

**ALASKA STATE LEGISLATURE**  
**SENATE JUDICIARY STANDING COMMITTEE**

April 14, 2017

1:33 p.m.

**MEMBERS PRESENT**

Senator John Coghill, Chair  
Senator Mia Costello  
Senator Pete Kelly  
Senator Bill Wielechowski  
Senator Mike Dunleavy

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 8

"An Act relating to protective orders."

- HEARD & HELD

SENATE BILL NO. 29

"An Act repealing the Workers' Compensation Appeals Commission; relating to decisions and orders of the Workers' Compensation Appeals Commission; relating to superior court jurisdiction over appeals from Alaska Workers' Compensation Board decisions; repealing Rules 201.1, 401.1, and 501.1, Alaska Rules of Appellate Procedure, and amending Rules 202(a), 204(a) - (c), 210(e), 601(b), and 603(a), Alaska Rules of Appellate Procedure; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 8

SHORT TITLE: ENFORCEMENT OF FOREIGN PROTECTIVE ORDERS

SPONSOR(S): REPRESENTATIVE(S) EDGMON

01/18/17	(H)	PREFILE RELEASED 1/9/17
01/18/17	(H)	READ THE FIRST TIME - REFERRALS
01/18/17	(H)	CRA, JUD

01/31/17 (H) CRA AT 8:00 AM BARNES 124  
 01/31/17 (H) Moved HB 8 Out of Committee  
 01/31/17 (H) MINUTE(CRA)  
 02/01/17 (H) CRA RPT 5DP 1NR  
 02/01/17 (H) DP: TALERICO, WESTLAKE, DRUMMOND,  
 PARISH, FANSLER  
 02/01/17 (H) NR: RAUSCHER  
 02/08/17 (H) JUD AT 1:30 PM GRUENBERG 120  
 02/08/17 (H) Heard & Held  
 02/08/17 (H) MINUTE(JUD)  
 02/13/17 (H) JUD AT 1:30 PM GRUENBERG 120  
 02/13/17 (H) Heard & Held  
 02/13/17 (H) MINUTE(JUD)  
 02/15/17 (H) JUD AT 1:30 PM GRUENBERG 120  
 02/15/17 (H) Moved HB 8 Out of Committee  
 02/15/17 (H) MINUTE(JUD)  
 02/17/17 (H) JUD RPT 4DP 2NR  
 02/17/17 (H) DP: KOPP, KREISS-TOMKINS, FANSLER,  
 CLAMAN  
 02/17/17 (H) NR: EASTMAN, REINBOLD  
 03/06/17 (H) TRANSMITTED TO (S)  
 03/06/17 (H) VERSION: HB 8  
 03/08/17 (S) READ THE FIRST TIME - REFERRALS  
 03/08/17 (S) CRA, JUD  
 03/16/17 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)  
 03/16/17 (S) Heard & Held  
 03/16/17 (S) MINUTE(CRA)  
 03/21/17 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)  
 03/21/17 (S) Scheduled but Not Heard  
 03/28/17 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)  
 03/28/17 (S) Heard & Held  
 03/28/17 (S) MINUTE(CRA)  
 04/04/17 (S) CRA AT 3:30 PM BELTZ 105 (TSBldg)  
 04/04/17 (S) Moved SCS HB 8(CRA) Out of Committee  
 04/04/17 (S) MINUTE(CRA)  
 04/05/17 (S) CRA RPT SCS 1DP 3NR SAME TITLE  
 04/05/17 (S) DP: BISHOP  
 04/05/17 (S) NR: MACKINNON, STEDMAN, GARDNER  
 04/14/17 (S) JUD AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 29

SHORT TITLE: REPEAL WORKERS' COMP APPEALS COMMISSION

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/20/17 (S) READ THE FIRST TIME - REFERRALS  
 01/20/17 (S) L&C, JUD, FIN  
 02/14/17 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

02/14/17	(S)	Heard & Held
02/14/17	(S)	MINUTE(L&C)
02/28/17	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/28/17	(S)	Heard & Held
02/28/17	(S)	MINUTE(L&C)
03/02/17	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/02/17	(S)	Moved SB 29 Out of Committee
03/02/17	(S)	MINUTE(L&C)
03/03/17	(S)	L&C RPT 1DP 3NR
03/03/17	(S)	NR: COSTELLO, HUGHES, MEYER
03/03/17	(S)	DP: GARDNER
03/29/17	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
03/29/17	(S)	Heard & Held
03/29/17	(S)	MINUTE(JUD)
04/05/17	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)
04/05/17	(S)	Heard & Held
04/05/17	(S)	MINUTE(JUD)
04/14/17	(S)	JUD AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

TIM CLARK, Staff  
 Representative Bryce Edgmon  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Introduced HB 8 on behalf of the sponsor.

