

State of Alaska
FY2015 Governor's Operating Budget

Department of Labor and Workforce Development
Second Injury Fund
Component Budget Summary

Component: Second Injury Fund

Contribution to Department's Mission

The Second Injury Fund component contributes to the department's mission by facilitating reemployment of injured workers.

Core Services

- Assist employers in hiring and retaining employees with qualifying disabilities through disability benefit reimbursements.
- Collect assessments from insurers and self-insured employers.

Major Component Accomplishments in 2013

No major component accomplishments in FY2013.

Key Component Challenges

No key component challenges.

Significant Changes in Results to be Delivered in FY2015

No significant changes in results to be delivered are anticipated.

Statutory and Regulatory Authority

Statutory Authority:

AS 23.30.040
AS 23.30.205

Second Injury Fund
Injury Determination

Administrative Regulations:

8 AAC 50

Second Injury Fund

Contact Information

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**Second Injury Fund
Component Financial Summary**

All dollars shown in thousands

| | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|---|----------------|---------------------------|-----------------|
| Non-Formula Program: | | | |
| Component Expenditures: | | | |
| 71000 Personal Services | 156.9 | 214.5 | 214.3 |
| 72000 Travel | 0.0 | 1.5 | 1.5 |
| 73000 Services | 18.1 | 43.9 | 43.9 |
| 74000 Commodities | 2.4 | 4.4 | 4.4 |
| 75000 Capital Outlay | 0.0 | 5.0 | 5.0 |
| 77000 Grants, Benefits | 3,374.0 | 3,739.0 | 3,739.0 |
| 78000 Miscellaneous | 0.0 | 0.0 | 0.0 |
| Expenditure Totals | 3,551.4 | 4,008.3 | 4,008.1 |
| Funding Sources: | | | |
| 1031 Second Injury Fund Reserve Account | 3,551.4 | 4,008.3 | 4,008.1 |
| Funding Totals | 3,551.4 | 4,008.3 | 4,008.1 |

Estimated Revenue Collections

| Description | Master Revenue Account | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|------------------------------------|------------------------------|----------------|---------------------------|-----------------|
| Unrestricted Revenues | | | | |
| Second Injury Fund Reserve Account | 51075 | 3,551.4 | 4,008.3 | 4,008.1 |
| Unrestricted Total | | 3,551.4 | 4,008.3 | 4,008.1 |
| Restricted Revenues | | | | |
| None. | | 0.0 | 0.0 | 0.0 |
| Restricted Total | | 0.0 | 0.0 | 0.0 |
| Total Estimated Revenues | | 3,551.4 | 4,008.3 | 4,008.1 |

**Summary of Component Budget Changes
From FY2014 Management Plan to FY2015 Governor**

All dollars shown in thousands

| | <u>Unrestricted Gen (UGF)</u> | <u>Designated Gen (DGF)</u> | <u>Other Funds</u> | <u>Federal Funds</u> | <u>Total Funds</u> |
|--|-----------------------------------|---------------------------------|--------------------|--------------------------|--------------------|
| FY2014 Management Plan | 0.0 | 4,008.3 | 0.0 | 0.0 | 4,008.3 |
| Adjustments which will continue current level of service: | | | | | |
| -Reverse Alaska State Employees Association One-Time Payment Sec22f Ch14 SLA2013 (HB65) and Sec12 Ch15 SLA2013 (HB66) | 0.0 | -1.4 | 0.0 | 0.0 | -1.4 |
| -FY2015 Salary Increases | 0.0 | 1.8 | 0.0 | 0.0 | 1.8 |
| -FY2015 Health Insurance and Working Reserve Rate Reductions | 0.0 | -0.6 | 0.0 | 0.0 | -0.6 |
| FY2015 Governor | 0.0 | 4,008.1 | 0.0 | 0.0 | 4,008.1 |

| Second Injury Fund Personal Services Information | | | | |
|---|---------------------------------------|----------------------------|----------------------------------|----------------|
| Authorized Positions | | | Personal Services Costs | |
| | FY2014 Management Plan | FY2015 Governor | | |
| Full-time | 2 | 2 | Annual Salaries | 132,173 |
| Part-time | 0 | 0 | COLA | 1,780 |
| Nonpermanent | 0 | 0 | Premium Pay | 0 |
| | | | Annual Benefits | 81,432 |
| | | | <i>Less 0.50% Vacancy Factor</i> | (1,085) |
| | | | Lump Sum Premium Pay | 0 |
| Totals | 2 | 2 | Total Personal Services | 214,300 |

| Position Classification Summary | | | | | |
|--|------------------|------------------|---------------|---------------|--------------|
| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
| Worker Comp Off I | 0 | 0 | 1 | 0 | 1 |
| Worker Comp Technician | 0 | 0 | 1 | 0 | 1 |
| Totals | 0 | 0 | 2 | 0 | 2 |

