

# DEPARTMENT OF LABOR & LICENSING - WORKERS' COMPENSATION COMMISSION

## State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2020

None

### Employment Summary

	Male	Female	Total	%
White Employees	24	37	61	73 %
Black Employees	3	19	22	26 %
Other Racial Minorities	0	1	1	1 %
Total Minorities			23	27 %
Total Employees			84	100 %

### Publications

#### A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Annual Report	11-9-209	N	N	25	To meet the requirements of ACA 11-9-209 and to have sufficient copies for interested parties.	0	0.00
Biennial Report	11-9-208	Y	Y	50	To meet the requirements of Act 1276 and ACA 11-9-208 and to have sufficient copies for interested parties.	0	0.00

## Department Appropriation Summary

Appropriation	Historical Data						Agency Request and Executive Recommendation							
	2019-2020		2020-2021		2020-2021		2021-2022				2022-2023			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
203 Refunds and Claims	13,837,152	0	21,550,000	0	21,550,000	0	0	0	0	0	0	0	0	0
355 Administration	8,043,510	91	10,993,075	109	11,258,449	115	0	0	0	0	0	0	0	0
356 Second Injury Claims	0	0	500,000	0	500,000	0	0	0	0	0	0	0	0	0
866 Seminar-Cash in Treasury	58,513	0	140,000	0	140,000	0	0	0	0	0	0	0	0	0
99T Building Repair	0	0	150,000	0	150,000	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>21,939,175</b>	<b>91</b>	<b>33,333,075</b>	<b>109</b>	<b>33,598,449</b>	<b>115</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

  

Funding Sources		%		%		%		%		%	
Fund Balance	4000005	114,025,923	86.1	110,527,501	89.2	0	0.0	0	0.0	0	0.0
Trust Fund	4000050	8,788,796	6.6	6,720,000	5.4	0	0.0	0	0.0	0	0.0
Other	4000370	9,651,957	7.3	7,228,000	5.8	0	0.0	0	0.0	0	0.0
Shared Services Transfer	4000760	0	0.0	(561,764)	(0.5)	0	0.0	0	0.0	0	0.0
<b>Total Funds</b>		<b>132,466,676</b>	<b>100.0</b>	<b>123,913,737</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>
Excess Appropriation/(Funding)		(110,527,501)		(90,580,662)		0		0		0	
<b>Grand Total</b>		<b>21,939,175</b>		<b>33,333,075</b>		<b>0</b>		<b>0</b>		<b>0</b>	

The agency is requesting to transfer all positions, appropriation, and funding to Cabinet Level Business Area 9910.

## **Analysis of Budget Request**

**Appropriation:** 203 - Refunds and Claims

**Funding Sources:** TDP - Death & Permanent Total Disability Trust

The Workers' Compensation Commission administers the Death and Permanent Disability Claims Program as established by Act 221 of 1973 (ACA §11-9-301 et seq.) An employee or dependent that has received the maximum benefit of \$75,000 from his/her employer under the provisions of Act 221 of 1973 is then eligible to receive benefits payable by the Commission from this appropriation. Funding is derived from the premium taxing authority authorized in Act 393 of 1983. During the Third Extraordinary Session of 2016, Act 5 was enacted by the Arkansas Legislature which provides that no claims shall be made to the Death and Permanent Total Disability Trust Fund after June 30, 2019. Additionally, the current maximum premium tax rate of three percent (3%) will be reduced to one and five-tenths percent (1.5%) upon the final payment of the remaining liabilities in the Trust Fund.

