

State of Alaska
FY2022 Governor's Operating Budget

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

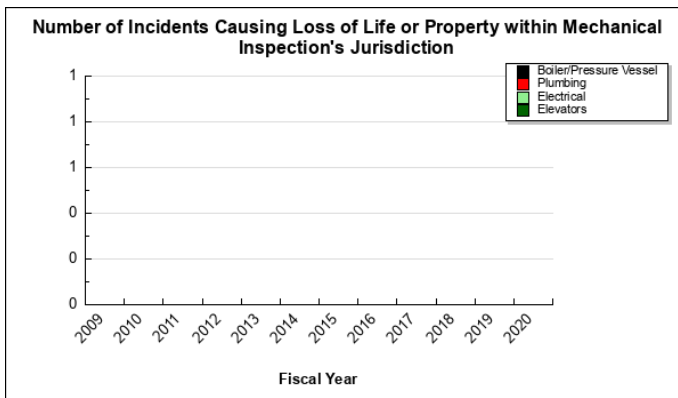
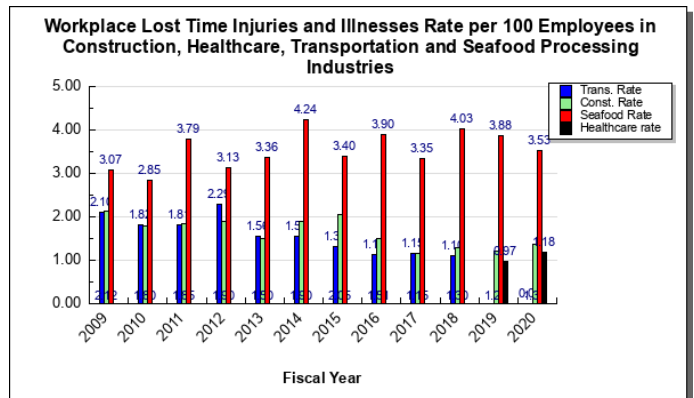
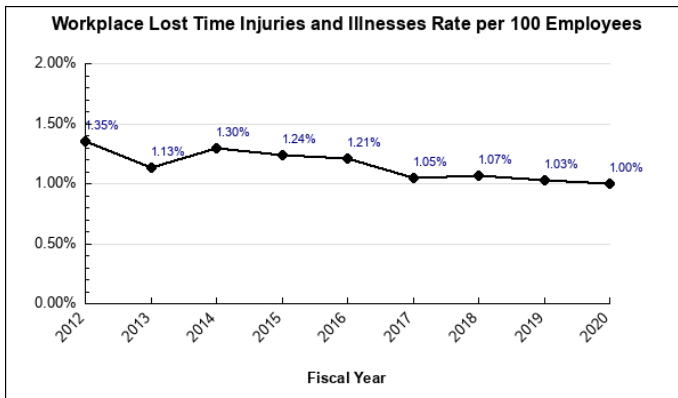
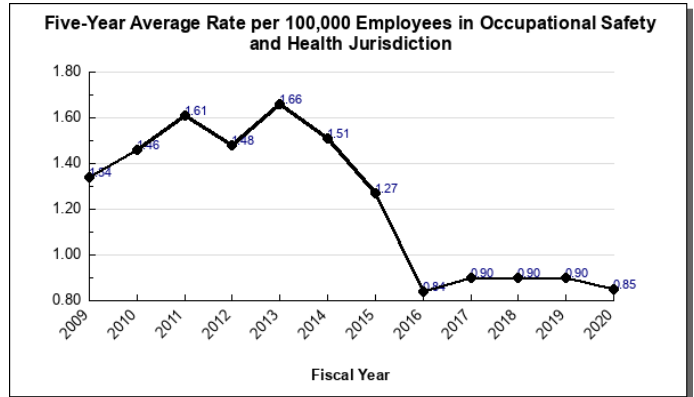
Labor Standards and Safety Results Delivery Unit

Contribution to Department's Mission

Ensure safe and legal working conditions.

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



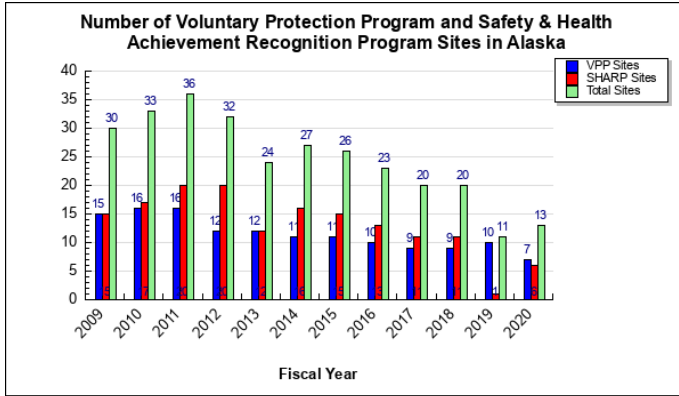
Core Services

- Occupational safety and health, law enforcement, training, and consultation.
- Electrical and mechanical code compliance inspection and training.
- Wage and child labor law enforcement and training.