Component Detail All Funds
Department of Labor and Workforce Development

Component: Second Injury Fund (AR28340) (2342)
RDU: Workers' Compensation (112)

| | FY2013 Actuals | FY2014 Conference Committee | FY2014 Authorized | FY2014 Management Plan | FY2015 Governor | FY2014 Management Plan vs FY2015 Governor | |
|-----------------------------------|----------------|-----------------------------|-------------------|------------------------|-----------------|---|-------------|
| 71000 Personal Services | 156.9 | 203.4 | 206.2 | 214.5 | 214.3 | -0.2 | -0.1% |
| 72000 Travel | 0.0 | 1.5 | 1.5 | 1.5 | 1.5 | 0.0 | 0.0% |
| 73000 Services | 18.1 | 45.2 | 45.2 | 43.9 | 43.9 | 0.0 | 0.0% |
| 74000 Commodities | 2.4 | 8.4 | 8.4 | 4.4 | 4.4 | 0.0 | 0.0% |
| 75000 Capital Outlay | 0.0 | 8.0 | 8.0 | 5.0 | 5.0 | 0.0 | 0.0% |
| 77000 Grants, Benefits | 3,374.0 | 3,739.0 | 3,739.0 | 3,739.0 | 3,739.0 | 0.0 | 0.0% |
| 78000 Miscellaneous | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Totals | 3,551.4 | 4,005.5 | 4,008.3 | 4,008.3 | 4,008.1 | -0.2 | 0.0% |
| Fund Sources: | | | | | | | |
| 1031Sec Injury (DGF) | 3,551.4 | 4,005.5 | 4,008.3 | 4,008.3 | 4,008.1 | -0.2 | 0.0% |
| Unrestricted General (UGF) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Designated General (DGF) | 3,551.4 | 4,005.5 | 4,008.3 | 4,008.3 | 4,008.1 | -0.2 | 0.0% |
| Other Funds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Federal Funds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Positions: | | | | | | | |
| Permanent Full Time | 2 | 2 | 2 | 2 | 2 | 0 | 0.0% |
| Permanent Part Time | 0 | 0 | 0 | 0 | 0 | 0 | 0.0% |
| Non Permanent | 0 | 0 | 0 | 0 | 0 | 0 | 0.0% |

Change Record Detail - Multiple Scenarios with Descriptions
Department of Labor and Workforce Development

