compensation Act. One of these changes mandates electronic filing of documents. Once all employers have converted to electronic filing, which is anticipated to occur by FY2019, the department will be able to eliminate one position that currently supports paper filings.

Additionally, this legislation would increase the percent of fees deposited into the Workers' Compensation Administration Account (WSCAA) fund. Under current statute, AS 21.09.210, the Division of Insurance collects a 2.7% tax from insurers on their annual Workers' Compensation premiums. Of this, 1.82% is deposited into the WSCAA fund and the remaining .88% is deposited into the Unrestricted General Fund (UGF).

This legislation would increase the tax deposited into WSCAA to 2.50% and decrease the tax deposited into the UGF to .20%. Based on FY2016 collected tax revenue, the .68% tax distribution change from UGF to WSCAA equates to \$1,890.9 annually.