

State of Alaska FY2009 Governor's Operating Budget

Department of Labor and Workforce Development Labor Standards and Safety Results Delivery Unit Budget Summary

Labor Standards and Safety Results Delivery Unit

Contribution to Department's Mission

Labor Standards and Safety contributes to the Department's mission by providing safe and legal working conditions.

Core Services

Occupational safety and health law enforcement, training and consultation.

Wage law enforcement and training.

Prevailing wage and Alaska resident hire law enforcement and training.

Electrical and mechanical code compliance inspections and training.

Certification of electricians, power linemen, plumbers, blasters, painters and asbestos workers.

End Result	Strategies to Achieve End Result
<p>A: Eliminate workplace fatalities caused by circumstances that are under Alaska Occupational Safety and Health (AKOSH) jurisdiction.</p> <p><u>Target #1:</u> Zero accidental workplace fatalities. <u>Measure #1:</u> The number of accidental workplace fatalities compared to the previous year.</p>	<p>A1: Reduce the number of worker fatalities under AKOSH jurisdiction by focusing compliance, consultation and outreach efforts on the causes of fatalities.</p> <p><u>Target #1:</u> 3% reduction in the number of workplace fatalities per 100,000 employees compared to the previous 5 year average. <u>Measure #1:</u> The change in the rate of workplace fatalities per 100,000 employees compared to the average for the previous 5 years.</p>
End Result	Strategies to Achieve End Result
<p>B: Reduce the number of worker lost time injuries and illnesses in the workplace that are within AKOSH jurisdiction.</p> <p><u>Target #1:</u> 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees. <u>Measure #1:</u> The rate of workplace lost time injuries and illnesses per 100 employees compared to the previous year.</p>	<p>B1: Reduce the number of lost time worker injuries/ illnesses in the construction and transportation industries by focusing on causes.</p> <p><u>Target #1:</u> 3% reduction per year in lost time injuries and illnesses per 100 employees in the construction and transportation industries. <u>Measure #1:</u> The change in the rate of lost time injuries and illnesses per 100 employees in the construction and transportation industries compared to the previous year.</p> <p>B2: Improve voluntary compliance with Occupational Safety and Health requirements.</p> <p><u>Target #1:</u> Increase the number of Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) sites in Alaska by 10% per year. <u>Measure #1:</u> The percentage change in the number of VPP and SHARP sites in comparison to the previous year.</p>

End Result	Strategies to Achieve End Result
<p>C: Reduce hazards to life and property posed by unsafe boilers/pressure vessels, plumbing and electrical work and elevators within Mechanical Inspection's jurisdiction.</p> <p><u>Target #1:</u> Zero loss of life or property caused by unsafe boilers/pressure vessels, plumbing and electrical work and elevators.</p> <p><u>Measure #1:</u> Total number of boiler/pressure vessel, plumbing, electrical or elevator incidents resulting in loss of life or property.</p>	<p>C1: Ensure boilers and pressure vessels are maintained and operating to code through timely inspections.</p> <p><u>Target #1:</u> Reduce boiler inspection backlog by 33% per year.</p> <p><u>Measure #1:</u> Annual percentage change in the number of overdue inspections in comparison to the previous year.</p> <p><u>Target #2:</u> 80% of boiler and pressure vessel code violations corrected upon inspection.</p> <p><u>Measure #2:</u> Percentage of boiler and pressure vessel violations corrected compared to the total number detected.</p> <p>C2: Eliminate electrical and plumbing code violations.</p> <p><u>Target #1:</u> 80% correction of electrical code violations identified through inspection.</p> <p><u>Measure #1:</u> Percentage of electrical code violations corrected compared to the total number detected.</p> <p><u>Target #2:</u> 80% correction of plumbing code violations identified upon inspection.</p> <p><u>Measure #2:</u> Percentage of plumbing code violations corrected compared to the total number detected.</p> <p>C3: Eliminate elevator code violations.</p> <p><u>Target #1:</u> 80% correction of code violations identified through inspection.</p> <p><u>Measure #1:</u> Percentage of code violations corrected compared to the total number detected.</p>
End Result	Strategies to Achieve End Result
<p>D: Full compliance with Alaska's Employment Preference Act (AS 36.10).</p> <p><u>Target #1:</u> 20% reduction in ratio of Alaska Employment Preference Act violations to on-site inspections compared to the previous year.</p> <p><u>Measure #1:</u> Percentage change in the ratio of violations to on-site inspections compared to the previous year.</p>	<p>D1: Reduce the number of Alaska resident hire violations.</p> <p><u>Target #1:</u> Check 60% of certified payrolls for compliance with Alaska resident hire requirements.</p> <p><u>Measure #1:</u> Percentage of certified payrolls checked for compliance.</p>
End Result	Strategies to Achieve End Result
<p>E: Provide legal employment conditions within the Wage and Hour Administration's jurisdiction.</p> <p><u>Target #1:</u> Maintain average wage claim resolution time to 6 months or less.</p> <p><u>Measure #1:</u> Average claim resolution time.</p>	<p>E1: Reduce wage claims by improving employer education efforts.</p> <p><u>Target #1:</u> Increase the number of employer briefings by 5% from the previous year.</p> <p><u>Measure #1:</u> The percentage change in the total number of employer briefings in comparison to the previous year.</p>