MARY LUNDQUIST, Senior Assistant Attorney General  
 Civil Division  
 Opinions, Appeals & Ethics Section  
 Office of the Attorney General  
 Department of Law  
 Fairbanks, Alaska

**POSITION STATEMENT:** Answered questions and provided information related to HB 8.

NANCY MEADE, General Counsel  
 Alaska Court System  
 Anchorage, Alaska

**POSITION STATEMENT:** Answered questions related to HB 8.

STEVEN CONSTANTINO, representing himself  
 Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 29.

ERIC CROFT, representing himself  
 Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 29.

COLBY SMITH, representing himself  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in opposition to SB 29

VICKI PADDOCK, Attorney  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in opposition to SB 29.

HEIDI DRYGAS, Commissioner  
Department of Labor and Workforce Development (DOLWD)  
Juneau, Alaska

**POSITION STATEMENT:** Provided supporting testimony on SB 29.

PALOMA HARBOUR, Administrative Services Director  
Department of Labor and Workforce Development (DOLWD)  
Juneau, Alaska

**POSITION STATEMENT:** During the hearing on SB 29, provided information related to funding for the Workers' Compensation Appeals Commission.

#### **ACTION NARRATIVE**

[1:33:22 PM](#)

**CHAIR JOHN COGHILL** called the Senate Judiciary Standing Committee meeting to order at 1:33 p.m. Present at the call to order were Senators Dunleavy, Costello, Kelly, Wielechowski, and Chair Coghill.

#### **HB 8-ENFORCEMENT OF FOREIGN PROTECTIVE ORDERS**

[1:33:56 PM](#)

**CHAIR COGHILL** announced the consideration of HB 8. [SCS HB 8(CRA) was before the committee.]

[1:34:16 PM](#)

**TIM CLARK**, Staff, Representative Bryce Edgmon, Alaska State Legislature, introduced HB 8 speaking to the following sponsor statement:

In 2014, a bill sponsored by Sen. Lisa Murkowski and former Sen. Mark Begich eliminated the "Alaska Exemption" from the Violence Against Women Act (VAWA). This brought attention to the state's obligation to

enforce protection orders issued by other jurisdictions, including other state, territorial, or tribal courts.

As current statutes are written, law enforcement is only compelled to enforce a tribal or another state's protection order if it has been filed (that is, registered) in an Alaska court. However, with Alaska subject to the VAWA, the state is required to enforce protection orders issued in another jurisdiction even if the order has not been registered.

SCS HB 8(CRA) follows the recommendation of the Department of Law to amend conflicting state statutes in order to bring Alaska into compliance with the federal law. SCS HB 8(CRA) will not only clarify the duties of law enforcement but also will eliminate potential for complications in prosecutions that could stem from the contradictions currently found in state statutes.

Additionally, the bill adds a presumption of validity on the part of state law enforcement, so that they are required to enforce a protective order issued in another jurisdiction so long as it appears authentic on its face. SCS HB 8(CRA) also more clearly specifies in statute that "other states" and "other jurisdictions" include courts of another state or territory, United States military tribunals, and tribal courts.

It's important to note that the state still encourages registration of protection orders from other jurisdictions. As the Department of Law has noted, the state's central registry "gives officers access to tribal and foreign protection orders anywhere in Alaska, even if the victim does not have a copy of the order at hand."

MR. CLARK advised that the Senate Community and Regional Affairs Committee amended the bill prohibiting online publishing of a protective order, restraining order, or injunction in a case involving domestic violence, stalking, or sexual assault if doing so would likely reveal the identity or location of the individual protected under the order. According to the Alaska Court System, this will result in all information relating to protective orders being removed from CourtView.

[1:38:32 PM](#)

SENATOR WIELECHOWSKI asked how many tribal protection orders are issued per year.

