

# **State of Alaska FY2010 Governor's Operating Budget**

## **Department of Labor and Workforce Development Mechanical Inspection Component Budget Summary**

## Component: Mechanical Inspection

### Contribution to Department's Mission

The Mechanical Inspection component contributes to the department's mission by reducing hazards to life and property posed by unsafe boilers, pressure vessels, elevators, escalators, trams, lifts, and electrical and plumbing work.

### Core Services

- Ensure boilers, pressure vessels, elevators, escalators, lifts, and electrical and plumbing work complies with the code.
- Ensure individuals engaged in electrical, plumbing, power line, boiler, asbestos, hazardous paint and explosive work have an appropriate certificate of fitness.
- Provide assistance to the Department of Revenue, Child Support Enforcement Division, by identifying certificate of fitness applicants who are in arrears on child support payments.
- Provide enforcement assistance to the Department of Community and Economic Development to ensure that electricians, plumbers, construction contractors and electrical/mechanical administrators have proper certificates and licenses.
- Enforce Alaska vehicle registration requirements under AS 28.10.121 on construction projects to focus attention on and improve Alaska resident hire.

### Major Activities to Advance Strategies

- Test applicants and issue certificates to qualified plumbers, electricians, power line workers and boiler operators.
- Perform on-site inspections of boilers, pressure vessels, elevators, and electrical and plumbing work for code compliance.
- Issue certificates of fitness for asbestos workers, hazardous painters and explosives handlers.

### FY2010 Resources Allocated to Achieve Results

<b>FY2010 Component Budget: \$2,669,600</b>	<b>Personnel:</b>	
	Full time	22
	Part time	2
	<b>Total</b>	<b>24</b>

### Key Component Challenges

Mechanical Inspection's funding for elevator, boiler/pressure vessel, electrical and plumbing inspections are currently 100 percent fee supported. Current fees are not sufficient to cover program costs, but fee increases may not be appropriate from an equity perspective given associated workplace safety benefits produced by inspections. It is estimated that 20 percent of an inspection is associated with worker safety with the remainder split between public safety and building integrity. Consequently, we request the funding source for the inspections be split with Worker Safety Account revenue providing 20 percent (\$294.5) of the funding. The increase would be offset by a matching reduction to Building Safety Account funding.

Mechanical Inspection requests \$15.0 in Interagency Receipt Authorization to align with receipts from the Department of Commerce for License Enforcement and from the Department of Revenue for Child Support Enforcement.

## Significant Changes in Results to be Delivered in FY2010

Mechanical Inspection reclassified an administrative position to a Boiler Inspector at the end of FY08. This position has been filled, however this has created a vacancy in the Northern Region. Our efforts to fill all Boiler Inspector positions will continue in FY10 with an aim to decrease the boiler inspection backlog and increase the percentage of boiler and pressure vessel violations corrected.

## Major Component Accomplishments in 2008

Even with continued vacancies, Mechanical Inspection experienced a 14% reduction in the boiler inspection backlog from FY07 to FY08.

## Statutory and Regulatory Authority

### Statutory Authority:

AS 05.20.010 - .120	Recreational Devices
AS 08.18.011 - .171	Construction Contractors
AS 08.40.090 - .490	Electrical/Mechanical Administrators
AS 18.31.010 - .500	Asbestos Health Hazard Abatement
AS 08.52.010 - .100	Explosives Handlers
AS 18.60.180 - .395	Boilers
AS 18.60.580 - .660	Electrical Safety
AS 18.60.670 - .695	High Voltage Lines
AS 18.60.705 - .740	Plumbing Code
AS 18.60.800 - .820	Elevators
AS 18.62.010 - .080	Certificate of Fitness
AS 18.63.010 - .100	Hazardous Painting Certification
AS 23.05.060	Certificate of Fitness - Powers of the Department
AS 25.27.244	Certificate of Fitness - Child Support Enforcement
AS 44.31.025	Building Safety Account
AS 44.62.450	Hearings - Amusement park/tramway rides
AS 45.45.910	Electrical Safety - Sale or transfer of consumer electrical products