Major Activities to Advance Strategies

- Mechanical Inspection and Wage and Hour enforce contractor licensing and electrical and mechanical administrator licensing requirements.
- Mechanical Inspection enforces certification requirements for plumbers, electricians, explosives handlers, hazardous painters and asbestos workers.
- Mechanical Inspection inspects mechanical and electrical systems, boilers and elevators to enforce code compliance.
- Wage and Hour investigates wage claims and prevailing wage complaints and pursues collection of unpaid wages, benefits, penalties and interest.
- Wage and Hour conducts on-site inspections and briefings to achieve child labor law compliance.
- Wage and Hour audits certified payrolls to check compliance with Alaska Resident Hire laws.
- Occupational Safety and Health provides recognition awards for exemplary workplace safety and health programs.
- Occupational Safety and Health Consultation performs on-site reviews and improvements of employer safety and health programs.
- Occupational Safety and Health Enforcement conducts inspections, provides abatement assistance and assesses penalties when required.

FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$9,944,800

Personnel:

Full time	88
Part time	0
Total	88

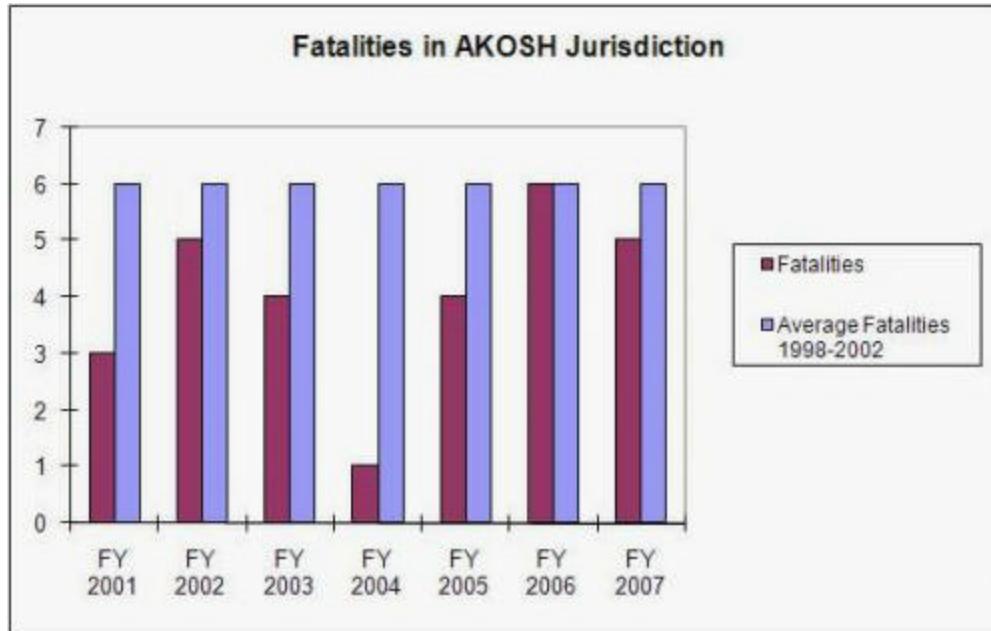
Performance Measure Detail

A: Result - Eliminate workplace fatalities caused by circumstances that are under Alaska Occupational Safety and Health (AKOSH) jurisdiction.

Target #1: Zero accidental workplace fatalities.

Measure #1: The number of accidental workplace fatalities compared to the previous year.

Workplace Fatalities



Analysis of results and challenges: The number of workplace fatalities will be calculated using fatality reports submitted to the Alaska Occupational Safety and Health Administration (AKOSH). AKOSH will reduce workplace fatalities through consultation and enforcement inspections by targeting industries with high fatality rates and eliminating the most prevalent causes of fatalities.

Due to the relatively small number of workplace fatalities and the annual fluctuations, it is useful to compare the current number of fatalities to the average number of fatalities over a 5 year period. The benchmark is from 1998-2002 when there was an average of six fatalities per year. The number of fatalities in 2007 decreased from six to five and the rolling five year average from 2003 through 2007 is 4 per year, for a 20% reduction from the benchmark period. Of note, through targeted inspections and consultations in the construction industry the number of fatalities was reduced from three in FY 2006 to one in FY 2007.