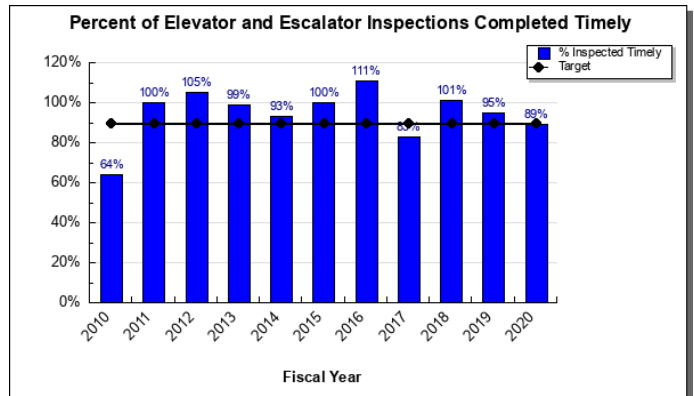
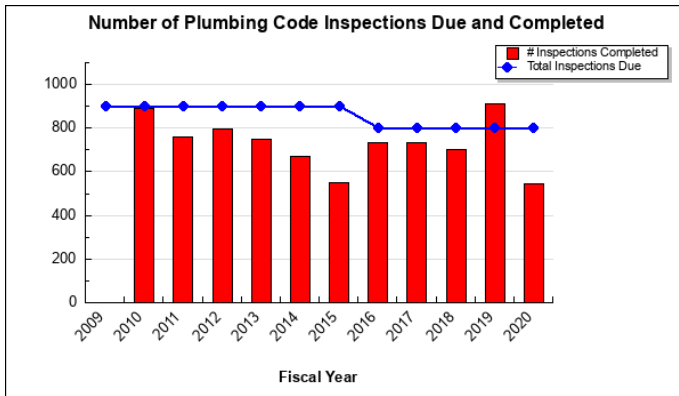
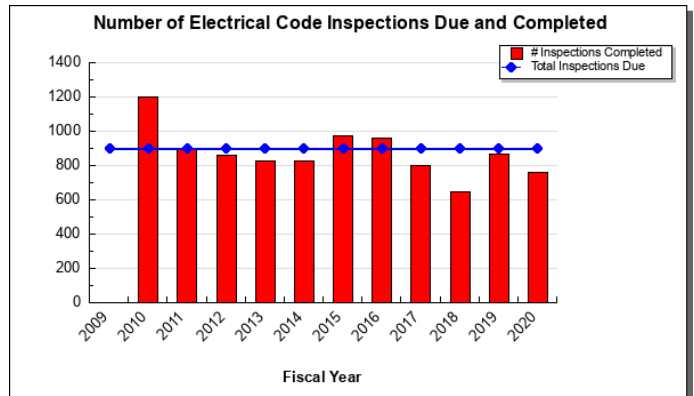
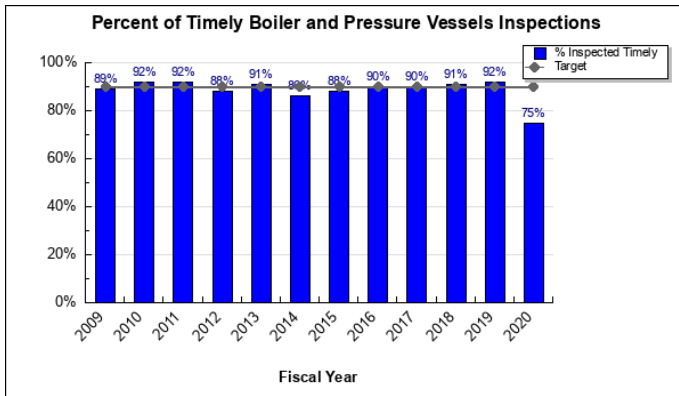
Measures by Core Service

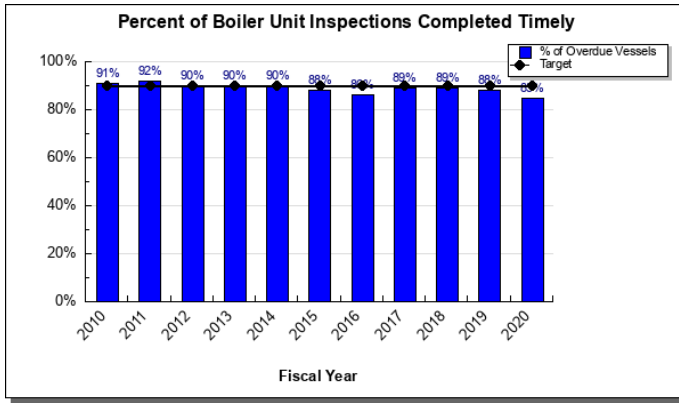
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1. Occupational safety and health, law enforcement, training, and consultation.