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Scenario/Change Record Title | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions | | NP |
|--|------------|----------------|-------------------|------------|-------------|-------------|----------------|------------------|---------------|-----------|----------|----------|
| | | | | | | | | | | PFT | PPT | |
| ***** Changes From FY2014 Conference Committee To FY2014 Authorized ***** | | | | | | | | | | | | |
| FY2014 Conference Committee | | | | | | | | | | | | |
| 1031 Sec Injury | ConfCom | 4,005.5 | 203.4 | 1.5 | 45.2 | 8.4 | 8.0 | 3,739.0 | 0.0 | 2 | 0 | 0 |
| | | 4,005.5 | | | | | | | | | | |
| Alaska State Employees Association One-Time Payment Sec22f Ch14 SLA2013 (HB65) and Sec12 Ch15 SLA2013 (HB66) | | | | | | | | | | | | |
| 1031 Sec Injury | Atrin | 1.4 | 1.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| | | 1.4 | | | | | | | | | | |
| The Alaska State Employees Association, representing the general government unit, negotiated a lump sum payment of \$755 less mandatory deductions, per employee in pay status on July 1, 2013. The lump sum will be paid in the second pay period of August 2013. | | | | | | | | | | | | |
| Compensation of Non-Covered Employees Ch47 SLA2013 (SB95) (Sec2 Ch14 SLA2013 P43 L10 (HB65) and Sec2 Ch15 P8 L10 (HB66)) | | | | | | | | | | | | |
| 1031 Sec Injury | FisNot | 1.4 | 1.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| | | 1.4 | | | | | | | | | | |
| SB95 relates to the compensation, allowances, geographic differentials in pay, and leave of certain public officials, officers, and employees not covered by collective bargaining agreements. | | | | | | | | | | | | |
| Subtotal | | 4,008.3 | 206.2 | 1.5 | 45.2 | 8.4 | 8.0 | 3,739.0 | 0.0 | 2 | 0 | 0 |
| ***** Changes From FY2014 Authorized To FY2014 Management Plan ***** | | | | | | | | | | | | |
| Align Authority for Personal Services | | | | | | | | | | | | |
| | LIT | 0.0 | 8.3 | 0.0 | -1.3 | -4.0 | -3.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| | | 0.0 | | | | | | | | | | |
| Transfer authority from services, commodities, and capital outlay to pay anticipated personal service expenses. The remaining service, commodities, and capital outlay authority is sufficient to cover anticipated expenses. | | | | | | | | | | | | |
| Subtotal | | 4,008.3 | 214.5 | 1.5 | 43.9 | 4.4 | 5.0 | 3,739.0 | 0.0 | 2 | 0 | 0 |
| ***** Changes From FY2014 Management Plan To FY2015 Governor ***** | | | | | | | | | | | | |
| Reverse Alaska State Employees Association One-Time Payment Sec22f Ch14 SLA2013 (HB65) and Sec12 Ch15 SLA2013 (HB66) | | | | | | | | | | | | |
| 1031 Sec Injury | OTI | -1.4 | -1.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| | | -1.4 | | | | | | | | | | |
| Reverse one-time funding for a negotiated lump sum payment to employees in the general government unit, represented by the Alaska State Employees Association, in pay status on July 1, 2013. | | | | | | | | | | | | |
| FY2015 Salary Increases | | | | | | | | | | | | |
| | SalAdj | 1.8 | 1.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| | | 1.8 | | | | | | | | | | |

Change Record Detail - Multiple Scenarios with Descriptions
Department of Labor and Workforce Development

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Scenario/Change Record Title | Trans Type | Totals | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions | | NP |
|---|---------------|----------------|----------------------|------------|-------------|-------------|----------------|------------------|---------------|-----------|----------|----------|
| | | | | | | | | | | PFT | PPT | |
| 1031 Sec Injury | | 1.8 | | | | | | | | | | |
| Cost of living allowance for certain bargaining units: \$1.8 | | | | | | | | | | | | |
| Year two cost of living allowance for non-covered employees - 1%: \$0.3 | | | | | | | | | | | | |
| Year two cost of living allowance for Alaska State Employees Association/General Government Unit - 1%: \$1.0 | | | | | | | | | | | | |
| Year two cost of living allowance for Alaska Public Employees Association/Supervisory Unit - 1%: \$0.5 | | | | | | | | | | | | |
| FY2015 Health Insurance and Working Reserve Rate Reductions | | | | | | | | | | | | |
| 1031 Sec Injury | SalAdj | -0.6 | -0.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| FY2015 budget reduction for decrease in the AlaskaCare health insurance premium and working reserve rates: \$-0.6 | | | | | | | | | | | | |
| Working reserve rate decrease from 3.94% to 3.56%: Leave Cash-In = 2.17%, Terminal Leave = 1.03%, Unemployment Insurance = 0.36% : \$-0.5 | | | | | | | | | | | | |
| AlaskaCare health benefit decrease from \$1,389 to \$1,371: \$-0.1 | | | | | | | | | | | | |
| Totals | | 4,008.1 | 214.3 | 1.5 | 43.9 | 4.4 | 5.0 | 3,739.0 | 0.0 | 2 | 0 | 0 |

Personal Services Expenditure Detail
Department of Labor and Workforce Development