A1: Strategy - Reduce the number of worker fatalities under AKOSH jurisdiction by focusing compliance, consultation and outreach efforts on the causes of fatalities.

Target #1: 3% reduction in the number of workplace fatalities per 100,000 employees compared to the previous 5 year average.

Measure #1: The change in the rate of workplace fatalities per 100,000 employees compared to the average for the previous 5 years.

Workplace Fatalities

Fiscal Year	Yearly Rate	Previous 5-year Average	% Change
FY 2004	0	2.33	0
FY 2005	1.32	1.87	-42%
FY 2006	1.94	1.43	35%
FY 2007	1.58	1.27	-19%

Analysis of results and challenges: This statistic will be calculated using workplace fatality reports submitted to the Alaska Occupational Safety and Health (AKOSH) section and employment statistics maintained by Research and Analysis. AKOSH will reduce workplace fatalities through a combination of consultation and enforcement activities targeted on eliminating the most prevalent causes of fatalities in industries with high fatality rates. Of note, through targeted inspections and consultations in the construction industry the number of fatalities was reduced from three in FY 2006 to one in FY 2007.

B: Result - Reduce the number of worker lost time injuries and illnesses in the workplace that are within AKOSH jurisdiction.

Target #1: 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees.

Measure #1: The rate of workplace lost time injuries and illnesses per 100 employees compared to the previous year.

Worker Lost Time Injuries and Illnesses

Fiscal Year	Rate	% Change
FY 2001	3.59	
FY 2002	3.24	-10%
FY 2003	2.73	-16%
FY 2004	1.94	-29%
FY 2005	2.29	18%
FY 2006	2.24	-2%
FY 2007	2.02	-10%

Analysis of results and challenges: Since FY01, the AKOSH program has reduced the lost workday illness and injury rate by 48% by targeting consultation and enforcement efforts on the causes of illnesses and injuries in industries with high incident rates. In FY03, the program initiated a five year strategic plan, which focused inspection, training and consultation efforts on high growth, high hazard industries (construction and transportation/warehousing) as evidenced by Worker's Compensation Insurance claim data.

