

# DEPARTMENT OVERVIEW

## HOUSE LABOR & COMMERCE

### JANUARY 24, 2018



ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT  
ACTING COMMISSIONER GREG CASHEN

# DEPARTMENT OVERVIEW



## MISSION:

Protect workers and advance opportunities for employment.

## KEY PROGRAM PRIORITIES:

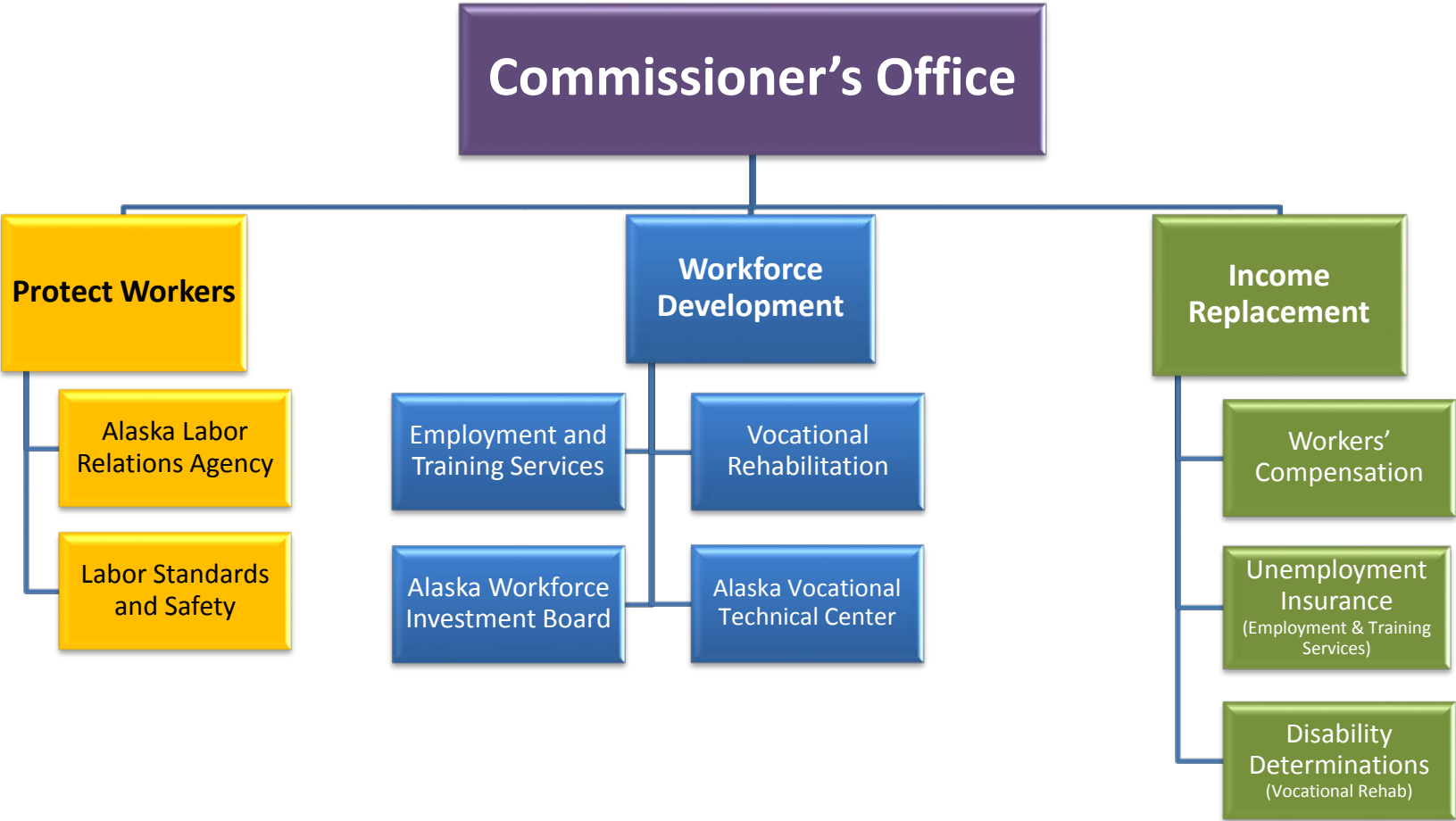
- **Protect Alaska's workers** through statutory and regulatory assistance and enforcement.
- **Workforce development** to support Alaska hire and economic development.
- **Income replacement** for injured, unemployed, and permanently disabled workers.