Scenario: FY2015 Governor (11059)
Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| PCN | Job Class Title | Time Status | Retire Code | Barg Unit | Location | Salary Sched | Range / Step | Comp Months | Split / Count | Annual Salaries | COLA | Premium Pay | Annual Benefits | Total Costs | GF Amount |
|---------|-----------------------------|-------------|-------------|-----------|-----------|--------------|--------------|-------------|---------------|-----------------|------|-------------|-----------------|-------------|-----------|
| 07-1026 | Program Coordinator I | FT | A | SS | Juneau | 205 | 18C | 3.5 | * | 19,223 | 259 | 0 | 11,521 | 31,003 | 31,003 |
| 07-3001 | Division Director | FT | A | XE | Juneau | N05 | 27F | 2.0 | * | 20,790 | 280 | 0 | 9,961 | 31,031 | 31,031 |
| 07-3023 | Administrative Assistant II | FT | A | SS | Juneau | 605 | 14F | 0.5 | * | 2,282 | 31 | 0 | 1,485 | 3,798 | 3,798 |
| 07-3026 | Administrative Officer II | FT | A | SS | Anchorage | 200 | 19D | 2.5 | * | 14,332 | 193 | 0 | 8,438 | 22,963 | 22,963 |
| 07-3033 | Office Assistant I | FT | A | GP | Juneau | 205 | 8C | 2.5 | * | 6,794 | 91 | 0 | 5,860 | 12,745 | 12,745 |
| 07-3046 | Worker Comp Off I | FT | A | GP | Juneau | 205 | 16G | 6.0 | ** | 31,200 | 420 | 0 | 19,230 | 50,850 | 50,850 |
| 07-3055 | Worker Comp Technician | FT | A | GP | Juneau | 205 | 12G | 6.0 | ** | 23,614 | 318 | 0 | 16,599 | 40,531 | 40,531 |
| 07-5527 | Project Assistant | FT | A | GP | Juneau | 205 | 16J / K | 2.5 | * | 13,938 | 188 | 0 | 8,338 | 22,464 | 22,464 |

| | Total Positions | New | Deleted |
|--------------------------|-----------------|-----|---------|
| Full Time Positions: | 2 | 0 | 0 |
| Part Time Positions: | 0 | 0 | 0 |
| Non Permanent Positions: | 0 | 0 | 0 |
| Positions in Component: | 2 | 0 | 0 |

Total Component Months: 25.5

| | |
|---|---------|
| Total Salary Costs: | 132,173 |
| Total COLA: | 1,780 |
| Total Premium Pay: | 0 |
| Total Benefits: | 81,432 |
| Total Pre-Vacancy: | 215,385 |
| Minus Vacancy Adjustment of 0.50%: | (1,085) |
| Total Post-Vacancy: | 214,300 |
| Plus Lump Sum Premium Pay: | 0 |
| Personal Services Line 100: | 214,300 |

| PCN Funding Sources: | Pre-Vacancy | Post-Vacancy | Percent |
|---|----------------|----------------|----------------|
| 1031 Second Injury Fund Reserve Account | 215,385 | 214,300 | 100.00% |
| Total PCN Funding: | 215,385 | 214,300 | 100.00% |

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Labor and Workforce Development
Travel

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Line Number | Line Name | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|--------------------|------------------|-----------------------|-------------------------------|------------------------|
| 72000 | Travel | 0.0 | 1.5 | 1.5 |

| Expenditure Account | Servicing Agency | Explanation | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|-----------------------------------|---------------------------|---|-----------------------|-------------------------------|------------------------|
| 72000 Travel Detail Totals | | | 0.0 | 1.5 | 1.5 |
| 72110 | Employee Travel (Instate) | Travel for public meetings to administer program activities | 0.0 | 1.5 | 1.5 |

