

State of Alaska FY2014 Governor's Operating Budget

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

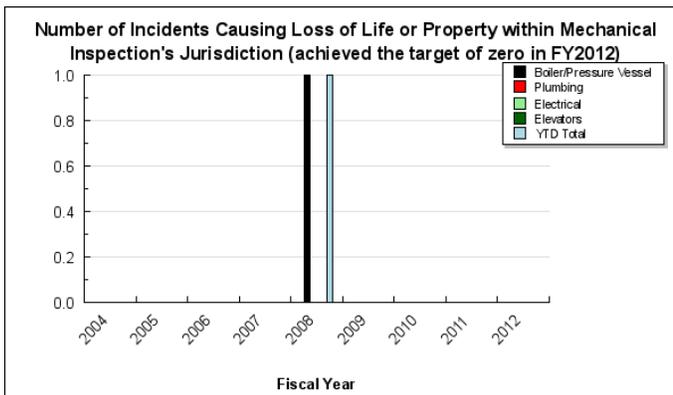
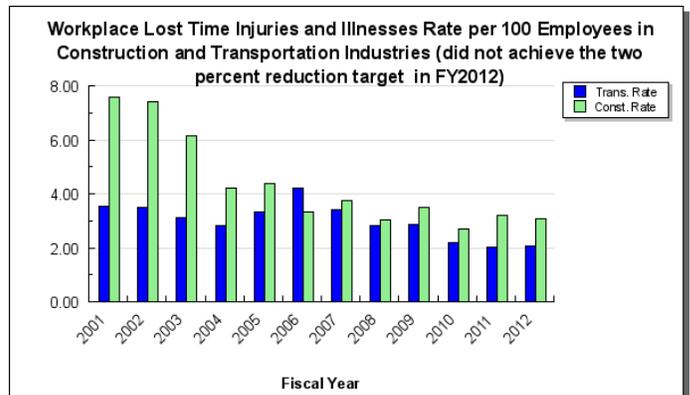
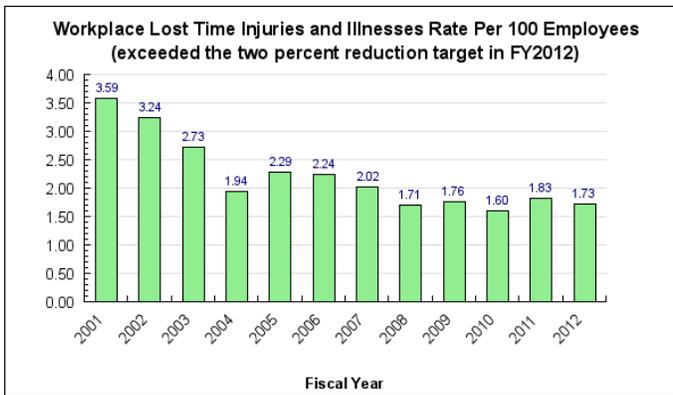
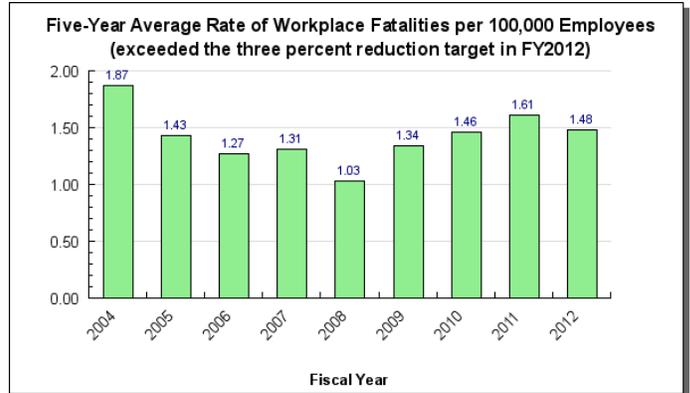
Labor Standards and Safety Results Delivery Unit

Contribution to Department's Mission

The mission of the Labor Standards and Safety RDU is to ensure safe and legal working conditions.