To help put the rate into perspective, there were 6,941 recorded injuries with 309,382 employees in FY06 and 6,390 recorded injuries with 317,092 employees in FY07. Even though over 7,700 employees have been added to the Alaska economy over the last year, there were 551 fewer recorded injuries in FY07.

B1: Strategy - Reduce the number of lost time worker injuries/ illnesses in the construction and transportation industries by focusing on causes.

Target #1: 3% reduction per year in lost time injuries and illnesses per 100 employees in the construction and transportation industries.

Measure #1: The change in the rate of lost time injuries and illnesses per 100 employees in the construction and transportation industries compared to the previous year.

Lost Workday Illness/Injury Rates for Transportation and Construction

Fiscal Year	Trans. Rate	% Change	Const. Rate	% Change
FY 2001	3.53		7.59	0
FY 2002	3.50	-.9%	7.39	-3%
FY 2003	3.10	-11%	6.16	-17%
FY 2004	2.84	-8%	4.21	-32%
FY 2005	3.33	+17%	4.38	+4%
FY 2006	4.22	+27%	3.34	-24%
FY 2007	3.42	-19%	3.75	+12%

Analysis of results and challenges: Alaska Occupational Safety and Health (AKOSH) will reduce illnesses and injuries by targeting consultation and enforcement efforts on the causes of lost work day illnesses and injuries in construction and transportation. AKOSH obtains illness and injury data from Workers' Compensation insurance claim data and employment statistics maintained by Research and Analysis. Due to increased resource development projects, the construction, transportation and warehousing industries have increased significantly over the past three years. The increased activity creates a challenge for the AKOSH staff to keep up with the number of inspections required to impact the industry accident rate, which may result in inconsistent results in the near term. We expect that long term trends will reflect reduced illness and injury rates in these industries.

B2: Strategy - Improve voluntary compliance with Occupational Safety and Health requirements.

Target #1: Increase the number of Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) sites in Alaska by 10% per year.

Measure #1: The percentage change in the number of VPP and SHARP sites in comparison to the previous year.

VPP and SHARP Sites

Fiscal Year	VPP Sites	SHARP Sites	Total Sites	%Change
FY 2001	3	0	3	
FY 2002	3	6	9	200%
FY 2003	4	9	13	44%
FY 2004	6	11	17	31%
FY 2005	6	11	17	0
FY 2006	11	12	23	35%
FY 2007	12	14	26	13%

Analysis of results and challenges: The federal SHARP Program targets smaller employers with less than 250 employees at a site and less than 500 employees total. These smaller employers have a difficult time making the commitment necessary to participate in SHARP. In addition, one benefit of participation, deferred enforcement inspections for 18 months as set in federal regulations, is not significant when Alaska statutes provide a 12 month deferral for any company that receives a comprehensive consultation visit and corrects all hazards. The federal VPP Program is designed for larger employers with 500+ employees. Qualification for VPP is time consuming and Alaska has relatively few employers large enough to qualify.

SHARP and VPP participation will be improved by promoting the benefits of the program to businesses. Consultants will work in partnership with businesses to assist with the development, implementation and maintenance of occupational safety and health programs and performance necessary to meet VPP and SHARP participation standards. The benefits to employers to participate in these programs are reductions in injuries and illnesses, a reduction in operational costs and an increase in productivity.

C: Result - Reduce hazards to life and property posed by unsafe boilers/pressure vessels, plumbing and electrical work and elevators within Mechanical Inspection's jurisdiction.

Target #1: Zero loss of life or property caused by unsafe boilers/pressure vessels, plumbing and electrical work and elevators.

Measure #1: Total number of boiler/pressure vessel, plumbing, electrical or elevator incidents resulting in loss of life or property.