MR. CLARK deferred the question to Nancy Meade.

CHAIR COGHILL asked if the various jurisdictions include foreign governments.

MR. CLARK clarified that the term "foreign" is legal parlance that refers to other U.S. states, U.S. territories, and tribal courts.

CHAIR COGHILL asked Mr. Clark to go through a brief sectional analysis of HB 8.

[1:39:49 PM](#)

MR. CLARK stated that the best way to summarize HB 8 is to first look at Sections 5 and 6. He read the following:

**Section 5** adds a new section to statute, AS 18.65.867, regarding the enforcement and recognition of protective orders issued in other jurisdictions that have to do with stalking or sexual assault but not with domestic violence.

A protective order related to stalking or sexual assault issued "by a court of the United States, a court of another state or territory, a United States military tribunal, or a tribal court" has the same effect and must be recognized and enforced in the same manner as a protective order issued by an Alaska state court.

This section also cites United States Code Title 18, Chapter 2265, which is the part of the Violence Against Women Act that addresses protection orders originating in other jurisdictions. Chapter 2265 expressly states that orders issued in other jurisdictions do not have to be filed (registered) in an Alaska state court in order to be enforced here. Chapter 2265 also describes certain criteria the issuing jurisdiction needs to meet in order for its protection order to be given full faith and credit by another jurisdiction.

Section 5 further instructs law enforcement that a stalking- or sexual-assault-related protection order issued in another jurisdiction that appears authentic on its face should be presumed valid. (This might be characterized as erring on the side of caution when it comes to those in need of protection.)

1:41:01 PM

SENATOR WIELECHOWSKI offered his understanding that under the Violence Against Women Act, the state is obligated to enforce a protective order issued in another state. He asked if the bill changes or clarifies that.

MR. CLARK replied that law enforcement has been enforcing protective orders from other states since the Department of Law issued an opinion in 2015. State statute is in conflict with the superseding federal law.

SENATOR WIELECHOWSKI asked if there has been a constitutional challenge to the existing law.

MR. CLARK said his understanding is that the state is able to prosecute the violation of a protective order issued in another state because of the superseding federal law. However, the Department of Law did warn that the conflict in state statute is a potential liability in the event of litigation.

CHAIR COGHILL suggested Mary Lundquist supplement the explanation.

1:44:40 PM

MARY LUNDQUIST, Senior Assistant Attorney General, Civil Division, Opinions, Appeals & Ethics Section, Office of the Attorney General, Department of Law, Fairbanks, Alaska, said she is not aware of a constitutional challenge to the existing law. She agreed with Mr. Clark that the federal law overrides state law, so there could be a prosecution of a violation of a protective order. HB 8 will clarify that a foreign order would not need to be registered with the Court System to be enforced.

CHAIR COGHILL asked if tribal orders were included as an MOU or as a matter of course.

MS. LUNDQUIST replied tribal orders are recognized under VAWA; it requires the state to give full faith and credit to tribal protection orders.

[1:46:06 PM](#)

MR. CLARK continued to read Section 6:

**Section 6** addresses protective orders relating to domestic violence. It amends AS 18.66.140 to state that (just as with protective orders relating to stalking and sexual assault in the absence of domestic violence, addressed in Section 5) a protection order related to domestic violence issued in another jurisdiction must be recognized and enforced just as if it were issued by an Alaskan court, regardless of whether the protection order has been filed (registered) with an Alaskan court.

This section also cites United States Code Title 18, Chapter 2265, which includes certain criteria the issuing jurisdiction needs to meet in order for its protection order to be given full faith and credit.

CHAIR COGHILL referenced Section 7 and asked if the language in the new subsection, [AS 18.66.140(d)], is unique. It says that a protection order issued in another jurisdiction that appears authentic on its face should be presumed valid. He asked, "What caused this to have to be in here?"

MR. CLARK said that language exists in laws in other states. Including it here is an effort to err on the side of caution and protect the person who is holding the order.

[1:48:09 PM](#)

MR. CLARK continued reading from the following sectional analysis for HB 8.

**Section 1** addresses statutes defining what constitutes the crime of violating a protective order. HB 8 amends AS 11.56.740(a) to add language to include recognition of protection orders issued by another jurisdiction, in accordance with the provisions outlined in Sections 5 and 6 of the bill.

