

Department of Labor and Licensing – Workers Compensation Commission

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
203	Refunds and Claims	13,837,152	0	21,550,000	0	21,550,000	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
356	Second Injury Claims	0	0	500,000	0	500,000	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
99T	Building Repair	0	0	150,000	0	150,000	0	0	0	0	0	0	0
Total		21,939,175	91	33,333,075	109	33,598,449	115	0	0	0	0	0	0
Funding Sources			%		%								
Fund Balance	4000005	114,025,923	86.1	110,527,501	89.2								
Trust Fund	4000050	8,788,796	6.6	6,720,000	5.4								
Other	4000370	9,651,957	7.3	7,228,000	5.8								
Shared Services Transfer	4000760	0	0.0	(561,764)	(0.5)								
Total Funds		132,466,676	100.0	123,913,737	100.0								
Excess Appropriation/(Funding)		(110,527,501)		(90,580,662)									
Grand Total		21,939,175		33,333,075									

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 tot he 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

Commitment Item	Historical Data					Agency Request and Executive Recommendation			
	2019-2020	2020-2021	2020-2021	2020-2021	Authorized	2021-2022		2022-2023	
	Actual	Budget				Agency	Executive	Agency	Executive
Refunds/Reimbursements 5110014	4,360	550,000	550,000		550,000	0	0	0	0
Claims 5110015	13,832,792	21,000,000	21,000,000		21,000,000	0	0	0	0
Total	13,837,152	21,550,000	21,550,000		21,550,000	0	0	0	0
Funding Sources									
Fund Balance 4000005	99,716,042	95,415,089							
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.

Appropriation Summary

Appropriation: E54 - DEATH/TOTAL DISABILITY-REFUNDS & CLAIMS

Funding Sources: TDP - Death & Permanent Total Disability Trust

Historical Data						Agency Request and Executive Recommendation			
Commitment Item	2019-2020	2020-2021	2020-2021	2020-2021	2021-2022		2022-2023		
	Actual	Budget	Authorized		Agency	Executive	Agency	Executive	
Refunds/Reimbursements 5110014	0	0	0		550,000	550,000	550,000	550,000	
Claims 5110015	0	0	0		21,000,000	21,000,000	21,000,000	21,000,000	
Total	0	0	0		21,550,000	21,550,000	21,550,000	21,550,000	
Funding Sources									
Fund Balance 4000005	0	0	0		80,915,089	80,915,089	65,665,089	65,665,089	
Other 4000370	0	0	0		6,300,000	6,300,000	6,300,000	6,300,000	
Total Funding	0	0	0		87,215,089	87,215,089	71,965,089	71,965,089	
Excess Appropriation/(Funding)	0	0	0		(65,665,089)	(65,665,089)	(50,415,089)	(50,415,089)	
Grand Total	0	0	0		21,550,000	21,550,000	21,550,000	21,550,000	

Agency is requesting to transfer appropriation and funding for BA 0390 in its entirety to BA 9910.

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

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

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.

Appropriation Summary

Appropriation: E48 - Administration
 Funding Sources: TJW - Workers' Compensation Trust

		Historical Data						Agency Request and Executive Recommendation			
Commitment Item		2019-2020	2020-2021	2020-2021	2020-2021	2021-2022		2022-2023			
		Actual	Budget	Authorized		Agency	Executive	Agency	Executive		
Regular Salaries	5010000	0	0	0	0	6,712,185	6,712,185	6,714,868	6,714,868		
#Positions		0	0	0	0	114	114	114	114		
Extra Help	5010001	0	0	0	0	100,000	100,000	100,000	100,000		
#Extra Help		0	0	0	0	2	2	2	2		
Personal Services Matching	5010003	0	0	0	0	2,173,493	2,173,493	2,173,525	2,173,525		
Overtime	5010006	0	0	0	0	10,000	10,000	10,000	10,000		
Operating Expenses	5020002	0	0	0	0	1,305,495	1,305,495	1,305,495	1,305,495		
Conference & Travel Expenses	5050009	0	0	0	0	20,000	20,000	20,000	20,000		
Professional Fees	5060010	0	0	0	0	241,000	241,000	241,000	241,000		
Data Processing	5090012	0	0	0	0	0	0	0	0		
Refunds/Reimbursements	5110014	0	0	0	0	500,000	500,000	500,000	500,000		
Capital Outlay	5120011	0	0	0	0	0	0	0	0		
Computer Software/Hardware	5900044	0	0	0	0	243,800	243,800	243,800	243,800		
Total		0	0	0	0	11,305,973	11,305,973	11,308,688	11,308,688		
Funding Sources											
Fund Balance	4000005	0	0	0	0	8,646,680	8,646,680	2,996,964	2,996,964		
Other	4000370	0	0	0	0	5,970,000	5,970,000	5,970,000	5,970,000		
Shared Services Transfer	4000760	0	0	0	0	(313,743)	(313,743)	(313,743)	(313,743)		
Total Funding		0	0	0	0	14,302,937	14,302,937	8,653,221	8,653,221		
Excess Appropriation/(Funding)		0	0	0	0	(2,996,964)	(2,996,964)	2,655,467	2,655,467		
Grand Total		0	0	0	0	11,305,973	11,305,973	11,308,688	11,308,688		