Incidents of Loss of Life or Property

Fiscal Year	Boiler/Pressure Vessel	Plumbing	Electrical	Elevators
FY 2004	0	0	0	0
FY 2005	0	0	0	0
FY 2006	0	0	0	0
FY 2007	0	0	0	0

Analysis of results and challenges: On 1/1/04 Mechanical Inspection began tracking the specific number of incidents causing loss of life or property as a result of unsafe boilers or pressure vessels, plumbing and electrical work and elevators. Mechanical Inspection will strive to inspect boilers, pressure vessels and elevators by the inspection due date and eliminate code violations. Mechanical Inspection will eliminate hazards to life and property by inspecting electrical and plumbing work and pursue correction of any code or licensing violations identified. It is extremely important to maintain a zero incident rate as a single incident could be catastrophic.

C1: Strategy - Ensure boilers and pressure vessels are maintained and operating to code through timely inspections.

Target #1: Reduce boiler inspection backlog by 33% per year.

Measure #1: Annual percentage change in the number of overdue inspections in comparison to the previous year.

of Overdue Boiler Inspections and Percentage Change

Fiscal Year	# of Boilers	% Change
FY 2001	6,200	
FY 2002	7,200	+16%
FY 2003	5,268	-27%
FY 2004	2,996	-43%
FY 2005	2,737	-9%
FY 2006	3,033	+11%
FY 2007	4139	+36%

Analysis of results and challenges: Mechanical Inspection tracks boiler/pressure vessel inspection due dates and inspection certifications. Boiler Inspectors work to complete inspections for all boilers/pressure vessels due for inspection, while eliminating overdue boilers/pressure vessels from the backlog. In FY 2007, inspector position vacancies have caused the rate of reduction to decline. Furthermore, a significant number of new units were installed in FY07, which has further stressed inspection resources. In FY 2007, the program began the process to establish an Assistant Boiler Inspector to provide an entry level training position to improve the ability to fill position vacancies.

Target #2: 80% of boiler and pressure vessel code violations corrected upon inspection.

Measure #2: Percentage of boiler and pressure vessel violations corrected compared to the total number detected.

Boiler Violations

Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	1,434	1,152	80%
FY 2002	905	636	70%
FY 2003	1,242	809	65%
FY 2004	1,189	789	66%
FY 2005	763	573	75%
FY 2006	739	618	84%
FY 2007	847	400	47%

Analysis of results and challenges: Mechanical Inspection currently tracks the number of code violations identified during inspections and verifies corrections. Inspectors will inspect boilers and pressure vessels for code compliance and focus on pursuing enforcement actions to obtain verifications that code violations have been corrected. The number of code violations corrected is affected by the timing of the correction. Corrections may not be realized until the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase this percentage.

C2: Strategy - Eliminate electrical and plumbing code violations.

Target #1: 80% correction of electrical code violations identified through inspection.

Measure #1: Percentage of electrical code violations corrected compared to the total number detected.

Electrical Violations

Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	768	534	69%
FY 2002	287	221	77%
FY 2003	666	259	39%
FY 2004	188	232	123%
FY 2005	775	636	82%
FY 2006	793	644	81%
FY 2007	526	607	115%

Analysis of results and challenges: Mechanical Inspection tracks code violations identified and the number of verified code corrections. Inspectors physically review electrical work during random on-site inspections to verify that code requirements are met. The percentage change in code violations corrected is affected by the number of violations that are corrected in the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase this percentage.

Target #2: 80% correction of plumbing code violations identified upon inspection.

Measure #2: Percentage of plumbing code violations corrected compared to the total number detected.

Plumbing Violations

Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	243	136	56%
FY 2002	176	70	40%
FY 2003	565	262	46%
FY 2004	679	442	65%
FY 2005	856	675	79%
FY 2006	819	676	83%
FY 2007	513	689	134%

Analysis of results and challenges: Mechanical Inspection tracks code violations identified and the number of verified code corrections. Inspectors physically review plumbing work during random on-site inspections to verify that code requirements are met. The percentage change in code violations corrected is affected by the number of violations that are corrected in the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase the percentage.

C3: Strategy - Eliminate elevator code violations.

Target #1: 80% correction of code violations identified through inspection.

Measure #1: Percentage of code violations corrected compared to the total number detected.

