

State of Alaska FY2026 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

Paying benefits to workers who have been injured while working for an employer that was not in compliance with the Workers' Compensation Act and fails to pay benefits owed to the injured worker.

Core Services

- Provide workers' compensation benefits to injured employees of uninsured employers.
- Collect penalties from uninsured employers.
- Seek reimbursement of benefit payments from uninsured employers.

Major Component Accomplishments in 2024

Legislation passed to establish the Workers' Compensation Benefits Guaranty Fund (WCBGF) as a separate fund in the State treasury to carry out its purpose of assisting Alaska's injured workers.

Key Component Challenges

A key challenge facing the WCBGF is meeting the needs of injured workers who have filed a claim for benefits because their employer was uninsured for workers' compensation. The WCBGF balance continues to rebound from consecutive sweeps into the general fund.

Significant Changes in Results to be Delivered in FY2026

No significant changes in results to be delivered are anticipated.

Statutory and Regulatory Authority

Statutory Authority:
AS 23.30.082 Workers' Compensation Benefits Guaranty Fund

Contact Information

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Workers' Compensation Benefits Guaranty Fund Personal Services Information					
Authorized Positions			Personal Services Costs		
	FY2025 Management Plan	FY2026 Governor			
			Annual Salaries		78,869
Full-time	1	1	Premium Pay		0
Part-time	0	0	Annual Benefits		51,265
Nonpermanent	0	0	<i>Less 0.72% Vacancy Factor</i>		(934)
			Lump Sum Premium Pay		0
Totals	1	1	Total Personal Services		129,200

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Loan/Collection Officer 1	0	0	1	0	1
Totals	0	0	1	0	1

Component Detail All Funds
Department of Labor and Workforce Development

Component: Workers' Compensation Benefits Guaranty Fund (2820)
RDU: Workers' Compensation (112)

Non-Formula Component

	FY2024 Actuals	FY2025 Enrolled	FY2025 Authorized	FY2025 Management Plan	FY2026 Governor Adjusted Base	FY2026 Governor	FY2025 Management Plan vs FY2026 Governor		
1000 Personal Services	118.7	123.9	123.9	128.0	129.2	129.2	1.2	0.9%	
2000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
3000 Services	62.9	235.7	235.7	231.6	231.6	231.6	0.0	0.0%	
4000 Commodities	0.0	2.0	2.0	2.0	2.0	2.0	0.0	0.0%	
5000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
7000 Grants, Benefits	1,124.7	432.7	432.7	432.7	432.7	432.7	0.0	0.0%	
8000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Totals	1,306.3	794.3	794.3	794.3	795.5	795.5	1.2	0.2%	
Fund Sources:									
1203 WCBenGF (DGF)	1,306.3	794.3	794.3	794.3	795.5	795.5	1.2	0.2%	
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Designated General (DGF)	1,306.3	794.3	794.3	794.3	795.5	795.5	1.2	0.2%	
Other Funds	0.0	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	0.0%	
Positions:									
Permanent Full Time	1	1	1	1	1	1	0	0.0%	
Permanent Part Time	0	0	0	0	0	0	0	0.0%	
Non Permanent	0	0	0	0	0	0	0	0.0%	

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

Component: Workers' Compensation Benefits Guaranty Fund (2820)

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 FY2025 Enrolled To FY2025 Authorized *****												
FY2025 Enrolled												
1203 WCBenGF	Enrolled	794.3	123.9	0.0	235.7	2.0	0.0	432.7	0.0	1	0	0
		794.3										
	Subtotal	794.3	123.9	0.0	235.7	2.0	0.0	432.7	0.0	1	0	0
***** Changes From FY2025 Authorized To FY2025 Management Plan *****												
Align Authority to Address Personal Services Needs												
	LIT	0.0	4.1	0.0	-4.1	0.0	0.0	0.0	0.0	0	0	0
Transfer Benefits Guaranty Fund authority from services to personal services to align authority with projected personal services needs.												
	Subtotal	794.3	128.0	0.0	231.6	2.0	0.0	432.7	0.0	1	0	0
***** Changes From FY2025 Management Plan To FY2026 Governor Adjusted Base *****												
FY2026 Salary, Health Insurance, and Retirement Increases												
1203 WCBenGF	SalAdj	1.2	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Salary, health and retirement increases: \$1.2												
FY2026 PERS rate adjustment from 26.76% to 28.33%: \$1.2												
	Subtotal	795.5	129.2	0.0	231.6	2.0	0.0	432.7	0.0	1	0	0
***** Changes From FY2026 Governor Adjusted Base To FY2026 Governor *****												
	Totals	795.5	129.2	0.0	231.6	2.0	0.0	432.7	0.0	1	0	0

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Workers' Compensation Benefits Guaranty Fund (2820)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000	Services		62.9	231.6	231.6
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000 Services Detail Totals			62.9	231.6	231.6
3001	Financial Services	Financial services, including auditing and accounting, consulting, insurance, or interest expense.	32.5	32.5	32.5
3002	Legal and Judicial Services	Custody care, attorney fees, expert and non-expert witnesses, mediation services, transcription and recording services, case costs, and settlement fees.	1.0	2.5	2.5
3011	Other Services	Other services including interpreters, consulting, print, copy and graphic services, and safety services.	0.0	159.8	159.8
3012	Inter-Agency Federal Indirect Rate Allocation	Labor - Management Services (335) Indirect cost allocation for departmental purchasing, accounting, reports, personnel consultation and other services provided by Management Services.	7.5	7.8	7.8
3013	Inter-Agency Data Processing Operations Allocation	Labor - Management Services (335) Allocation for Data Processing network and support services.	0.8	2.0	2.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Reimbursable services agreement with the Office of Information Technology for non-telecommunications support, including software and computer services.	3.1	3.1	3.1
3022	Inter-Agency Human Resources	Admin - Department-wide Reimbursable services agreement with the Division of Personnel and Labor Relations for human resources and personnel services.	0.6	0.6	0.6