**Section 2** further amends AS 11.56.740, in paragraph (c), to conform to Sections 5 and 6 of the bill.

**Section 3** relates to release conditions of a person charged with or convicted of a crime involving domestic violence.

It amends AS 12.30.027(b) to make sure that protective orders issued by other jurisdictions are recognized in cases where a judicial officer may not allow a released person to return to the residence or place of employment of someone who has taken out a protective order against them.

**Section 4** addresses statutes related to the requirement that the Child Fatality Review Team, housed in the Department of Health and Social Services, reviews a report of a death of a child if anyone in the child's immediate household was a petitioner or respondent of a protection order within the previous year. Specifically, it amends AS 12.65.130(c) to conform to Section 6 of the bill.

MR. CLARK noted that Section 7 was discussed previously.

**Section 8** amends AS 22.35.030, statutes detailing what the Court System is prohibited from publishing on a publically available website. At AS 22.35.030(2), section 8 adds a prohibition against publishing "...a protection order under AS 18.65.850 - AS 18.65.870 or AS 18.66.100 - AS 18.66.180, restraining order, or injunction in a case involving domestic violence, stalking, or sexual assault if the publication would likely reveal the identity or location of the party protected under the order."

According to the Alaska Court System, this will result in all information relating to protection orders being removed from CourtView, the system's online index of trial court cases. This includes both the name of the person being protected as well as the name of the person from whom protection is sought.

MR. CLARK reiterated that the prohibition against online publishing was added in the Senate Community and Regional Affairs Committee. It conforms to a section of VAWA.

**Sections 9 and 10** add recognition of domestic-violence-related protection orders issued by another jurisdiction in statutes concerned with divorce and dissolution of marriage.

In Section 8, under AS 25.24.210(e)(7)(D), a petition for dissolution of a marriage must state whether

during the marriage either spouse was either the petitioner or respondent of a domestic-violence-related protection order issued in another jurisdiction. The change in Section 8 specifies that the protection order in question need not have been filed with a state court.

In Section 9, a court is instructed to use a heightened level of scrutiny of agreements relating to a dissolution of marriage if during the marriage one or the other spouse was either the petitioner or respondent for a domestic-violence-related protection order issued in another jurisdiction. Similar to Section 8, Section 9 specifies that the protection order issued in another jurisdiction need not have been filed with a state court.

CHAIR COGHILL asked Ms. Meade if Section 7 is a new methodology. It says that a protection order issued in another jurisdiction that appears authentic on its face should be presumed valid.

[1:53:27 PM](#)

NANCY MEADE, General Counsel, Alaska Court System, advised that Section 7 uses language in existing statute for stalking and sexual assault protective orders. Law enforcement will enforce a protective order somebody presents, as long as there is nothing obviously wrong with it.

[1:54:56 PM](#)

SENATOR COSTELLO asked how law enforcement handles it when someone says they have a protective order but it's not on their person.

MS. MEADE deferred to the Department of Law.

[1:55:26 PM](#)

MS. LUNDQUIST said that emphasizes why a protective order should be registered. "Without a written protective order, there would be no full faith and credit to that protection order."

CHAIR COGHILL offered his understanding that while it is good practice to register protective orders, it is not required.

MS. LUNDQUIST said that's correct.

CHAIR COGHILL asked Ms. Meade to discuss the different kinds of protective orders.

MS. MEADE explained that Title 18 allows for three kinds of protective orders: stalking, sexual assault, and domestic violence. Domestic violence protective orders are the most common. The first step to get the order is for the petitioner to file an ex parte (one-sided) order either in person or at home using the court's petition wizard. The petitioner would need to show that they currently have or did have a domestic relationship, allege that that a crime of domestic violence occurred, and that protection is necessary. If the judge finds probable cause to believe that domestic violence has occurred, the ex parte order would be issued. That order can last a maximum of 20 days.

The petitioner can also ask for a long-term order, which can last up to a year. In that circumstance, there is a hearing and the respondent is given a 10-day notice to appear, with or without an attorney. If the judicial officer finds by a preponderance of the evidence that a crime of domestic violence has occurred and a protection order is necessary, then a long-term protective violence order can be granted.

[2:00:30 PM](#)

CHAIR COGHILL stated he would hold HB 8 in committee for further review.