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# DEPARTMENT ORGANIZATIONAL CHART

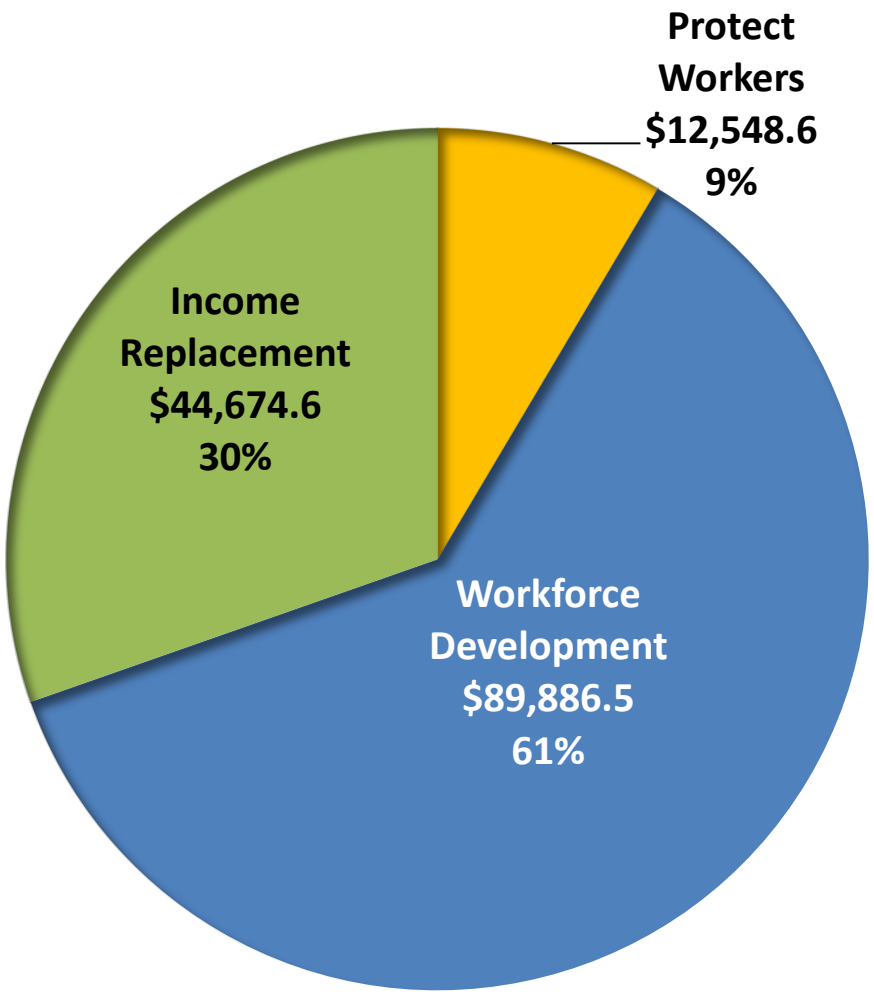


# FY2019 Governor's Budget: \$147,109.7

UGF: \$20,624.2; DGF: \$35,586.3; Other: \$17,002.1; Federal: \$73,897.1

## FY2019 Positions:

Full-time	691
Part-time	51
<u>Temporary</u>	<u>12</u>
Total	754



## FY2015 Budget:

UGF	\$33,448.0
DGF	\$34,847.5
Other	\$21,773.6
<u>FED</u>	<u>\$95,237.6</u>
Total	\$183,495.5