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Workers' Compensation Benefits Guaranty Fund (2820)

Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3000 Services Detail Totals			62.9	231.6	231.6
3023	Inter-Agency Building Leases	Admin - Department-wide State-owned facility space rent or other property leases.	0.0	2.4	2.4
3024	Inter-Agency Legal	Law - Department-wide Reimbursable services agreement with the Department of Law for legal services.	16.6	20.0	20.0
3026	Inter-Agency Insurance	Admin - Department-wide Reimbursable services agreement with the Division of Risk Management for risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead.	0.1	0.1	0.1
3027	Inter-Agency Financial	Admin - Department-wide Reimbursable services agreement with the Division of Finance for system services for State accounting and payroll (IRIS), and reporting (ALDER) systems.	0.7	0.8	0.8

Line Item Detail (1676)
Department of Labor and Workforce Development
Commodities

Component: Workers' Compensation Benefits Guaranty Fund (2820)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
4000	Commodities		0.0	2.0	2.0
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
		4000 Commodities Detail Totals	0.0	2.0	2.0
4000	Business	General business supplies such as office consumables and computer equipment.	0.0	2.0	2.0

Line Item Detail (1676)
Department of Labor and Workforce Development
Grants, Benefits

Component: Workers' Compensation Benefits Guaranty Fund (2820)

Line Number	Line Name		FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
7000	Grants, Benefits		1,124.7	432.7	432.7
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
		7000 Grants, Benefits Detail Totals	1,124.7	432.7	432.7
7002	Benefits	Benefits to workers who were injured while working for an employer without workers' compensation insurance.	1,124.7	432.7	432.7

Revenue Detail (1681)
Department of Labor and Workforce Development

Component: Workers' Compensation Benefits Guaranty Fund (2820)

Revenue Type (OMB Fund Code)	Component	Comment	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
Revenue Source					
6203 WCBG Fund (1203 WCBenGF)			1,306.3	794.3	795.5
6862 Workers Comp Benefits Guaranty Fund - Miscellaneous		The Workers' Compensation Benefits Guaranty Fund (AS 23.30.082) consists of revenue from penalties and fines assessed against employers that do not comply with the requirements of AS 23.30 or the orders of the Alaska Workers' Compensation Board.	1,306.3	794.3	795.5

Inter-Agency Services (1682)
Department of Labor and Workforce Development

Component: Workers' Compensation Benefits Guaranty Fund (2820)

				FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
Component Totals				29.4	36.8	36.8
With Department of Labor and Workforce Development				8.3	9.8	9.8
With Department of Administration				4.5	7.0	7.0
With Department of Law				16.6	20.0	20.0
Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor	
3012	Inter-Agency Federal Indirect Rate Allocation	Labor - Management Services (335) Indirect cost allocation for departmental purchasing, accounting, reports, personnel consultation and other services provided by Management Services.	7.5	7.8	7.8	
3013	Inter-Agency Data Processing Operations Allocation	Labor - Management Services (335) Allocation for Data Processing network and support services.	0.8	2.0	2.0	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Reimbursable services agreement with the Office of Information Technology for non-telecommunications support, including software and computer services.	3.1	3.1	3.1	
3022	Inter-Agency Human Resources	Admin - Department-wide Reimbursable services agreement with the Division of Personnel and Labor Relations for human resources and personnel services.	0.6	0.6	0.6	
3023	Inter-Agency Building Leases	Admin - Department-wide State-owned facility space rent or other property leases.	0.0	2.4	2.4	
3024	Inter-Agency Legal	Law - Department-wide Reimbursable services agreement with the Department of Law for legal services.	16.6	20.0	20.0	
3026	Inter-Agency Insurance	Admin - Department-wide Reimbursable services agreement with the Division of Risk Management for risk management insurance charges for leased buildings, repossessed properties,	0.1	0.1	0.1	

Inter-Agency Services (1682)
Department of Labor and Workforce Development

Component: Workers' Compensation Benefits Guaranty Fund (2820)

Object Class	Servicing Agency	Explanation	FY2024 Actuals	FY2025 Management Plan	FY2026 Governor
3027	Inter-Agency Financial	Admin - Department-wide			
		public official bonds, and overhead.			
		Reimbursable services agreement with the Division of Finance for system services for State accounting and payroll (IRIS), and reporting (ALDER) systems.	0.7	0.8	0.8

Personal Services Expenditure Detail
Department of Labor and Workforce Development

Scenario: FY2026 Governor (22363)
Component: Workers' Compensation Benefits Guaranty Fund (2820)
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	UGF Amount
213047	Loan/Collection Officer 1	FT	A	GP	Juneau	205	16J / K	12.0		78,869	0	0	51,265	130,134	0
													Total Salary Costs:	78,869	
													Total COLA:	0	
													Total Premium Pay:	0	
													Total Benefits:	51,265	
													Total Pre-Vacancy:	130,134	
													Minus Vacancy Adjustment of 0.72%:	(934)	
													Total Post-Vacancy:	129,200	
													Plus Lump Sum Premium Pay:	0	
													Personal Services Line 100:	129,200	
Total Component Months:		12.0													

PCN Funding Sources:		Pre-Vacancy	Post-Vacancy	Percent
1203	Workers' Compensation Benefits Guarantee Fund	130,134	129,200	100.00%
Total PCN Funding:		130,134	129,200	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.

Department of Labor and Workforce Development
Division of Workers' Compensation
Workers' Compensation Benefits Guaranty Fund (2820)
FY2026 Governor Organization Chart

