



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Labor and
Workforce Development

Office of the Commissioner

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February 13, 2017

The Honorable Neal Foster
Chair of Labor House Finance Subcommittee
State Capitol Building
Juneau, AK 99801-1182

Dear Representative Foster,

Thank you for the opportunity to present the department's Vocational Rehabilitation and Employment and Training Services divisions to the Labor House Finance Subcommittee on February 8, 2017. Provided herein are responses to inquiries raised during the meeting.

Representative Kito asked how many facilities there are with Business Enterprise Program vending services and how many individuals are employed through them.

The Business Enterprise program holds permits for vending services in six federal facilities and seven state facilities. Of the six federal facilities, three are currently operated by blind facility managers and employ another seven individuals, two of whom are blind or disabled. There is one federal facility with a designated blind manager that it is currently closed for renovation. The other two federal facilities are awaiting a qualified facility manager.

The seven state facilities employ 20 individuals, five of whom are disabled. Of the seven state facilities, three are currently operated by blind or significantly disabled facility managers. There is one state facility that is currently under construction. The other three state facilities are managed through temporary contracts until an eligible Vocational Rehabilitation client completes training and demonstrates an ability to manage the vending facility. There has been a significant decrease in the number of licensed blind or disabled facility managers in the last few years due to retirement or death. Temporary contracts allow the BEP program to maintain its permits while working to solicit or train new blind or disabled vendors.

Representative Knopp asked if the Client Services budget prior to FY2008 had been consistent or climbing.

The Client Services budget was fairly stable before FY2008, increasing at an average rate of two percent per year. This is in line with the salary and benefit cost of living adjustments over that timeframe.

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Representative Wool asked if you could receive partial unemployment while working part-time.

An individual can receive \$50 per week without any impact to their unemployment insurance benefits. Wages above the first \$50 result in a benefits reduction of \$0.75 for each additional dollar earned. For example, if a parent with two dependent children was receiving the maximum weekly amount of \$370 plus \$24 for each dependent child, their total benefit payment would be \$418 per week. If they picked up a couple of dinner shifts at a restaurant and reported \$200 in wages one week, they would receive a benefit for the week of \$305.50.

$$[\$418 - ((\$200 - \$50) \times 0.75) = \$418 - \$112.50 = \$305.50]$$

Representative Birch asked if an average unemployment insurance claimant received between \$3,000-\$4,000.

Yes, the average unemployment insurance claimant in FY2016 received \$3,025 in benefits.

Please let me know if you have further questions. I welcome the opportunity to speak with you on this or any other topics related to the department.

Sincerely,



Heidi Drygas
Commissioner