Agency is requesting to transfer appropriation and funding for BA 0390, with the exception of the requested Shared Services transfer, to the Cabinet Level Business Area, 9910.

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			
		2019-2020	2020-2021	2020-2021	2020-2021	2021-2022		2022-2023	
Commitment Item	Actual	Budget	Authorized	Agency	Executive	Agency	Executive	Agency	Executive
Claims	5110015	0	500,000	500,000	0	0	0	0	0
Total		0	500,000	500,000	0	0	0	0	0
Funding Sources									
Fund Balance	4000005	1,469,643	1,490,767						
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.

Appropriation Summary

Appropriation: E53 - Second Injury Claims
 Funding Sources: TSW - Second Injury Trust Fund

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	
Claims	0	0	0	500,000	500,000	500,000	500,000	500,000
Total	0	0	0	500,000	500,000	500,000	500,000	500,000
Funding Sources								
Fund Balance	0	0	0	993,767	993,767	496,767	496,767	496,767
Other	0	0	0	3,000	3,000	3,000	3,000	3,000
Total Funding	0	0	0	996,767	996,767	499,767	499,767	499,767
Excess Appropriation/(Funding)	0	0	0	(496,767)	(496,767)	233	233	233
Grand Total	0	0	0	500,000	500,000	500,000	500,000	500,000

Agency is requesting to transfer appropriation and funding for BA 0390 in its entirety to BA 9910.

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

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

Appropriation Summary

Appropriation: E50 - Seminar - Cash in Treasury

Funding Sources: NWC - Cash in Treasury

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	
Operating Expenses	0	0	0		Agency	Executive	Agency	Executive
Conference & Travel Expenses	0	0	0		85,000	85,000	85,000	85,000
Professional Fees	0	0	0		0	0	0	0
Data Processing	0	0	0		15,000	15,000	15,000	15,000
Scholarships	0	0	0		0	0	0	0
Capital Outlay	0	0	0		40,000	40,000	40,000	40,000
Total	0	0	0		0	0	0	0
	0	0	0		140,000	140,000	140,000	140,000
Funding Sources								
Fund Balance	0	0	0					
Other	0	0	0		25,126	25,126	0	0
Total Funding	0	0	0		75,000	75,000	75,000	75,000
Excess Appropriation/(Funding)	0	0	0		100,126	100,126	75,000	75,000
Grand Total	0	0	0		39,874	39,874	65,000	65,000
	0	0	0		140,000	140,000	140,000	140,000

Agency is requesting to transfer appropriation and funding for BA 0390 in its entirety to BA 9910.

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

Commitment Item	Historical Data			Agency Request and Executive Recommendation			
	2019-2020 Actual	2020-2021 Budget	2020-2021 Authorized	2021-2022 Agency	2021-2022 Executive	2022-2023 Agency	2022-2023 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					
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.

Appropriation Summary

Appropriation: E51 - Building Repair
Funding Sources: TJW - Workers' Compensation Trust

Historical Data					Agency Request and Executive Recommendation			
Commitment Item	2019-2020	2020-2021	2020-2021	2020-2021	2021-2022		2022-2023	
	Actual	Budget	Authorized		Agency	Executive	Agency	Executive
Construction	0	0	0		150,000	150,000	150,000	150,000
Total	0	0	0		150,000	150,000	150,000	150,000
Funding Sources								
Other	0	0	0		150,000	150,000	150,000	150,000
Total Funding	0	0	0		150,000	150,000	150,000	150,000
Excess Appropriation/(Funding)	0	0	0		0	0	0	0
Grand Total	0	0	0		150,000	150,000	150,000	150,000

Agency is requesting to transfer appropriation and funding for BA 0390 in its entirety to BA 9910.