The Agency Request includes the following for both years of the biennium:

- Transfer Refunds and Reimbursement and Claims appropriation and funding in its entirety to the Cabinet Level Business Area, 9910, Funds Center E54.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 203 - Refunds and Claims  
**Funding Sources:** TDP - Death & Permanent Total Disability Trust

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	4,360	550,000	550,000	0	0	0	0
Claims 5110015	13,832,792	21,000,000	21,000,000	0	0	0	0
Total	13,837,152	21,550,000	21,550,000	0	0	0	0
<b>Funding Sources</b>							
Fund Balance 4000005	99,716,042	95,415,089		0	0	0	0
Other 4000370	9,536,199	7,050,000		0	0	0	0
Total Funding	109,252,241	102,465,089		0	0	0	0
Excess Appropriation/(Funding)	(95,415,089)	(80,915,089)		0	0	0	0
Grand Total	13,837,152	21,550,000		0	0	0	0

The agency is requesting to transfer this appropriation and funding to the Cabinet Level Business Area, 9910, Funds Center E54.

## **Analysis of Budget Request**

**Appropriation:** 355 - Administration

**Funding Sources:** TJW - Workers' Compensation Trust

The Workers' Compensation Commission (WCC) Administration appropriation is comprised of all administrative and judicial functions within the Commission. Funding is derived solely from a premium tax (limited by law to 3%) levied on workers' compensation policies in the State of Arkansas.

With the exception of Regular Salaries and Personal Services Matching, continuing level of appropriation is the FY2021 Authorized.

The Agency Request includes the following:

- Transfer (1) position, Regular Salaries in the amount of (\$98,686) for both years of the biennium, and Personal Services Matching in the amount of (\$33,991) for FY22 and (\$33,468) for FY23, to the Department of Labor and Licensing Shared Services appropriation, FC Z46.
- Transfer (114) full-time positions, Regular Salaries, Extra Help, Personal Services Matching, Overtime, Operating Expenses, Conference and Travel, Professional Fees, Refunds/Reimbursements, Computer Software/Hardware, and funding in its entirety to the Cabinet Level Business Area, 9910, Funds Center E48.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 355 - Administration

**Funding Sources:** TJW - Workers' Compensation Trust

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
		Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Regular Salaries	5010000	5,494,990	6,476,107	6,662,285	0	0	0	0
<b>#Positions</b>		<b>91</b>	<b>109</b>	<b>115</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Extra Help	5010001	18,979	100,000	100,000	0	0	0	0
<b>#Extra Help</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Personal Services Matching	5010003	1,812,006	2,046,673	2,125,869	0	0	0	0
Overtime	5010006	0	10,000	10,000	0	0	0	0
Operating Expenses	5020002	664,987	1,305,495	1,305,495	0	0	0	0
Conference & Travel Expenses	5050009	1,474	20,000	20,000	0	0	0	0
Professional Fees	5060010	17,300	241,000	241,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	3,535	500,000	500,000	0	0	0	0
Capital Outlay	5120011	164	50,000	50,000	0	0	0	0
Computer Software/Hardware	5900044	30,075	243,800	243,800	0	0	0	0
<b>Total</b>		<b>8,043,510</b>	<b>10,993,075</b>	<b>11,258,449</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Sources</b>								
Fund Balance	4000005	12,736,233	13,481,519		0	0	0	0
Trust Fund	4000050	8,788,796	6,720,000		0	0	0	0
Shared Services Transfer	4000760	0	(561,764)		0	0	0	0
Total Funding		21,525,029	19,639,755		0	0	0	0
Excess Appropriation/(Funding)		(13,481,519)	(8,646,680)		0	0	0	0
<b>Grand Total</b>		<b>8,043,510</b>	<b>10,993,075</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The agency is requesting to transfer this appropriation and funding, with the exception of the requested Shares Services transfer, to the Cabinet Level Business Area, 9910, Funds Center E48.

## **Analysis of Budget Request**

**Appropriation:** 356 - Second Injury Claims

**Funding Sources:** TSW - Second Injury Trust Fund

The Workers' Compensation Commission administers a Second Injury Claims Fund A.C.A. 19-5-911 for the purpose of paying claims of permanently disabled persons in accordance with Act 253 of 1979. Funding is derived from the premium taxing authority authorized by Act 393 of 1983. Act 1415 of 2007 provided that no claims shall be made against the Second Injury Trust Fund on or after January 1, 2008. The Commission appropriation need for this program is due to claims prior to January 1, 2008. There are twenty-three (23) open files at which any time could be litigated and an award of benefits made.

