

State of Alaska
FY2009 Governor's Operating Budget

Department of Labor and Workforce Development
Wage and Hour Administration
Component Budget Summary

Component: Wage and Hour Administration

Contribution to Department's Mission

The Wage and Hour component contributes to the department's mission of promoting full employment by providing legal employment conditions and reduces workplace injuries, fatalities and illnesses by providing safe and legal work environments for children.

Core Services

Collect wages and other amounts for employees who have not been properly paid as required by law.

Enforce child labor laws by approving work permits and inspecting work sites.

Enforce employment preference and prevailing wage laws on public construction projects by auditing certified payrolls, providing employer briefings and inspecting work sites.

Promote voluntary compliance with laws covering employee wages and conditions of employment, prevailing wages, child labor and Alaska resident hire requirements by educating employers and employees about legal obligations.

Enforce Alaska vehicle registration requirements under AS 28.10.121 on public construction projects as a method to focus attention on and improve Alaska resident hire. Investigators with special commissions from the Alaska State Troopers may issue citations for vehicles with unlawful out-of-state license plates.

Major Activities to Advance Strategies

- Conduct on-site inspections at public construction projects to enforce resident hire and prevailing wage requirements.
- Review wage claim caseloads and redistribute cases to promote claim-handling efficiency.
- Audit certified payrolls to ensure compliance with Alaska's resident hire law.
- Conduct on-site inspections and briefings to achieve child labor law compliance.

FY2009 Resources Allocated to Achieve Results

FY2009 Component Budget: \$2,056,900	Personnel:	
	Full time	23
	Part time	0
	Total	23

Key Component Challenges

Wage and Hour Administration requests \$50.0 of General Funds for the maintenance of the online Certified Payroll system. This system is currently under development with capital budget funds from FY07. This proposal will help ensure that the system is maintained to accurately check 100% of certified payrolls for resident hire and apprentice utilization performance.

Significant Changes in Results to be Delivered in FY2009

Contractors working on public construction projects in Alaska are required to file biweekly payroll reports with the Wage

and Hour program. The primary purpose of this filing requirement is to ensure compliance with Alaska's resident hire and prevailing wage laws. A request for \$160.7 General Funds in the capital budget will enhance the Certified Payroll system to enable contractors to file Notices of Work and Completions and pay fees on-line via a secure connection which will increase efficiency and reduce costs for contractors working on public construction projects. These improvements will save the department time as well.

Major Component Accomplishments in 2007

Wage and Hour staff collected over \$890,700 in wages, penalties and interest owed to Alaskan workers. 63% of certified payrolls received were checked for compliance with Alaska resident hire requirements.

Wage and Hour staff monitored over 4,475 public construction projects for prevailing wage enforcement and over 4,609 projects for employment preference compliance.

Wage and Hour ensured that youth workers were employed in safe working conditions by certifying work permits for more than 13,600 workers under the age of 17 and provided briefings and other information on child labor, prevailing wage, and wage claim programs to over 36,900 businesses and individuals.

Statutory and Regulatory Authority

Statutory Authority:

AS 04.16.049	Access of persons under 21 to licensed premises
AS 08.18.010 - .171	Construction Contractors
AS 11.66.300	Minor presence prohibited at Adult Entertainment Business
AS 22.15.040	Small Claims Court Cases
AS 22.15.120	Magistrate Authority
AS 23.05.010 - .340	Administration and Wage Claims
AS 23.10.015 - .045	Wage Payment
AS 23.10.050 - .150	Alaska Wage and Hour Act
AS 23.10.325 - .370	Employment of Children
AS 23.10.375 - .400	Return Transportation
AS 23.10.430	Access to Personnel Files
AS 23.10.500 - .550	Alaska Family Medical Leave Act
AS 23.15.330 - .520	Employment Agencies
AS 28.10.121, .171, .451, and .461	Vehicle Registration
AS 36.05.010 - .110	Public Contracts
AS 36.10.005 - .990	Employment Preference
AS 36.95.010	Public Contracts/Definitions
AS 44.25.040	Security for wage and payment for raw fish

Administrative Regulations:

8 AAC 05.010 - .900	Child Labor
8 AAC 10.010 - .915	Private Employment Agencies
8 AAC 15.010 - .910	Wages and Hours
8 AAC 20.010 - .030	Transportation of Employees
8 AAC 25.010 - .030	Payment of Wages
8 AAC 27.010 - .900	Fish Processors & Buyers
8 AAC 30.010 - .920	Public Contracts
12 AAC 21.010 - .300	Construction Contractors

Federal Regulations:

(Federal Regulations are adopted by reference under AS 23.10.095)

29 CFR 516.2 – 516.6	Overtime Pay
29 CFR 531.3 – 531.5 & 531.29 – 531.35	Board and Lodging
29 CFR 541.118 & .313	Salary Basis and Fee Basis
29 CFR 541.303	Computer Related Occupations

29 CFR 541.314	Exception for physicians, lawyers, and teachers
29 CFR 778.111	Pieceworker
29 CFR 778.115 - .122	Computation of Overtime
29 CFR 778.208 - .215	Bonuses
29 CFR 778.301 - .302	Workweek
29 CFR 785.11 - .48	Hours Worked

Contact Information

Contact: Grey Mitchell, Director
Phone: (907) 465-4855
Fax: (907) 465-6012
E-mail: grey.mitchell@alaska.gov

**Wage and Hour Administration
Component Financial Summary**

All dollars shown in thousands

	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,386.8	1,569.5	1,651.7
72000 Travel	48.2	46.4	46.4
73000 Services	296.1	284.3	334.3
74000 Commodities	54.2	24.5	24.5
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,785.3	1,924.7	2,056.9
Funding Sources:			
1004 General Fund Receipts	1,367.9	1,458.5	1,568.0
1007 Inter-Agency Receipts	417.4	466.2	488.9
Funding Totals	1,785.3	1,924.7	2,056.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	417.4	466.2	488.9
Restricted Total		417.4	466.2	488.9
Total Estimated Revenues		417.4	466.2	488.9

**Summary of Component Budget Changes
From FY2008 Management Plan to FY2009 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2008 Management Plan	1,458.5	0.0	466.2	1,924.7
Adjustments which will continue current level of service:				
-FY 09 Bargaining Unit Contract Terms: General Government Unit	59.5	0.0	22.7	82.2
Proposed budget increases:				
-Add General Funds for Certified Payroll System Maintenance	50.0	0.0	0.0	50.0
FY2009 Governor	1,568.0	0.0	488.9	2,056.9

**Wage and Hour Administration
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2008</u>	<u>FY2009</u>		
	<u>Management</u>	<u>Governor</u>		
	<u>Plan</u>			
Full-time	23	23	Annual Salaries	1,018,541
Part-time	0	0	COLA	74,835
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	602,499
			<i>Less 2.60% Vacancy Factor</i>	<i>(44,175)</i>
			Lump Sum Premium Pay	0
Totals	23	23	Total Personal Services	1,651,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	1	0	0	0	1
Administrative Clerk III	2	1	1	0	4
Administrative Supervisor	1	0	0	0	1
Wage Hour Invest I	7	2	2	0	11
Wage Hour Invest II	0	1	1	0	2
Wage Hour Invest III	1	0	0	0	1
Wage-Hour Technician	1	1	1	0	3
Totals	13	5	5	0	23