

Director: Larry J. Etchechury

JLBC Analyst: Rebecca Hecksel

	FY 2000 Actual	FY 2001 Estimate	FY 2002 Approved	FY 2003 Approved
PROGRAM BUDGET				
Dispute Adjudication	4,236,700	4,458,800	4,552,200	4,669,100
Agency Support	3,957,100	4,372,900	4,518,500	4,632,600
Workers' Compensation Claims Assurance	2,505,100	2,707,800	2,814,200	2,889,700
Labor Law Administration	494,500	538,500	564,900	581,700
OSHA Administration	2,089,000	2,155,300	2,415,800	2,488,300
Special Funds Claims Processing	697,000	717,200	745,100	766,200
TOTAL APPROPRIATIONS	13,979,400	14,950,500	15,610,700	16,027,600
OPERATING BUDGET				
Full Time Equivalent Positions	279.0	282.0	282.0	282.0
Personal Services	7,289,400	8,666,000	9,100,100	9,558,600
Employee Related Expenditures	1,577,300	1,924,100	2,137,400	2,096,200
Professional and Outside Services	1,085,100	1,237,100	1,237,100	1,237,100
Travel - In State	122,000	250,700	250,700	250,700
Travel - Out of State	11,100	32,800	32,800	32,800
Other Operating Expenditures	3,564,400	2,590,300	2,593,800	2,593,400
Equipment	330,100	249,500	258,800	258,800
TOTAL APPROPRIATIONS	13,979,400	14,950,500	15,610,700 ^{1/}	16,027,600 ^{1/}
FUND SOURCES				
Administrative Fund	13,979,400	14,950,500	15,610,700	16,027,600
Subtotal - Other Appropriated Funds	13,979,400	14,950,500	15,610,700	16,027,600
TOTAL APPROPRIATIONS	13,979,400	14,950,500	15,610,700	16,027,600

AGENCY DESCRIPTION — *The Industrial Commission regulates the workers' compensation insurance industry. The commission is also responsible for child labor issues, occupational safety and health issues, wage claim dispute resolutions, licensing of private employment agencies and providing workers' compensation coverage for claimants of uninsured and self-insured employers or insolvent carriers.*

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Estimate	Estimate
• Claims for workers' compensation processed	162,000/ 151,492	135,000/ 145,386	152,817	156,637/ 160,553
• Hearings conducted by the Administrative Law Judge Division	3,851/2,972	3,624/2,941	3,144	3,223/3,304
• Average number of days to resolve a case by the Administrative Law Judge Division	140/118	130/119	123	126/129
• Safety violations found	3,005/1,431	2,964/1,133	1,787	1,832/1,878
• Child labor law violations investigated	395/279	400/393	350	359/368
• % of agency staff turnover	NA/13.3	NA/11.1	10.0	9.0
• Administration as a % of total cost	NA	11/NA	11	10
• Customer satisfaction rating for Workers' Compensation Program (Scale 1-8)	NA	NA	NA	6.0

^{1/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

Dispute Adjudication Program — This program provides Administrative Law Judges to resolve legal disputes regarding workers' compensation, occupational health and safety, and youth employment.

Agency Support Program — This program provides general administrative support to the agency including budgeting, purchasing, personnel services, and an ombudsman's office for workers' compensation claimants. The approved amount includes an increase of \$9,300 in FY 2002 and FY 2003 above FY 2001 to allow the agency to continue to lease its desktop computers.

Workers' Compensation Claims Assurance Program — This program receives and processes claims for workers' compensation from injured workers. The program then notifies the appropriate insurance carrier/third party processing agent or self-insured employer and ensures that they process the claim in accordance with existing statutes and rules. In addition, this program serves as a file of record for all workers' compensation claims.

Labor Law Administration Program — This program enforces youth employment laws, resolves wage disputes, and regulates private employment agencies that charge fees to applicants.

OSHA Administration Program — This program ensures that employers in the State of Arizona are in compliance with the federal and state Occupational Safety and Health Administration (OSHA) standards and provides consultation and training on OSHA standards. This program also inspects and regulates elevators and boilers. The approved amount includes an increase of \$207,800 in FY 2002 and FY 2003 above FY 2001 for special recruitment rates for the Occupational Safety Consultant and Industrial Hygienist positions. These increases are in addition to the 5% statewide salary adjustments scheduled for April 1, 2002 and 2003.

Special Funds Claims Processing Program — This program provides workers' compensation benefits for claimants whose employers are uninsured or whose insurance carriers are insolvent. This program also provides vocational rehabilitation benefits for claimants with a permanent impairment.

[Click here to return to the Table of Contents](#)