Results

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



Core Services

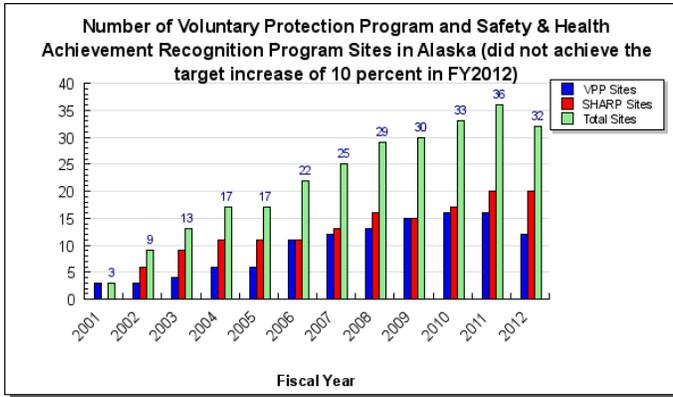
- Occupational safety and health law enforcement, training, and consultation.
- Electrical and mechanical code compliance inspection and training.
- Prevailing wage and Alaska resident hire law enforcement and training.

- Wage and child labor law enforcement and training.

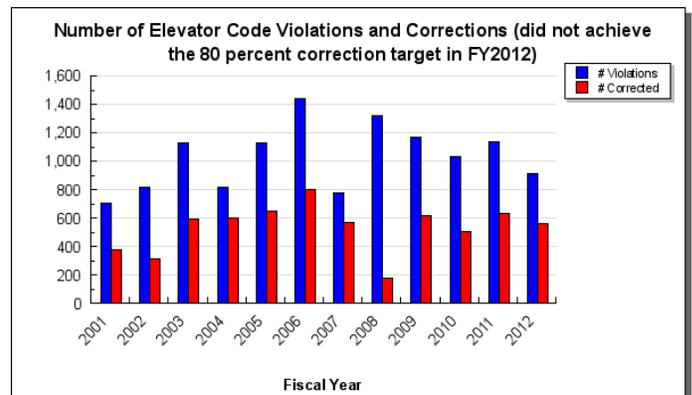
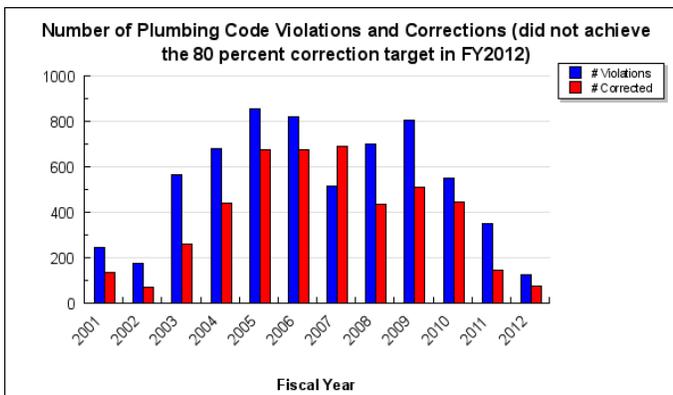
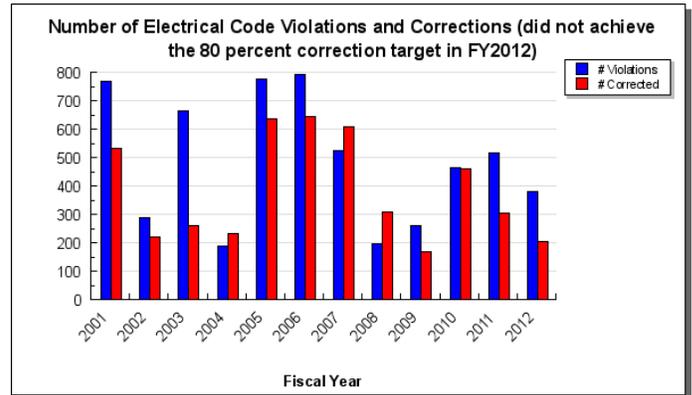
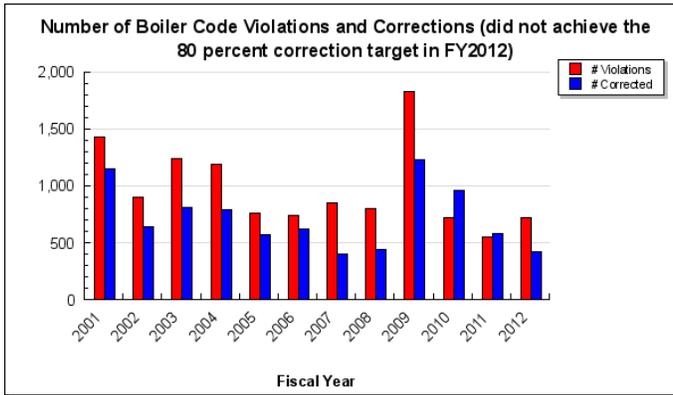
Measures by Core Service

