

**State of Alaska**  
**FY2007 Governor's Operating Budget**

**Department of Labor and Workforce Development**  
**Workers Compensation Benefits Guaranty Fund**  
**Component Budget Summary**

**Component: Workers Compensation Benefits Guaranty Fund**

**Contribution to Department's Mission**

The WC Benefits Guaranty Fund component contributes to the department's mission by paying benefits (both medical and weekly disability compensation) to workers who have been injured while working for an employer that was not in compliance with the workers' compensation act. Payment of medical benefits allows workers to receive prompt medical care allowing them to recover and return to work.

**Core Services**

The WC Benefits Guaranty Fund is designed to pay for the medical and weekly disability benefits for workers who were injured on the job for an employer that was not in compliance with the workers' compensation act.

**FY2007 Resources Allocated to Achieve Results**

<b>FY2007 Component Budget: \$500,000</b>	<b>Personnel:</b>	
	Full time	0
	Part time	0
	<b>Total</b>	<b>0</b>

**Key Component Challenges**

This program was created in November 2005. The division will need to monitor employers for compliance, assess penalties under the law and set up procedures for paying benefits to eligible workers. Since it is possible the funds needed to pay benefits may exceed the amount available in the Fund, procedures need to be developed to ensure a fair dispersal of the available funds.

**Significant Changes in Results to be Delivered in FY2007**

FY 07 will be the first full year of operations for this program.

**Major Component Accomplishments in 2005**

Not applicable.

**Statutory and Regulatory Authority**

AS 23.30.082                      Workers' Compensation Benefits Guaranty Fund

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**Workers Compensation Benefits Guaranty Fund  
Component Financial Summary**

*All dollars shown in thousands*

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	500.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>0.0</b>	<b>500.0</b>
<b>Funding Sources:</b>			
1200 Workers' Compensation Benefits Guaranty Fund	0.0	0.0	500.0
<b>Funding Totals</b>	<b>0.0</b>	<b>0.0</b>	<b>500.0</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2005 Actuals	FY2006 Managem ent Plan	FY2007 Governor
<b>Unrestricted Revenues</b>				
Worker's Compensation Benefits Guarantee	51491	0.0	0.0	500.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>500.0</b>
<b>Restricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Restricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Estimated Revenues</b>		<b>0.0</b>	<b>0.0</b>	<b>500.0</b>

**Summary of Component Budget Changes  
From FY2006 Management Plan to FY2007 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2006 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Proposed budget increases:</b>				
-Create Workers' Compensation Benefits Guaranty Fund Authorization Necessary to Make Benefit Payments	0.0	0.0	500.0	500.0
<b>FY2007 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>500.0</b>	<b>500.0</b>