

# Fiscal Note

State of Alaska  
2018 Legislative Session

|                     |           |
|---------------------|-----------|
| Bill Version:       | SB 156    |
| Fiscal Note Number: | 1         |
| (S) Publish Date:   | 1/24/2018 |

Identifier: DOA-DRM-01-10-18  
 Title: WORKERS' COMP; REHAB/REEMPLOYMENT  
 Sponsor: RLS BY REQUEST OF THE GOVERNOR  
 Requester: Governor

Department: Department of Administration  
 Appropriation: Risk Management  
 Allocation: Risk Management  
 OMB Component Number: 71

**Expenditures/Revenues**

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

|                               | FY2019                  | Included in               | Out-Year Cost Estimates |            |            |            |            |            |
|-------------------------------|-------------------------|---------------------------|-------------------------|------------|------------|------------|------------|------------|
|                               | Appropriation Requested | Governor's FY2019 Request | FY 2019                 | FY 2020    | FY 2021    | FY 2022    | FY 2023    | FY 2024    |
| <b>OPERATING EXPENDITURES</b> |                         |                           |                         |            |            |            |            |            |
| Personal Services             |                         |                           |                         |            |            |            |            |            |
| Travel                        |                         |                           |                         |            |            |            |            |            |
| Services                      |                         |                           |                         |            |            |            |            |            |
| Commodities                   |                         |                           |                         |            |            |            |            |            |
| Capital Outlay                |                         |                           |                         |            |            |            |            |            |
| Grants & Benefits             |                         |                           |                         |            |            |            |            |            |
| Miscellaneous                 |                         |                           |                         |            |            |            |            |            |
| <b>Total Operating</b>        | <b>0.0</b>              | <b>0.0</b>                | <b>0.0</b>              | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

**Fund Source (Operating Only)**

|              |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| None         |            |            |            |            |            |            |            |            |
| <b>Total</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

**Positions**

|           |  |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |  |  |

**Change in Revenues**

|              |            |            |            |            |            |            |            |            |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| None         |            |            |            |            |            |            |            |            |
| <b>Total</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2019) 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/comments:**

Not applicable; initial version.

|              |                                  |        |                     |
|--------------|----------------------------------|--------|---------------------|
| Prepared By: | Scott Jordan, Director           | Phone: | (907)465-5723       |
| Division:    | Risk Management                  | Date:  | 01/10/2018 09:00 AM |
| Approved By: | Sylvan Robb, Deputy Commissioner | Date:  | 01/10/18            |
| Agency:      | Administration                   |        |                     |

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

Analysis

Risk Management (RM) would not be financially impacted by this legislation

This bill reforms the reemployment process by ensuring the injured worker takes advantage of the reemployment training. If the injured worker chooses not to be retrained, this bill allows for the injured worker to take the option of the job dislocation benefit offered under AS 23.30.041. One of the significant changes to the reemployment process is the employee can no longer settle their reemployment benefits. The intent of the reemployment process was to put injured workers back to work in a position that meets their physical capacities after a workplace injury. The intent was not to give an employee a lump sum payment.

RM does not anticipate any financial changes from this bill, as any savings we might see in lump sum settlements will be offset in anticipation of more injured employees taking the job dislocation benefit.