

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Labor and Workforce Development  
Wage and Hour Administration  
Component

## **Component: Wage and Hour Administration**

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### **Component Mission**

To ensure that employees are justly compensated for their work, safeguard workers from unscrupulous employment practices, and ensure that children are not exploited by employment in dangerous occupations.

### **Component Services Provided**

- Collection of wages for employees who haven't been properly paid is performed by a staff of 13 investigators and technicians in three regional offices statewide who investigate underpayment or nonpayment of wages earned or benefits accrued.
- Child labor laws are enforced by the investigative and technical staff who review and approve or deny work permits for all minors employed in the state. Investigators visit employers in each of the three regions to check for understanding of, and compliance with, the child labor laws.
- Enforcement of employment preference and prevailing wage laws through audits of certified payrolls for public construction projects.
- Investigative staff educates employers and employees about their rights and obligations under Alaska labor laws through employer visits, seminars, briefings and other forums.

### **Component Goals and Strategies**

- 1) EDUCATE EMPLOYERS AND EMPLOYEES ABOUT ALASKA LABOR LAWS.
  - Inform the public of the labor laws Wage and Hour enforces and services the agency provides. Maintain the current level of 24,000 contacts through seminars, briefings, in-person and telephone discussions.
  - Consolidate on-site investigations in rural Alaska with outreach to employers by answering questions, providing published materials and encouraging employers and employees to contact the Wage and Hour office with questions. It is anticipated that staff will conduct 1,000 on-site visits to maintain the current level of service.
  - Participate as an exhibitor at employment/human resource and personnel law conferences to display and distribute labor law literature and answer questions.
  - Expand and enhance the information available to the public regarding Wage and Hour issues on the division's internet web site.
- 2) ENSURE THAT ALASKAN WORKERS ARE PROPERLY COMPENSATED IN ACCORDANCE WITH MINIMUM WAGE, OVERTIME AND PREVAILING WAGE LAWS.
  - Monitor more than 4,000 public construction projects for compliance with prevailing wage laws.
  - Audit certified payrolls submitted to the Wage and Hour office for public construction projects.
  - Educate employers through seminars, briefings, in-person and telephone meetings, and e-mail contacts.

**Key Component Issues for FY2001 – 2002**

- Child labor continues to be a focal point for the Wage and Hour Administration. Investigative staff travels throughout the state to conduct "on-site" inspections to ensure that minors are being paid properly and are not being required to perform hazardous duties on the job.
- Decreasing funding levels coupled with increased operating costs negatively impacts the component's ability to enforce the minimum wage, overtime, child labor and public contract laws for the citizens of Alaska. The section continues to focus on education efforts to best utilize limited resources.

**Major Component Accomplishments for FY2000**

- The Wage & Hour section collected over \$1 million in owed wages for Alaskan workers.
- Investigators monitored over 4,400 public construction projects for prevailing wage enforcement and over 2,500 projects for employment preference compliance.
- Staff disseminated information on child labor, prevailing wage, and wage claim programs to approximately 23,000 contacts through seminars, briefings, telephone inquiries and on-site visits.
- This section processed more than 10,000 child labor work permits.
- This section published Wage & Hour forms and information on the Internet for public access.

**Statutory and Regulatory Authority**

Statutory Authorities:

AS 23.10.500-23.10.550  
 AS 36.10.005-36.10.990  
 AS 23.10.325-23.10.400  
 AS 08.18.010-08.18.171  
 AS 23.05.010-23.05.340  
 AS 36.05.010-36.05.110  
 AS 36.95.010  
 AS 23.15.330-23.15.520  
 AS 23.10.015-23.10.150  
 AS 23.30.005-23.30.270  
 AS 23.10.430

Regulatory Authorities:

8 AAC 25.010-25.030  
 8 AAC 30.010-30.920  
 8 AAC 20.010-20.030  
 8 AAC 15.010-15.910  
 8 AAC 05.010-05.900  
 8 AAC 10.010-10.915

**Status of FY2001 Performance Measures**

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• The number of wage claims settled and the amount collected.		X			

## Wage and Hour Administration

### Component Financial Summary

*All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	1,079.8	1,068.6	1,070.2
72000 Travel	38.8	54.5	54.5
73000 Contractual	225.7	196.5	196.5
74000 Supplies	11.7	23.1	23.1
75000 Equipment	3.0	3.9	3.9
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,359.0</b>	<b>1,346.6</b>	<b>1,348.2</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	1,339.0	1,309.9	1,326.1
1007 Inter-Agency Receipts	20.0	22.1	22.1
1108 Statutory Designated Program Receipts	0.0	14.6	0.0
<b>Funding Totals</b>	<b>1,359.0</b>	<b>1,346.6</b>	<b>1,348.2</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Interagency Receipts	51015	20.0	22.1	22.1	22.1	22.1
Statutory Designated Program Receipts	51063	0.0	14.6	14.6	0.0	0.0
<b>Restricted Total</b>		<b>20.0</b>	<b>36.7</b>	<b>36.7</b>	<b>22.1</b>	<b>22.1</b>
<b>Total Estimated Revenues</b>		<b>20.0</b>	<b>36.7</b>	<b>36.7</b>	<b>22.1</b>	<b>22.1</b>

**Wage and Hour Administration****Proposed Changes in Levels of Service for FY2002**

There are no changes in levels of service for FY2002 identified at this time for this component.

**Summary of Component Budget Changes****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>1,309.9</b>	<b>0.0</b>	<b>36.7</b>	<b>1,346.6</b>
<b>Adjustments which will continue current level of service:</b>				
-Convert Special FY2001 Labor Cost Fund Sources to GF	14.6	0.0	-14.6	0.0
-Year 2 Labor Costs - Net Change from FY2001	1.6	0.0	0.0	1.6
<b>FY2002 Governor</b>	<b>1,326.1</b>	<b>0.0</b>	<b>22.1</b>	<b>1,348.2</b>

**Wage and Hour Administration****Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	20	21	Annual Salaries	808,406
Part-time	0	0	COLA	12,532
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	291,310
			<i>Less 3.78% Vacancy Factor</i>	(42,048)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>20</b>	<b>21</b>	<b>Total Personal Services</b>	<b>1,070,200</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	1	1	1	0	3
Administrative Manager I	1	0	0	0	1
Administrative Supervisor	1	0	0	0	1
Chief, Labor Standards	1	0	0	0	1
Wage Hour Invest I	5	2	2	0	9
Wage Hour Invest II	1	1	1	0	3
Wage-Hour Technician	1	0	0	0	1
<b>Totals</b>	<b>13</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>21</b>