Line Item Detail
Department of Labor and Workforce Development
Services

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Line Number | Line Name | | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|-------------------------------------|----------------------------------|---------------------|--|----------------|------------------------|-----------------|
| 73000 | Services | | | 18.1 | 43.9 | 43.9 |
| | | | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
| Expenditure Account | Servicing Agency | Explanation | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
| 73000 Services Detail Totals | | | | 18.1 | 43.9 | 43.9 |
| 73156 | Telecommunication | | Cost for local and long distance charges and data network charges. | 1.0 | 1.0 | 1.0 |
| 73169 | Federal Indirect Rate Allocation | Management Services | Indirect cost allocation for departmental purchasing, state accounting, federal accounting reports, personnel training, contracts, and fiscal services provided by Management Services (I/A transfer to Management Services) | 7.8 | 10.1 | 10.1 |
| 73225 | Delivery Services | | Transportation and freight charges | 0.0 | 4.0 | 4.0 |
| 73254 | Dp Operations Alloc | Data Processing | Allocation for Data Processing network and supportive services (I/A transfer to Data Processing) | 3.2 | 3.3 | 3.3 |
| 73450 | Advertising & Promos | | Advertising for regulations, seminars, board meetings | 0.0 | 2.6 | 2.6 |
| 73675 | Equipment/Machinery | | Machine and equipment repair and maintenance | 0.0 | 2.8 | 2.8 |
| 73750 | Other Services (Non IA Svcs) | | Printing of forms, letterhead, envelopes, statutes and program booklets | 0.0 | 2.5 | 2.5 |
| 73804 | Economic/Development (IA Svcs) | Data Processing | Workers' Compensation SAGE | 0.0 | 0.5 | 0.5 |
| 73805 | IT-Non-Telecommunication | Admin | Computer services Enterprise Productivity Rates (EPR) chargeback (I/A transfer to DOA) | 1.2 | 1.3 | 1.3 |
| 73806 | IT-Telecommunication | Admin | Telecommunications Enterprise Productivity Rates (EPR) and Private Branch Exchange (PBX) chargeback (I/A transfer to DOA) | 3.6 | 3.8 | 3.8 |
| 73809 | Mail | Admin | Centralized mail services chargeback (I/A transfer to DOA) | 0.1 | 0.1 | 0.1 |
| 73810 | Human Resources | Admin | Human resource services chargeback (I/A transfer to DOA) | 1.0 | 1.3 | 1.3 |
| 73811 | Building Leases | Admin | Building leases chargeback (I/A transfer to DOA) | 0.0 | 10.3 | 10.3 |
| 73813 | Auditing | Admin | Auditing services chargeback (I/A transfer to DOA) | 0.1 | 0.1 | 0.1 |

Line Item Detail
Department of Labor and Workforce Development
Services

Component: Second Injury Fund (2342)

RDU: Workers' Compensation (112)

| Expenditure Account | Servicing Agency | Explanation | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|-------------------------------------|------------------|--|----------------|---------------------------|-----------------|
| 73000 Services Detail Totals | | | 18.1 | 43.9 | 43.9 |
| 73815 Financial | Admin | State payroll and accounting system chargeback (I/A transfer to DOA) | 0.1 | 0.2 | 0.2 |

Line Item Detail
Department of Labor and Workforce Development
Commodities

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Line Number | Line Name | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|--|------------------|---|----------------|------------------------|-----------------|
| 74000 | Commodities | | 2.4 | 4.4 | 4.4 |
| Expenditure Account | Servicing Agency | Explanation | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
| 74000 Commodities Detail Totals | | | 2.4 | 4.4 | 4.4 |
| 74200 | Business | Office supplies, information technology equipment and subscriptions | 2.4 | 4.4 | 4.4 |

Line Item Detail
Department of Labor and Workforce Development
Capital Outlay

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Line Number | Line Name | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|---|-------------------------|---|-----------------------|-------------------------------|------------------------|
| 75000 | Capital Outlay | | 0.0 | 5.0 | 5.0 |
| | | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
| Expenditure Account | Servicing Agency | Explanation | | | |
| 75000 Capital Outlay Detail Totals | | | 0.0 | 5.0 | 5.0 |
| 75700 | Equipment | Purchase of copiers and related equipment | 0.0 | 5.0 | 5.0 |

Line Item Detail
Department of Labor and Workforce Development
Grants, Benefits

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Line Number | Line Name | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|---|------------------|--|-----------------------|-------------------------------|------------------------|
| 77000 | Grants, Benefits | | 3,374.0 | 3,739.0 | 3,739.0 |
| | | | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
| 77000 Grants, Benefits Detail Totals | | | 3,374.0 | 3,739.0 | 3,739.0 |
| 77670 | Benefits | Payments under AS 23.30.205 reflect the Second Injury Fund benefits to reinjured disabled workers through reimbursement to employers/insurers. | 3,374.0 | 3,739.0 | 3,739.0 |

Unrestricted Revenue Detail
Department of Labor and Workforce Development

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Master Account | Revenue Description | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|-----------------------|------------------------------------|-----------------------|-------------------------------|------------------------|
| 51075 | Second Injury Fund Reserve Account | 3,551.4 | 4,008.3 | 4,008.1 |

Detail Information

| Revenue Amount | Revenue Description | Component | Collocation Code | AKSAS Fund | FY2013 Actuals | FY2014 Management Plan | FY2015 Governor |
|-----------------------|----------------------------|--------------------|-------------------------|-------------------|-----------------------|-------------------------------|------------------------|
| 51075 | Second Injury Fund | Second Injury Fund | 7340600 | 11117 | 3,551.4 | 4,008.3 | 4,008.1 |

The Second Injury Fund Reserve Account is a dedicated fund established to encourage employers to hire and retain persons with pre-existing physical conditions. Employers and insurers support the fund with payments that are based on a percentage of their yearly disability compensation payments to their injured workers.