**SB 29-REPEAL WORKERS' COMP APPEALS COMMISSION**

[2:01:19 PM](#)

CHAIR COGHILL announced the consideration of SB 29 and stated his intention to continue public testimony.

[2:02:53 PM](#)

STEVEN CONSTANTINO, representing himself, stated that he has been a member of the Alaska bar for 36 years. He was a workers' compensation hearing officer in the 1990s and for the past 18 years he has been in private practice representing injured workers and litigating workers' compensation claims. He is also the claimants' representative for the Alaska Bar Association annual review of workers' compensation cases.

He said the legislature entered into two legal experiments in 2005. First, it changed the standard for causation in workers' compensation from "a substantial factor" to "the substantial cause." Second, it enacted the appeals commission to attain speedier appellate decisions and to achieve consistency by making board decisions binding legal precedent. He said

consistency has been achieved because of the precedent provision, but half the substantive decisions that are appealed and decided by the Alaska Supreme Court are overturned. Regarding speeding up workers' compensation appeals, he said his experience is that the timelines are about the same. When the superior court had jurisdiction, it took about 6-9 months and it takes about 6-9 months with the appeals commission. The superior court has not had the opportunity to address the new substantial cause standard, but in 2016 it did reverse the interpretation that the appeals commission made about four years earlier regarding the evidence necessary to rebut the presumption of compensability. He also pointed out that the appeals commission's published final decisions each cost between \$30,000 and \$40,000.

MR. CONSTANTINO recalled that the Court System indicated the superior court could handle these appeals at no additional fiscal impact to the state and that the cases would be assigned such that the judges would develop expertise. He noted that that was one of the rationales for creating the appeals commission.

He opined that the appeals commission has not achieved the goals set out for it and his anecdotal observation is that it tends to favor the interests of insurers over injured workers. [Audio difficulties.]

[2:09:57 PM](#)

ERIC CROFT, representing himself, Anchorage, Alaska, noted that he sent backup material to support his testimony. He made three points regarding the Workers' Compensation Appeals Commission: it is not a fair tribunal; it does very little work for the \$440,000 it costs each year; and the decisions are all too often inconsistent or so unclear that the Alaska Supreme Court has to step in and provide clarity.

He said the commission rules overwhelmingly in favor of insurance companies, regardless of the facts. He agreed with former Commissioner Andy Hemenway's analysis that the 39 cases that had gone to the Alaska Supreme Court and resulted in a decision were reversed 50 percent of the time.

Mr. Croft said he looked at which side the commission ruled in favor of and which side was ultimately found correct by the Alaska Supreme Court. He found that when the insurance company should have won, the commission got it right 100 percent of the time. But in the cases where the employee had the right legal position and correct facts, the commission still ruled in the

insurance companies' favor 80 percent of the time. "Overall those numbers are about 85 percent of the time the commission rules in favor of the insurance company."

He compared the \$440,000 annual cost of the commission to the three-member court of appeals. He said that over its life, the court of appeals has issued about two decisions per month, whereas the appeals commission has issued less than one decision per month since July 2016. "The three-member criminal court of appeals in that time has issued 140 decisions or 15 a month."

MR. CROFT discussed the third point that the commission has issued contradictory or unclear rulings. He noted that in the backup material he submitted he cited a situation where in a three-month span the commission issued contradictory rules regarding the standard on stays.

He summarized, "It doesn't provide the clarity, it costs a lot of money and doesn't do much work, and introduces a bias that shouldn't be in our judiciary."

[2:15:47 PM](#)

COLBY SMITH, representing himself, Anchorage, Alaska, stated that he is an attorney who primarily does workers' compensation defense work. He also presents on the panel on behalf of the Alaska Bar Association, representing the defense side and employers presenting cases that have been in front of the appeals commission and the Alaska Supreme Court. He mentioned previous testimony about bias and opined that the conversation should not be about changing because one side isn't winning often enough. It should be about whether the current structure is right.

Under the process prior to 2005, the cases went to different superior courts depending on the jurisdiction. Those decisions were unpredictable depending on the judge's experience with workers' compensation. Also, the decisions did not have binding precedent so the cases often went to the Alaska Supreme Court. In an effort to address those perceived shortcomings, the process was changed in 2005 and one entity was created. That is the appeals commission that issues consistent, predictable opinions that are binding. Everyone agrees, he said, that the commission has greatly reduced the number of appeals.