Elevator Violations

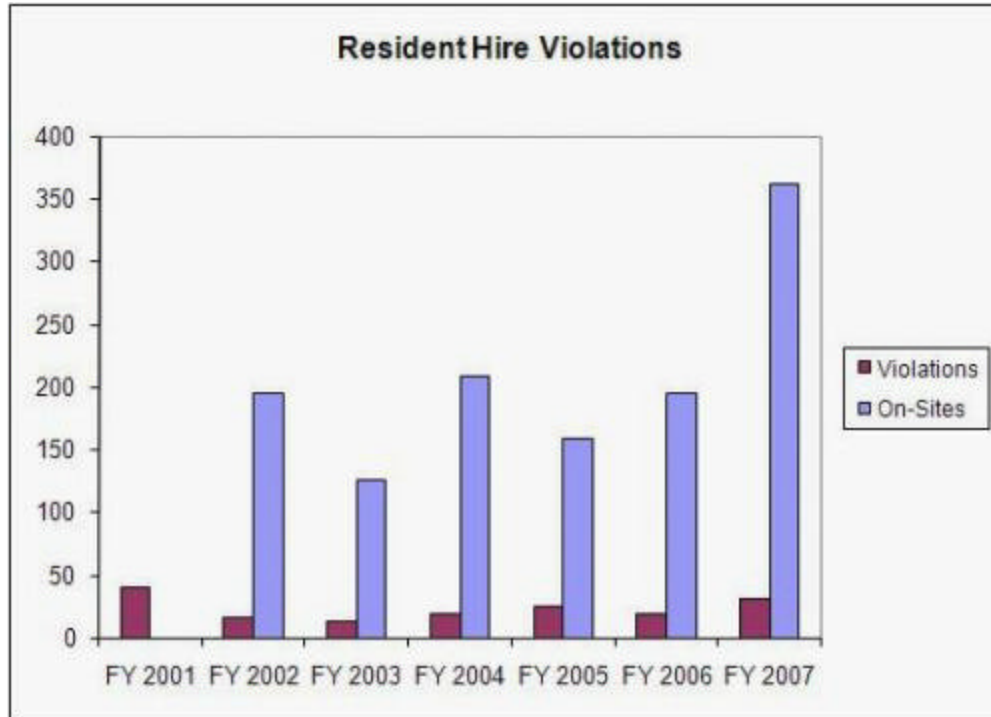
Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	708	377	53%
FY 2002	819	315	38%
FY 2003	1,128	589	52%
FY 2004	820	601	73%
FY 2005	1,131	651	58%
FY 2006	1,444	801	56%
FY 2007	778	572	74%

Analysis of results and challenges: Mechanical Inspection maintains data on elevator inspections, code violations and abatements. Elevator Inspectors strive to perform timely inspections of elevators, escalators, wheelchair lifts and other lifting devices for code compliance. The number of code violations corrected is affected by the number of violations that are corrected in the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase this percentage.

D: Result - Full compliance with Alaska's Employment Preference Act (AS 36.10).

Target #1: 20% reduction in ratio of Alaska Employment Preference Act violations to on-site inspections compared to the previous year.

Measure #1: Percentage change in the ratio of violations to on-site inspections compared to the previous year.

Resident Hire Violations

Fiscal Year	# Violations	# On-Sites	Violations/On-Site Ratio	% Change
FY 2001	40			
FY 2002	16	196	8%	
FY 2003	13	126	10%	+26%
FY 2004	19	209	9%	-12%
FY 2005	26	160	16%	+79%
FY 2006	19	196	10%	-40%
FY 2007	31	363	9%	-12%

Analysis of results and challenges: The number of on-site inspections and number of violations identified are tracked each year. In FY05, two Wage and Hour Technicians were added back into the budget to review certified payrolls and this allowed existing investigative staff to increase the number of on-site inspections. In FY06 another Wage and Hour Technician was added to assist with statewide resident hire enforcement through certified payroll reviews.

