

Submitter: D Torres
On Behalf Of:
Committee: Senate Committee On Labor and Business
Measure, Appointment or Topic: SB946
Chairperson, Members of the Committee,

I strongly oppose the proposal that would authorize the payment out of the Workers' Benefit Fund for the expenses incurred by the Commissioner of the Bureau of Labor and Industries (BOLI) in carrying out the commissioner's statutory duties. I respectfully ask that the Committee reconsider this decision for the following key reasons:

The Purpose of the Workers' Benefit Fund

The Workers' Benefit Fund is intended to provide critical support to injured workers, ensuring they receive the benefits they need during their recovery and to support their rehabilitation efforts. By diverting funds from this account to cover administrative costs of the Commissioner's office, we are diverting essential resources from their intended purpose — supporting workers in need. The current structure of the fund should be preserved to guarantee the most efficient and equitable distribution of benefits to those it is designed to help.

Potential for Financial Strain on the Fund

The Workers' Benefit Fund should be safeguarded to ensure it can meet its obligations, particularly in times of economic strain or when worker injuries are high. Using these funds to pay for administrative expenses would undermine the financial stability of the fund, particularly if future claims for workers' benefits rise. While the Bureau of Labor and Industries performs an important function, this does not justify the risk of eroding resources that are rightfully designated to injured workers.

Lack of Accountability and Transparency

Funding the BOLI's operational costs through the Workers' Benefit Fund could create challenges with accountability and transparency. It is critical that the public, as well as workers, have clear visibility into how their contributions are being used. The proposal lacks sufficient clarity on how funds will be allocated, which could make it harder for taxpayers and workers to see whether the money is being used for its intended purpose.

Alternative Funding Sources

The BOLI's statutory duties, while important, should not be funded from a pool that is specifically designated for worker benefits. There are alternative funding sources available for the Bureau's operational expenses, including general fund allocations or other specialized accounts designed for government agencies. We urge the

committee to explore these alternatives to ensure that the Workers' Benefit Fund is used for its primary purpose and that the BOLI's duties are funded through appropriate channels.

Impact on Worker Benefits

Any proposal that risks diminishing the available resources for worker benefits must be examined critically. As costs for healthcare, rehabilitation, and recovery rise, it becomes even more important that the Workers' Benefit Fund remain fully dedicated to helping workers in need. Diverting any portion of the fund for administrative expenses could delay or reduce the level of benefits available to workers who are injured on the job.

For these reasons, I urge the Committee to reject the proposal to use the Workers' Benefit Fund to cover the expenses of the Commissioner of the Bureau of Labor and Industries.