### Administrative Regulations:

8 AAC 61.600 - .790	Asbestos Abatement Certification
8 AAC 61.800 - .890	Painting Certification
8 AAC 62.010 - .070	Explosives Handlers
8 AAC 63.010 - .030	Plumbing Code
8 AAC 70.010 - .090	Electrical Safety
8 AAC 77.005 - .905	Elevator Safety
8 AAC 78.010 - .900	Amusement Rides and Tramways
8 AAC 80.010 - .900	Boilers & Pressure Vessels
8 AAC 90.105 - .900	Certificates of Fitness
12 AAC 21.010 - .990	Construction Contractors
12 AAC 32.005 - .995	Electrical Administrators
12 AAC 39.007 - .992	Mechanical Administrators

**Contact Information**

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**Mechanical Inspection  
Component Financial Summary**

*All dollars shown in thousands*

	<b>FY2008 Actuals</b>	<b>FY2009 Management Plan</b>	<b>FY2010 Governor</b>
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	1,704.3	2,033.9	2,077.4
72000 Travel	136.5	136.0	136.0
73000 Services	345.0	406.3	406.3
74000 Commodities	21.3	49.9	49.9
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
<b>Expenditure Totals</b>	<b>2,207.1</b>	<b>2,626.1</b>	<b>2,669.6</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	1.3	1.3	1.3
1005 General Fund/Program Receipts	82.6	72.0	73.9
1007 Inter-Agency Receipts	358.2	344.9	661.8
1172 Building Safety Account	1,765.0	2,207.9	1,932.6
<b>Funding Totals</b>	<b>2,207.1</b>	<b>2,626.1</b>	<b>2,669.6</b>

**Estimated Revenue Collections**

<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2008 Actuals</b>	<b>FY2009 Management Plan</b>	<b>FY2010 Governor</b>
<b>Unrestricted Revenues</b>				
Building Safety Account	51480	1,765.0	2,207.9	1,932.6
<b>Unrestricted Total</b>		<b>1,765.0</b>	<b>2,207.9</b>	<b>1,932.6</b>
<b>Restricted Revenues</b>				
Interagency Receipts	51015	358.2	344.9	661.8
General Fund Program Receipts	51060	82.6	72.0	73.9
<b>Restricted Total</b>		<b>440.8</b>	<b>416.9</b>	<b>735.7</b>
<b>Total Estimated Revenues</b>		<b>2,205.8</b>	<b>2,624.8</b>	<b>2,668.3</b>

**Summary of Component Budget Changes  
From FY2009 Management Plan to FY2010 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2009 Management Plan</b>	<b>73.3</b>	<b>0.0</b>	<b>2,552.8</b>	<b>2,626.1</b>
<b>Adjustments which will continue current level of service:</b>				
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	1.9	0.0	26.6	28.5
<b>Proposed budget increases:</b>				
-Increase Interagency Receipt Authorization to Align with Receipts	0.0	0.0	15.0	15.0
<b>FY2010 Governor</b>	<b>75.2</b>	<b>0.0</b>	<b>2,594.4</b>	<b>2,669.6</b>

**Mechanical Inspection  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2009</u> <u>Management</u> <u>Plan</u>	<u>FY2010</u> <u>Governor</u>		
Full-time	22	22	Annual Salaries	1,366,525
Part-time	2	2	COLA	30,465
Nonpermanent	0	0	Premium Pay	21,522
			Annual Benefits	723,094
			<i>Less 3.00% Vacancy Factor</i>	(64,206)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>24</b>	<b>24</b>	<b>Total Personal Services</b>	<b>2,077,400</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	2	0	0	0	2
Administrative Assistant II	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Asst Boiler Inspector	1	0	0	0	1
Boiler & Pressure Vssl Insp I	3	1	0	1	5
Boiler & Pressure Vssl Insp II	1	0	0	0	1
Investigator II	1	1	0	0	2
Investigator IV	1	0	0	0	1
SIC Electrical Inspector	0	1	1	1	3
SIC Elevator Inspector	1	1	0	1	3
SIC Plumbing Inspector	1	1	0	1	3
<b>Totals</b>	<b>14</b>	<b>5</b>	<b>1</b>	<b>4</b>	<b>24</b>