The ratio of violations to on-sites continues to decline as a result of certified payroll reviews and educational campaigns to promote the benefits of Alaska hire. However, while in FY07 there was an 85% increase in the number of on-site inspections, only 11% of the projects subject to Alaska Resident Hire were inspected at least once. In FY08, an investigator position was added to increase the number of on-site inspections to identify Alaska hire violations and verify accurate reporting.

The number of on-site inspections increased significantly in FY 2007 and nearly 9 percent of those inspections identified violations. Given this high violation rate coupled with existing on-site inspection capabilities and increased public construction projects on the horizon, additional investigative staff is necessary to adequately

ensure Alaska hire compliance through on-site inspections.

D1: Strategy - Reduce the number of Alaska resident hire violations.

Target #1: Check 60% of certified payrolls for compliance with Alaska resident hire requirements.

Measure #1: Percentage of certified payrolls checked for compliance.

Certified Payrolls

Fiscal Year	# Received	# Audited	% Checked
FY 2004	16,770	762	5%
FY 2005	43,942	9,215	21%
FY 2006	42,027	20,929	50%
FY 2007	41,266	26,123	63%

Analysis of results and challenges: Wage and Hour had not monitored the number of certified payrolls collected until 1/1/04. With additional Wage & Hour Technicians the percentage of certified payrolls checked has increased. The department's FY07 proposal for an on-line certified payroll system was approved and the number of certified payrolls checked should increase to 100% when this system goes on-line in FY08. This program will allow improved tracking of resident hire and apprentice utilization performance.

E: Result - Provide legal employment conditions within the Wage and Hour Administration's jurisdiction.

Target #1: Maintain average wage claim resolution time to 6 months or less.

Measure #1: Average claim resolution time.

Wage Claim Resolution Time

Fiscal Year	# Months	% Change	# of Valid Claims
FY 2001	8.9		555
FY 2002	6.0	-33%	417
FY 2003	8.1	+35%	375
FY 2004	7.9	-2%	397
FY 2005	5.3	-33%	466
FY 2006	5.5	+5%	419
FY 2007	5.0	-9%	399

Analysis of results and challenges: The Wage and Hour Administration tracks the average length of time required to resolve wage claims and strives to thoroughly investigate and resolve claims as quickly as possible. Although there are numerous employment conditions enforced by Wage and Hour (return transportation, child labor, record keeping, minimum wage, overtime, etc.), the length of time necessary to resolve wage claims is a representative measure of the agency's ability to ensure legal employment conditions.

To ensure that wage claims are justly resolved, investigators are tasked to collect facts from the claimant and the employer to determine the validity of the claim and the strength of the evidence supporting the claim. By reviewing wage claims more frequently, creating standards for claim resolution times, and streamlining approval for court action and disposition procedures, the section will maintain claims handling efficiency at less than 6 months. This replaces the 7 month goal from FY06.

The section investigated 514 new claims in FY07 and determined 115 to be invalid, for a total of 399 valid claims filed in the year. Of the 548 claims closed in FY07 (some of which were filed in previous fiscal years), 42% resulted in a collection for the employee. The section collected \$605,068.60 for an average of \$2,608.05 per claim. In some cases, collection is not possible due to bankruptcy or other collection difficulties.

E1: Strategy - Reduce wage claims by improving employer education efforts.

Target #1: Increase the number of employer briefings by 5% from the previous year.

Measure #1: The percentage change in the total number of employer briefings in comparison to the previous year.

Employer Educational Briefings

Fiscal Year	# Briefings	% Change
FY 2001	6,748	0
FY 2002	6,161	-9%
FY 2003	9,046	+47%
FY 2004	9,282	+3%
FY 2005	10,166	+10%
FY 2006	11,351	+12%
FY 2007	14,997	+32%

Analysis of results and challenges: The Wage and Hour Administration currently tracks the number of employer briefings. This strategy will be achieved through continued efforts to provide seminars, on-site visits, and quick and accurate responses to employer inquiries. The improvement in this area is expected to level out in FY08 and FY09; we expect to adjust the goal to maintain the level of briefings once that happens. In the event that the demand for briefings continues to increase, existing resources will not be sufficient to adequately provide these services.

