

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version:	CSSB 76(L&C)
Fiscal Note Number:	1
(S) Publish Date:	2/12/2020

Identifier: SB076-DOLWD-WC-01-28-20
 Title: REPEAL WORKERS' COMP APPEALS
 COMMISSION
 Sponsor: WIELECHOWSKI
 Requester: (S) Labor and Commerce

Department: Department of Labor and Workforce Development
 Appropriation: Workers' Compensation
 Allocation: Workers' Compensation Appeals Commission
 OMB Component Number: 2816

Expenditures/Revenues

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

	FY2021 Appropriation Requested	Included in Governor's FY2021 Request	Out-Year Cost Estimates					
			FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES								
Personal Services	(140.7)	281.4	(281.4)	(281.4)	(281.4)	(281.4)	(281.4)	(281.4)
Travel	(0.8)	1.5	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)
Services	(69.0)	138.0	(138.0)	(138.0)	(138.0)	(138.0)	(138.0)	(138.0)
Commodities	(2.5)	5.0	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	(213.0)	425.9	(425.9)	(425.9)	(425.9)	(425.9)	(425.9)	(425.9)

Fund Source (Operating Only)

1157 Wrkrs Safe (DGF)	(213.0)	425.9	(425.9)	(425.9)	(425.9)	(425.9)	(425.9)	(425.9)
Total	(213.0)	425.9	(425.9)	(425.9)	(425.9)	(425.9)	(425.9)	(425.9)

Positions

Full-time		2.0	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2021) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/20

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By:	Grey Mitchell, Director	Phone:	(907)465-2790
Division:	Workers' Compensation	Date:	01/24/2020
Approved By:	Hannah Lager, Administrative Services Director	Date:	01/24/20
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION**Analysis**

The proposed legislation will repeal the Workers' Compensation Appeals Commission as of December 31, 2020, and adjust statutes and court rules associated with transferring the authority to decide Workers' Compensation Board appeals from the commission to the Alaska Superior Court.

This legislation would eliminate two positions and associated funding necessary to operate the Workers' Compensation Appeals Commission. Based on the December 31, 2020, date for the final repeal of the commission, cost savings are expected to be 50% of the Commission's FY2021 net budget after fixed costs are removed. Fixed cost estimates are based on FY2020 rates. Fixed cost rates are generally set before the beginning of the fiscal year and include lease costs, phone billings, risk management rates, and department support costs, among others.

The regulations applicable to the Workers' Compensation Appeals Commission under 8 AAC 57.010 through 8 AAC 56.990 would need to be amended/repealed.