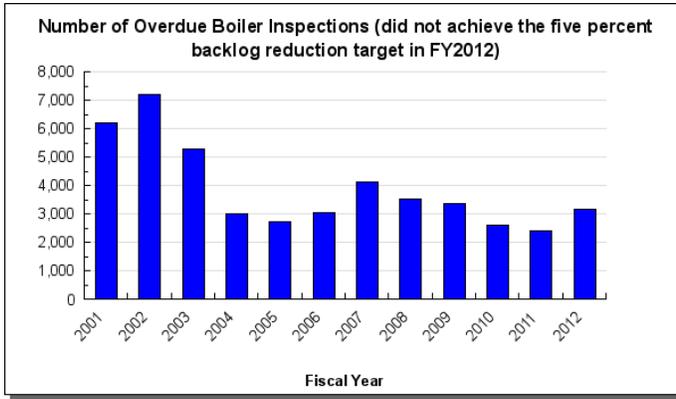
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1. Occupational safety and health law enforcement, training, and consultation.

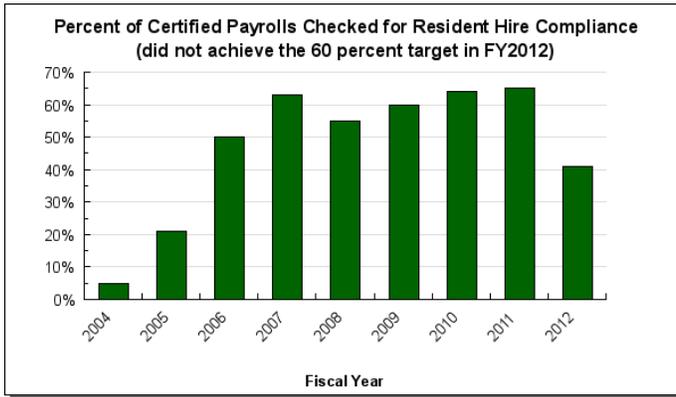


2. Electrical and mechanical code compliance inspection and training.

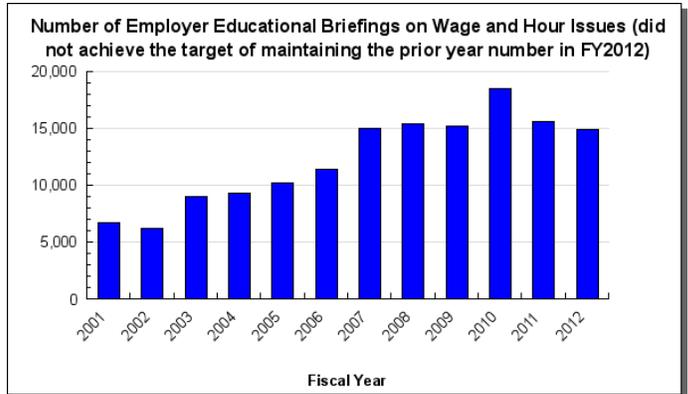




3. Prevailing wage and Alaska resident hire law enforcement and training.



4. Wage and child labor law enforcement and training.



Major RDU Accomplishments in 2012

During FY2012, the Labor Standards and Safety division:

- Resolved 359 wage claims; collected \$596.3 in wages, penalties and interest owed to Alaska workers; and maintained an average wage claim resolution time of less than five months.
- Ensured that 100 percent of life-safety code violations associated with boilers, elevators, and plumbing and electrical work were corrected.
- Achieved 273 enforcement inspections and 408 voluntary compliance consultation visits at employer worksites throughout Alaska. This represented a modest increase over the FY2011 inspection totals, despite

staff turnover.

