

**WORKERS' COMPENSATION COMMISSION (0390)**  
**FISCAL YEAR 2015**

**I) AGENCY SUMMARY & REVENUE SOURCES**

**MISSION**

The Workers' Compensation Commission (WCC) administers and enforces the Arkansas Workers' Compensation Law to ensure that all covered employers secure insurance coverage from commercial carriers or through self-insurance programs and adjudicates all work related injury claims by employees against their employers or insurance carriers. The WCC laws are designed to protect employers, employees, and their dependents from financial burdens imposed by job-related injury and disease. In addition, the AWCC regulates workers' compensation awards to insure that benefit providers make correct and timely payments to eligible claimants.

**TOTAL BUDGET**

The total budget for the Commission is \$194,287,342 for FY2015.

**FUNDING SOURCES**

The appropriations for the WCC are funded by a 3% premium tax on workers' compensation insurance premiums (credited to 3 Trust Funds: Second Injury Trust Fund (receives 0.2% of the tax), Death and Permanent Total Disability Trust Fund (receives 1.3%), and the Workers' Compensation Fund (receives 1.5%) and Cash Funds from seminar receipts (approx. .06% of total WCC funding).

**II) SIGNIFICANT CHANGES**

**ADMINISTRATION (APPROPRIATION 355)**

This appropriation is funded by Premium Tax proceeds levied on workers' compensation insurance premiums and is used to provide operating expenses for the administrative and judicial functions of the Commission. The total appropriation is \$28,041,892 with no significant increases over FY2014.

**REFUNDS AND CLAIMS (APPROPRIATION 203)**

This appropriation is funded by Premium Tax proceeds levied on workers' compensation insurance premiums, and is used to pay required benefits that exceed established thresholds, which are \$75,000 for injuries that occurred prior to January 1, 2008 and for injuries that occurred on or after January 1, 2008 the threshold is 325 times the maximum total disability rate. The total appropriation is \$158,750,000 with no increases over FY2014.

**SECOND INJURY CLAIMS (APPROPRIATION 356)**

This appropriation is funded by Premium Tax proceeds levied on workers' compensation insurance premiums and is used to pay the claims of disabled persons injured on the job so that the employer is not held liable for greater disability or impairment than actually occurred while the employee was employed. The appropriation is \$7,250,000 with no increases over FY2014.

**SEMINAR - CASH IN TREASURY (APPROPRIATION 866)**

This appropriation is funded by registration and exhibit booth fees collected to pay the expenses of the Arkansas WCC

Education Conference and to contribute to the "Kids Chance" scholarship program. The appropriation is \$140,000 with no increases over FY2014.

**BUILDING REPAIR (APPROPRIATION 99T)**

This appropriation is funded by Premium Tax proceeds levied on workers' compensation insurance premiums and is to be used for maintenance, renovation, equipping, construction, improvement, upgrade and repair projects for the Workers' Compensation Commission Building. This appropriation is \$105,450 with no increases over FY2014.

**III) ADDITIONAL POSITIONS**

Total Positions for FY 2015:	146
Total Positions for FY 2014:	146
Increase / (Decrease):	0

**IV) SPECIAL LANGUAGE**

**INVESTMENTS:** Authorizes funds in the Death and Permanent Total Disability Trust Fund, Second Injury Trust Fund, and Workers' Compensation Trust Fund to be invested and reinvested in all such investments authorized for use by the Office of Treasurer, and provides the investments will be completed by fund transfer as directed by the Chief Executive Officer of the Workers' Compensation Commission.

September 2013