

Wage and Hour Internet Application for Certified Payroll**FY2007 Request:****\$228,000****Reference No:****39888****AP/AL:** Appropriation**Project Type:** Information Systems**Category:** General Government**Location:** Statewide**Contact:** Grey Mitchell**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-4855**Estimated Project Dates:** 07/01/2006 - 06/30/2007**Brief Summary and Statement of Need:**

Chapter 111, SLA2003 (CSHB 155), required the Department to have a secure on-line system available for filing certified payrolls by 7/1/2004, however no funding was provided with the passage of the law or in subsequent budgets. This project will fund the programming necessary to create the system enabling contractors to file certified payrolls online via a secure connection. This is expected to contribute to the enforcement of the Alaska Resident Hire requirements by allowing for Certified Payroll information to be reviewed electronically.

Funding:	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>Total</u>
Gen Fund	\$228,000						\$228,000
Total:	\$228,000	\$0	\$0	\$0	\$0	\$0	\$228,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

No previous funding has been provided for this purpose.

Project Description/Justification:

This project will result in real time tracking of Alaska resident hire on public construction projects.

Contractors working on public construction projects in Alaska are required to file biweekly payroll reports with the Division of Labor Standards and Safety. The primary purpose of this filing requirement is to ensure compliance with Alaska's resident hire and prevailing wage laws. This project will fund the programming necessary to create a system to enable contractors to file certified payrolls online via a secure connection. Data will be verified for accuracy and completeness saving the department time. Automating this manual process will also reduce the time and money expended by contractors. The system will improve customer service to Alaska's contractors through increased accessibility outside traditional business hours and by providing an efficient alternative filing method.

Program development will include contractual expenditures for: Planning \$10,000; Requirements Definition \$20,000; Programming \$168,000. Supplies purchased will include Development Software \$10,000 and Hardware \$20,000.

With the implementation of this project, the Department's Field Tax Office in the Employment Security Division and the Research Analysis section in the Administrative Services Division will more easily access the electronic certified payroll data. Also, these divisions will realize a higher quality of data collected on-line, due to on-line validation. The Child Support Enforcement Division in the Department of Revenue would also more easily access the electronic certified payroll data.

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There are no significant operating cost implications if this project is approved. If it is not approved, contractors will continue to be required to submit hard copy certified payroll information as mandated by law and contractors will continue to ask when this service will be available on-line.