- Met participation expectations for the 2012 Governor's Safety and Health Conference with more than 300 individual participants, 26 sponsor organizations, 50 speakers and 32 exhibitors.

Key RDU Challenges

Staff turnover in three of the Labor Standards and Safety division's components continues to present a challenge in meeting goals. Once vacancies are filled, staff must be adequately trained before they become proficient. In the Occupational Safety and Health (OSH) component, federal training criteria must be met by new staff before inspections can begin. Delays in filling vacancies in the Mechanical Inspection component can negatively impact inspection backlogs and operating funds, since a significant portion of the Mechanical Inspection budget revenue is derived from inspection fees.

The division is also challenged to accomplish its mission while managing increased operating costs and declining revenue. Travel for inspections is absolutely necessary to complete the mission of the division's three primary components, but travel costs continue to increase especially to rural Alaska. The federal OSH agency has warned that federal funds may be reduced in federal fiscal year 2013. In Mechanical Inspection, the Building Safety Fund provides the majority of funding for the component and is derived through fees charged for inspections and licensing. The FY2012 Building Safety Fund revenue was lower than anticipated due to unexpected inspector position vacancies.

While long-term trends show a steady increase in employer participation in the Voluntary Protection Program and the Safety and Health Achievement Recognition Program, FY2012 saw an eleven percent decrease from FY2011. The reduction in participation resulted when a company with three participating sites transferred ownership and the new owner chose to discontinue participation.

Significant Changes in Results to be Delivered in FY2014

No significant changes in results to be delivered are anticipated.

Contact Information
<p>Contact: Grey Mitchell, Director Phone: (907) 465-4855 Fax: (907) 465-6012 E-mail: grey.mitchell@alaska.gov</p>

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

All dollars shown in thousands

	FY2012 Actuals				FY2013 Management Plan				FY2014 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	1,812.6	256.2	0.0	2,068.8	1,863.9	624.2	0.0	2,488.1	1,864.1	614.2	0.0	2,478.3
Mechanical Inspection	2,005.9	654.2	0.0	2,660.1	2,207.1	660.0	0.0	2,867.1	2,215.9	704.3	0.0	2,920.2
Occupational Safety and Health	2,241.4	286.8	1,893.9	4,422.1	3,224.3	337.0	2,487.3	6,048.6	3,254.4	309.4	2,487.3	6,051.1
Alaska Safety Advisory Council	0.0	77.4	0.0	77.4	0.0	125.8	0.0	125.8	0.0	125.8	0.0	125.8
Totals	6,059.9	1,274.6	1,893.9	9,228.4	7,295.3	1,747.0	2,487.3	11,529.6	7,334.4	1,753.7	2,487.3	11,575.4

Labor Standards and Safety
Summary of RDU Budget Changes by Component
From FY2013 Management Plan to FY2014 Governor

All dollars shown in thousands

	<u>Unrestricted</u> <u>Gen (UGF)</u>	<u>Designated</u> <u>Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal</u> <u>Funds</u>	<u>Total Funds</u>
FY2013 Management Plan	3,887.2	3,408.1	1,747.0	2,487.3	11,529.6
Adjustments which will continue current level of service:					
-Wage and Hour Administration	0.2	0.0	-10.0	0.0	-9.8
-Mechanical Inspection	0.0	8.8	44.3	0.0	53.1
-Occupational Safety and Health	25.8	0.0	-27.6	0.0	-1.8
Proposed budget increases:					
-Occupational Safety and Health	0.0	4.3	0.0	0.0	4.3
FY2014 Governor	3,913.2	3,421.2	1,753.7	2,487.3	11,575.4