MR. SMITH said he wasn't asked his opinion in 2005 but he has always thought that designating one superior court judge to handle workers' compensation issues would have been and still

could be a possible solution if those decisions were given binding precedence.

[2:20:54 PM](#)

VICKI PADDOCK, Attorney, Anchorage, Alaska, stated that her firm represents employers in workers' compensation matters and her partner, David Floerchinger, submitted a letter summarizing their opposition to SB 29. She pointed out that in 2005 the legislature codified its specific intent regarding the Workers' Compensation Act. It was to ensure quick, efficient, fair, and predictable delivery of benefits to workers at a reasonable cost to employers. Returning appeals to the superior court does not achieve the legislature's codified intent and she has not heard testimony that the legislature changed that intent.

Drawing on her experience as an attorney and a law clerk, she offered her perspective of why returning to the superior court will not be efficient or predictable in workers' compensation cases. She said this is a unique body of law and superior court judges do not have a day-in-and-out working knowledge of its nuances and specific characteristics. As such, those judges will rely on their law clerks to do the research in preparation of hearing the appeals. Oftentimes law clerks are just out of school and may only serve as a clerk for a year so it is likely that the decisions will be neither efficient nor predictable. And they will not have precedential value.

MS. PADDOCK offered her belief that the appeals commission should remain in place in order for the legislature's intent to be maintained. But if the legislature believes the commission is not as effective as intended, it should consider alternatives such as utilizing the Office of Administrative Hearings.

CHAIR COGHILL asked Commissioner Drygas to respond to the testimony.

[2:26:05 PM](#)

HEIDI DRYGAS, Commissioner, Department of Labor and Workforce Development (DOLWD) described SB 29 as a cost-cutting measure and highlighted the conflicting testimony about whether the commission serves its intended purpose. She said the commission is a specialty tribunal that the state cannot afford, especially given its poor track record at the Supreme Court. She reminded members that the number of appeals that have made it to the commission over the last 10 years has declined precipitously. The anecdotal evidence indicates that workers do not believe

they are getting a fair shake at the commission so they are not appealing board decisions.

She pointed out that the commission costs nearly \$0.5 million per year and the alternatives that have been proposed also require funds that the state does not have. When the department reviewed its statutes trying to find ones that hamper the work of the department or are ineffective, the workers' compensation statute stood out. "That is why the department and the administration put forward this bill. ... We simply do not believe the workers' comp appeals commission is living up to its intended purpose." The state can no longer afford this specialty tribunal.

SENATOR COSTELLO asked what will happen to the money that funds the Workers' Compensation Appeals Commission.

[2:29:56 PM](#)

PALOMA HARBOUR, Administrative Services Director, Department of Labor and Workforce Development (DOLWD), explained that the Workers' Safety and Compensation Administration Account (WSCAA) supports the workers' compensation program, the appeals commission, and the workers' safety programs. Right now about \$7.2 million in revenue is generated into that account each year and the governor's budgeted expenditures against that fund is \$9.1 million. The department is trying to address that significant gap measure by measure and SB 29 is one of those. Others include cuts to the workers' safety programs, \$191,000 has been eliminated from the workers' compensation program this fiscal year, and separate legislation has been introduced for further workers' compensation efficiencies.

CHAIR COSTELLO observed that this is not a reduction.

CHAIR COGHILL summarized that the money will still be there but the department cannot afford everything it is doing because of the \$2 million shortfall.

MS. HARBOUR agreed; eliminating the commission will not reduce the revenue brought into the fund but it will reduce expenditures by about \$0.5 million.

[2:32:02 PM](#)

SENATOR COSTELLO asked if using those funds for something other than the appeals commission will create a statutory problem.

MS. HARBOUR said there is no conflict with the statute, but it would create a problem if the commission isn't repealed and legislation passes to "unfund" the commission. The department would then have cases it is statutorily required to handle, but with no funding.

[2:33:00 PM](#)

CHAIR COGHILL stated that he would hold SB 29 in committee for further review.

[2:33:20 PM](#)

There being no further business to come before the committee, Chair Coghill adjourned the Senate Judiciary Standing Committee meeting at 2:33 p.m.