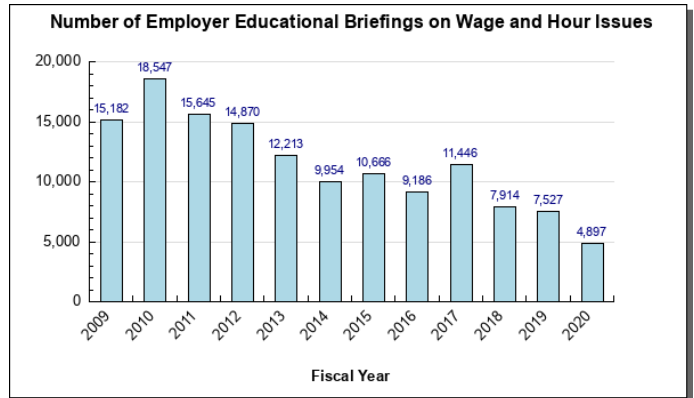
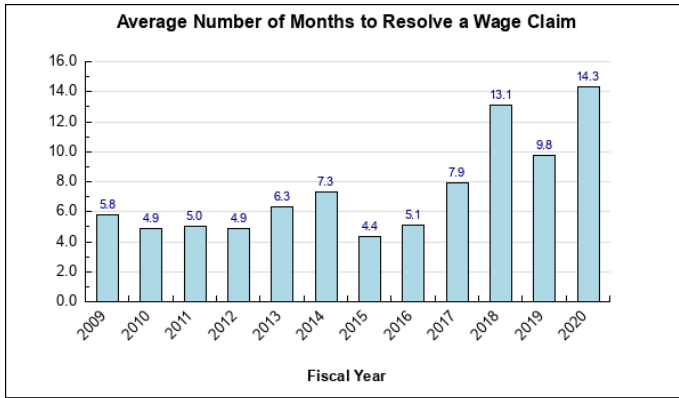


2. Electrical and mechanical code compliance inspection and training.





3. Wage and child labor law enforcement and training.



Major RDU Accomplishments in 2020

- Worked with the Governor’s Administration as well as the Legislature to enact legislation which strengthens safety standards for workers while maintaining federal compliance for Alaska’s occupational safety and health programs.
- Collected \$660,000 in wages, penalties, and interest owed to Alaskan workers.
- Supported safe working conditions of minors by conducting 1,666 educational briefings on child labor laws and 32 on-site inspections.
- Conducted a total of 6,704 boiler, elevator, electrical, and plumbing inspections; and 3,255 on-site construction project visits statewide to ensure contractor-licensing compliance.

Key RDU Challenges

The Division of Labor Standards and Safety (LSS) continues to be challenged in conduct inspections throughout the state within reasonable travel budgets, with COVID-19 mandates in place, and to meet program goals while experiencing significant staff turnover. The COVID-19 challenges faced by Occupational Safety and Health, Mechanical Inspection, and Wage and Hour are not unique to Alaska and follow national trends in the reduced number of inspections, lower total wage claims, and fewer opportunities to provide on-site testing and consultations.

LSS is budgetary challenged with upholding worker protections across all three components due to unpredictable annual legal costs. These legal costs are outside of the division’s control and can exceed budgeted annual amounts.

Significant Changes in Results to be Delivered in FY2022

The pandemic has caused a temporary but noticeable reduction in inspections, construction, and wage claims throughout the state. LSS has utilized this time to work on closing older wage and hour cases, conduct virtual consultation and training sessions, and work with employers over the phone and virtually as much as possible. With restrictions progressively being relaxed across the state, our metrics are expected to increase and improve in the coming Fiscal Years.

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

All dollars shown in thousands

	FY2020 Actuals				FY2021 Management Plan				FY2022 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Wage and Hour Administration	1,826.2	64.2	0.0	1,890.4	1,713.5	632.3	0.0	2,345.8	1,654.8	636.1	0.0	2,290.9
Mechanical Inspection	2,016.9	531.2	0.0	2,548.1	2,263.2	712.2	0.0	2,975.4	2,269.7	714.5	0.0	2,984.2
Occupational Safety and Health	2,204.4	173.0	1,836.0	4,213.4	3,275.6	290.1	2,056.0	5,621.7	3,239.6	290.1	2,062.2	5,591.9
Alaska Safety Advisory Council	0.0	63.8	0.0	63.8	0.0	185.3	0.0	185.3	0.0	185.6	0.0	185.6
Totals	6,047.5	832.2	1,836.0	8,715.7	7,252.3	1,819.9	2,056.0	11,128.2	7,164.1	1,826.3	2,062.2	11,052.6

Labor Standards and Safety
Summary of RDU Budget Changes by Component
From FY2021 Management Plan to FY2022 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2021 Management Plan	608.5	6,643.8	1,819.9	2,056.0	11,128.2
Adjustments which continue current level of service:					
-Wage and Hour Administration	2.1	6.0	3.8	0.0	11.9
-Mechanical Inspection	0.0	6.5	2.3	0.0	8.8
-Occupational Safety and Health	0.7	5.0	0.0	6.2	11.9
-Alaska Safety Advisory Council	0.0	0.0	0.3	0.0	0.3
Proposed budget decreases:					
-Wage and Hour Administration	-66.8	0.0	0.0	0.0	-66.8
-Occupational Safety and Health	-41.7	0.0	0.0	0.0	-41.7
FY2022 Governor	502.8	6,661.3	1,826.3	2,062.2	11,052.6