The Agency Request includes the following for both years of the biennium:

- Transfer Claims appropriation and funding in its entirety to the Cabinet Level Business Area, 9910, Funds Center E53.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 356 - Second Injury Claims

**Funding Sources:** TSW - Second Injury Trust Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			
	2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	2021-2022		2022-2023	
				Agency	Executive	Agency	Executive
Claims 5110015	0	500,000	500,000	0	0	0	0
Total	0	500,000	500,000	0	0	0	0
Funding Sources							
Fund Balance 4000005	1,469,643	1,490,767		0	0	0	0
Other 4000370	21,124	3,000		0	0	0	0
Total Funding	1,490,767	1,493,767		0	0	0	0
Excess Appropriation/(Funding)	(1,490,767)	(993,767)		0	0	0	0
Grand Total	0	500,000		0	0	0	0

The agency is requesting to transfer this appropriation and funding to the Cabinet Level Business Area, 9910, Funds Center E53.



## **Analysis of Budget Request**

**Appropriation:** 866 - Seminar-Cash in Treasury

**Funding Sources:** NWC - Cash in Treasury

The Workers' Compensation Commission (WCC) annually hosts the Arkansas WCC Education Conference for interested companies, attorneys, and individuals. Registration and exhibit booth fees collected pay the expenses of the conference and contribute to "Kids Chance" scholarships. This scholarship program assists the children of employees who died as a result of a job-related accident or children of employees who were permanently and totally disabled in a compensable accident under the state workers' compensation laws. The scholarships allow students to continue their education at a vocational/technical school, college, or a university.

The Agency Request includes the following for both years of the biennium:

- Transfer Operating Expenses, Professional Fees, and Scholarships appropriation and funding in its entirety to the Cabinet Level Business Area, 9910, Funds Center E50.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 866 - Seminar-Cash in Treasury

**Funding Sources:** NWC - Cash in Treasury

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item		Historical Data			2021-2022		2022-2023	
		2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	Agency	Executive	Agency	Executive
Operating Expenses	5020002	50,674	85,000	85,000	0	0	0	0
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0
Professional Fees	5060010	339	15,000	15,000	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0
Scholarships	5100030	7,500	40,000	40,000	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0
<b>Total</b>		<b>58,513</b>	<b>140,000</b>	<b>140,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Sources</b>								
Fund Balance	4000005	104,005	140,126		0	0	0	0
Other	4000370	94,634	25,000		0	0	0	0
<b>Total Funding</b>		<b>198,639</b>	<b>165,126</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Excess Appropriation/(Funding)		(140,126)	(25,126)		0	0	0	0
<b>Grand Total</b>		<b>58,513</b>	<b>140,000</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The agency is requesting to transfer this appropriation and funding to the Cabinet Level Business Area, 9910, Funds Center E50.

## **Analysis of Budget Request**

**Appropriation:** 99T - Building Repair

**Funding Sources:** TJW - Workers' Compensation Trust

This appropriation is for maintenance, renovation, equipping, construction, improvement, upgrade and repair projects for the Workers' Compensation Commission. It is funded from the Workers' Compensation Fund.

The Agency Request includes the following for both years of the biennium:

- Transfer Building Repairs and Maintenance appropriation and funding in its entirety to the Cabinet Level Business Area, 9910, Funds Center E51.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 99T - Building Repair

**Funding Sources:** TJW - Workers' Compensation Trust

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2019-2020	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized	Agency	Executive	Agency	Executive
Building Repairs and Maintenance 5090005	0	150,000	150,000	0	0	0	0
Total	0	150,000	150,000	0	0	0	0
Funding Sources							
Other 4000370	0	150,000		0	0	0	0
Total Funding	0	150,000		0	0	0	0
Excess Appropriation/(Funding)	0	0		0	0	0	0
Grand Total	0	150,000		0	0	0	0

The agency is requesting to transfer this appropriation and funding to the Cabinet Level Business Area, 9910, Funds Center E51.