Under AS 23.30.040, the contribution percentage rate ranges from 0% to 6%, based upon the Fund's reserve rate for the preceding year, and the applicable percentage is reset each year. In recent years, the rates have varied from 0% (1989) to 3% (1990), 4% (2010), 5% (1991, 1995, 1997, 1998, 2000, 2009, 2011), and the maximum 6% (1992-1994, 1996, 1999, 2001-2008, 2012).

Funds are used to pay benefits to injured workers and to support operations of the Second Injury Fund program.

Inter-Agency Services
Department of Labor and Workforce Development

Component: Second Injury Fund (2342)
RDU: Workers' Compensation (112)

| Expenditure Account | Service Description | Service Type | Servicing Agency | FY2013 Actuals | FY2014 | |
|---|----------------------------------|--|-----------------------------------|----------------|-----------------|-----------------|
| | | | | | Management Plan | FY2015 Governor |
| 73169 | Federal Indirect Rate Allocation | Indirect cost allocation for departmental purchasing, state accounting, federal accounting reports, personnel training, contracts, and fiscal services provided by Management Services (I/A transfer to Management Services) | Intra-dept Management Services | 7.8 | 10.1 | 10.1 |
| 73169 Federal Indirect Rate Allocation subtotal: | | | | 7.8 | 10.1 | 10.1 |
| 73254 | Dp Operations Alloc | Allocation for Data Processing network and supportive services (I/A transfer to Data Processing) | Intra-dept Data Processing | 3.2 | 3.3 | 3.3 |
| 73254 Dp Operations Alloc subtotal: | | | | 3.2 | 3.3 | 3.3 |
| 73804 | Economic/Development (IA Svcs) | Workers' Compensation SAGE | Intra-dept Data Processing | 0.0 | 0.5 | 0.5 |
| 73804 Economic/Development (IA Svcs) subtotal: | | | | 0.0 | 0.5 | 0.5 |
| 73805 | IT-Non-Telecommunication | Computer services Enterprise Productivity Rates (EPR) chargeback (I/A transfer to DOA) | Inter-dept Admin | 1.2 | 1.3 | 1.3 |
| 73805 IT-Non-Telecommunication subtotal: | | | | 1.2 | 1.3 | 1.3 |
| 73806 | IT-Telecommunication | Telecommunications Enterprise Productivity Rates (EPR) and Private Branch Exchange (PBX) chargeback (I/A transfer to DOA) | Inter-dept Admin | 3.6 | 3.8 | 3.8 |
| 73806 IT-Telecommunication subtotal: | | | | 3.6 | 3.8 | 3.8 |
| 73809 | Mail | Centralized mail services chargeback (I/A transfer to DOA) | Inter-dept Admin | 0.1 | 0.1 | 0.1 |
| 73809 Mail subtotal: | | | | 0.1 | 0.1 | 0.1 |
| 73810 | Human Resources | Human resource services chargeback (I/A transfer to DOA) | Inter-dept Admin | 1.0 | 1.3 | 1.3 |
| 73810 Human Resources subtotal: | | | | 1.0 | 1.3 | 1.3 |
| 73811 | Building Leases | Building leases chargeback (I/A transfer to DOA) | Inter-dept Admin | 0.0 | 10.3 | 10.3 |
| 73811 Building Leases subtotal: | | | | 0.0 | 10.3 | 10.3 |
| 73813 | Auditing | Auditing services chargeback (I/A transfer to DOA) | Inter-dept Admin | 0.1 | 0.1 | 0.1 |
| 73813 Auditing subtotal: | | | | 0.1 | 0.1 | 0.1 |
| 73815 | Financial | State payroll and accounting system chargeback (I/A transfer to DOA) | Inter-dept Admin | 0.1 | 0.2 | 0.2 |
| 73815 Financial subtotal: | | | | 0.1 | 0.2 | 0.2 |
| Second Injury Fund total: | | | | 17.1 | 31.0 | 31.0 |
| Grand Total: | | | | 17.1 | 31.0 | 31.0 |