Key RDU Challenges

Occupational Safety and Health requests \$46.5 of Worker's Safety Account Funds to reclassify an Administrative Manager I to a Safety and Compliance Officer. Continued increases in economic development across Alaska require additional inspections to ensure workplace safety.

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.

Mechanical Inspection's backlog of boiler/pressure vessel inspections has increased 36% due to increased numbers of new boilers. The number of boilers that are overdue for inspection increased from 3,033 in FY06 to 4,139 in FY07. We request \$41.5 in Building Safety Funds to reclassify an existing Administrative Supervisor position to a Boiler Inspector position.

Significant Changes in Results to be Delivered in FY2009

In Occupational Safety and Health two new positions were added in FY08 and will be in place and providing services to the seafood industry and educating Alaska's youth about workplace safety and health. In addition, an administrative position will be reclassified to an Enforcement Inspector. These positions will improve performance toward reducing occupational injuries and fatalities in Alaska.

With a Mechanical Inspection position reclassified from administration to a Boiler Inspector we will decrease the boiler inspection backlog and increase the percentage of boiler and pressure vessel violations corrected.

In addition to the annual Governor's Safety and Health Conference held by the Alaska Safety Advisory Council in Anchorage two additional conferences will be held, one each in Fairbanks and Juneau. The new conferences will provide more opportunities to Alaskans for professional development in occupational safety and health issues.

Contractors working on public construction projects in Alaska are required to file biweekly payroll reports with the department's 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 and the department.

Major RDU 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.

Even with the unprecedented growth in the number of new elevator installations and a newly hired Elevator Inspector with training needs, the percentage of corrected code violations has increased from 56% to 74%.

The Alaska Occupational Safety and Health (AKOSH) Consultation program provided 124 training seminars to 3,393 individuals and identified and eliminated 2,669 workplace hazards during 346 on-site visits, while AKOSH Enforcement conducted 350 compliance inspections in FY07.

Contact Information
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**Labor Standards and Safety
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2007 Actuals				FY2008 Management Plan				FY2009 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
Wage and Hour Administration	1,367.9	0.0	417.4	1,785.3	1,458.5	0.0	466.2	1,924.7	1,568.0	0.0	488.9	2,056.9
Mechanical Inspection	69.3	0.0	1,971.2	2,040.5	69.1	0.0	2,418.5	2,487.6	73.3	0.0	2,518.9	2,592.2
Occupational Safety and Health	22.3	1,975.9	2,001.8	4,000.0	22.8	2,403.5	2,551.3	4,977.6	22.8	2,403.5	2,743.6	5,169.9
Alaska Safety Advisory Council	0.0	0.0	74.5	74.5	0.0	0.0	123.1	123.1	0.0	0.0	125.8	125.8
Totals	1,459.5	1,975.9	4,464.9	7,900.3	1,550.4	2,403.5	5,559.1	9,513.0	1,664.1	2,403.5	5,877.2	9,944.8

Labor Standards and Safety
Summary of RDU Budget Changes by Component
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	1,550.4	2,403.5	5,559.1	9,513.0
Adjustments which will continue current level of service:				
-Wage and Hour Administration	59.5	0.0	22.7	82.2
-Mechanical Inspection	4.2	0.0	58.9	63.1
-Occupational Safety and Health	0.0	0.0	145.8	145.8
-Alaska Safety Advisory Council	0.0	0.0	2.7	2.7
Proposed budget increases:				
-Wage and Hour Administration	50.0	0.0	0.0	50.0
-Mechanical Inspection	0.0	0.0	41.5	41.5
-Occupational Safety and Health	0.0	0.0	46.5	46.5
FY2009 Governor	1,664.1	2,403.5	5,877.2	9,944.8