

# Fiscal Note

State of Alaska  
2019 Legislative Session

|                     |              |
|---------------------|--------------|
| Bill Version:       | CSHB 68(FIN) |
| Fiscal Note Number: | 3            |
| (H) Publish Date:   | 5/7/2019     |

Identifier: HB068-DOLWD-OSH-05-03-19  
Title: LABOR STDRS/SAFETY; WORKER  
COMPENSATION  
Sponsor: RLS BY REQUEST OF THE GOVERNOR  
Requester: (H) FIN

Department: Department of Labor and Workforce Development  
Appropriation: Labor Standards and Safety  
Allocation: Occupational Safety and Health  
OMB Component Number: 970

## Expenditures/Revenues

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

|                               | FY2020<br>Appropriation<br>Requested | Included in<br>Governor's<br>FY2020<br>Request | Out-Year Cost Estimates |                |                |                |                |
|-------------------------------|--------------------------------------|------------------------------------------------|-------------------------|----------------|----------------|----------------|----------------|
|                               |                                      |                                                | FY 2021                 | FY 2022        | FY 2023        | FY 2024        | FY 2025        |
| <b>OPERATING EXPENDITURES</b> | <b>FY 2020</b>                       | <b>FY 2020</b>                                 | <b>FY 2021</b>          | <b>FY 2022</b> | <b>FY 2023</b> | <b>FY 2024</b> | <b>FY 2025</b> |
| Personal Services             | (283.0)                              |                                                | (283.0)                 | (283.0)        | (283.0)        | (283.0)        | (283.0)        |
| Travel                        |                                      |                                                |                         |                |                |                |                |
| Services                      |                                      |                                                |                         |                |                |                |                |
| Commodities                   |                                      |                                                |                         |                |                |                |                |
| Capital Outlay                |                                      |                                                |                         |                |                |                |                |
| Grants & Benefits             |                                      |                                                |                         |                |                |                |                |
| Miscellaneous                 |                                      |                                                |                         |                |                |                |                |
| <b>Total Operating</b>        | <b>(283.0)</b>                       | <b>0.0</b>                                     | <b>(283.0)</b>          | <b>(283.0)</b> | <b>(283.0)</b> | <b>(283.0)</b> | <b>(283.0)</b> |

## Fund Source (Operating Only)

|                       |                |            |                |                |                |                |                |
|-----------------------|----------------|------------|----------------|----------------|----------------|----------------|----------------|
| 1157 Wrkrs Safe (DGF) | (283.0)        |            | (283.0)        | (283.0)        | (283.0)        | (283.0)        | (283.0)        |
| <b>Total</b>          | <b>(283.0)</b> | <b>0.0</b> | <b>(283.0)</b> | <b>(283.0)</b> | <b>(283.0)</b> | <b>(283.0)</b> | <b>(283.0)</b> |

## Positions

|           |       |  |       |       |       |       |       |
|-----------|-------|--|-------|-------|-------|-------|-------|
| Full-time | (2.0) |  | (2.0) | (2.0) | (2.0) | (2.0) | (2.0) |
| 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> |

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No  
(Supplemental/Capital/New Fund - 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? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/20

## Why this fiscal note differs from previous version/comments:

Changed to reflect all of the savings as Workers' Safety and Compensation Administration account (1157) savings. Since federal funding is not being reduced, general fund match should not be reduced as was reflected in the previous fiscal note.

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Agency: Office of Management and Budget

Phone: (907)269-4931  
Date: 04/03/2019  
Date: 05/03/19

**REPORTED OUT OF  
HFC 05/07/2019**

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2019 LEGISLATIVE SESSION**Analysis**

This legislation merges the Division of Labor Standards and Safety and the Division of Workers' Compensation into the Division of Workers' Safety and Compensation. The new division would administer the same programs as are currently administered by the two separate divisions. The department's regulations need to be updated to reflect the division name change.

This merger would result in immediate administrative efficiencies resulting in position reductions and personal services savings. The estimated cost savings is based on the reclassification of the Labor Standards and Safety Director (range 27) to a Deputy Director (range 25) position, the elimination of the Occupational Safety and Health Chief (range 23) position with those duties assumed by the Deputy Director, the elimination of a vacant office assistant II (range 10) position, and the reclassification of a vacant Administrative Officer II (range 19) position to an Administrative Officer I (range 17) position.