Positions 877

UGF: Unrestricted General Funds  
DGF: Designated General Funds



# PROTECT WORKERS



## Accomplishments:

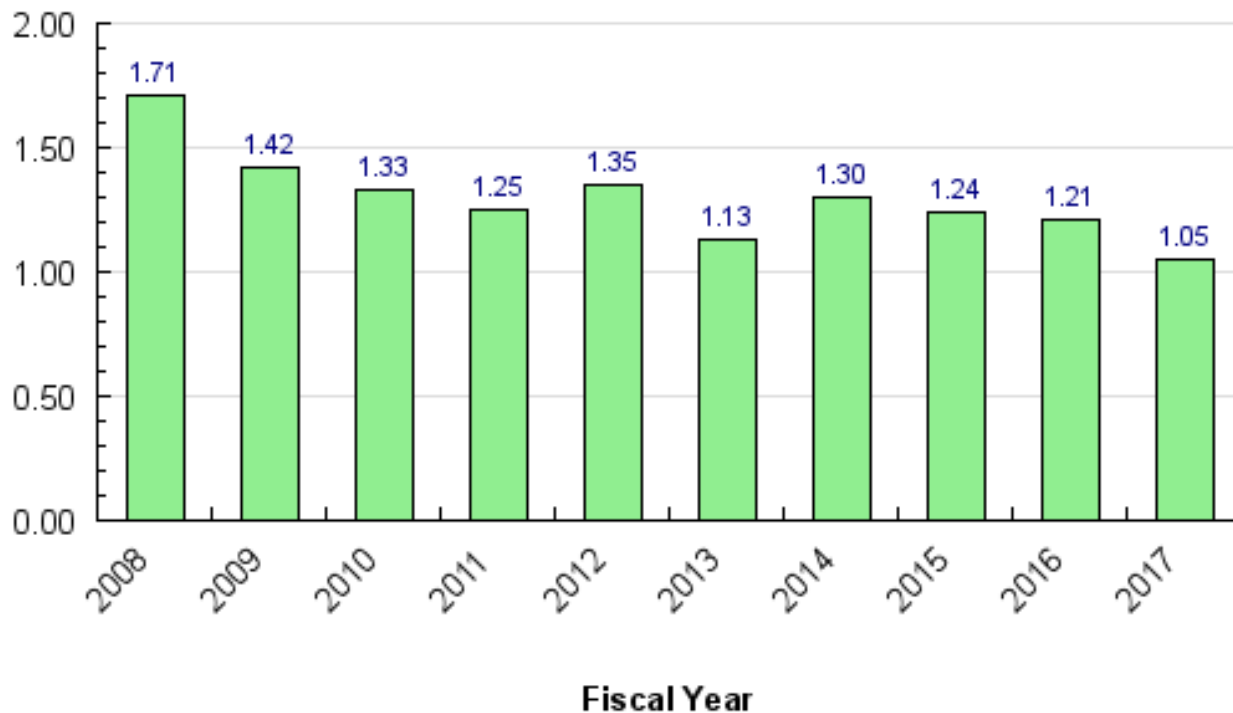
- ❖ Collected \$1 million in wages, penalties, and interest owed to Alaskan workers
- ❖ Conducted over 6,500 inspections and over 2,000 job site visits to ensure worker and public safety
- ❖ Issued Alaska Labor Relations Agency decisions in record time
- ❖ Experienced record low lost time illness and injury rate



# PROTECT WORKERS



**Workplace Lost Time Injuries and Illnesses Rate per 100 Employees  
(Achieved the two percent reduction target in FY2017)**



# PROTECT WORKERS



## Challenges:

- ❖ Conducting safety inspections, given increased travel costs  
(Division of Labor Standards and Safety)
- ❖ Meeting program goals, given significant turnover  
(Division of Labor Standards and Safety)
- ❖ Providing timely dispute resolution  
(Alaska Labor Relations Agency)



# PROTECT WORKERS



## Related Legislation:

- ❖ HB 121-AKOSH Penalties
  - Raises maximum penalties to align with federal requirements
- ❖ HB 114-Boiler/Pressure Vessel Inspection Reports
  - Establishes \$10 fee for paper filings, reduces required reporting period
- ❖ HB 255-Plumbing/Electric Certificate of Fitness
  - Strengthens enforcement policies for un-certificated work





# WORKFORCE DEVELOPMENT



## Accomplishments:

- ❖ Provided career and training services to over 98,000 Alaskans through the Alaska Job Center Network
- ❖ Continued to expand apprenticeship opportunities, including increasing the number of health care apprentices from 32 to 220
- ❖ Provided over 1,000 youth with disabilities with employment training
- ❖ Provided Pre-Employment Transition Services to over 800 students with disabilities (a significant increase over FY16)



# WORKFORCE DEVELOPMENT

## Accomplishments, continued:

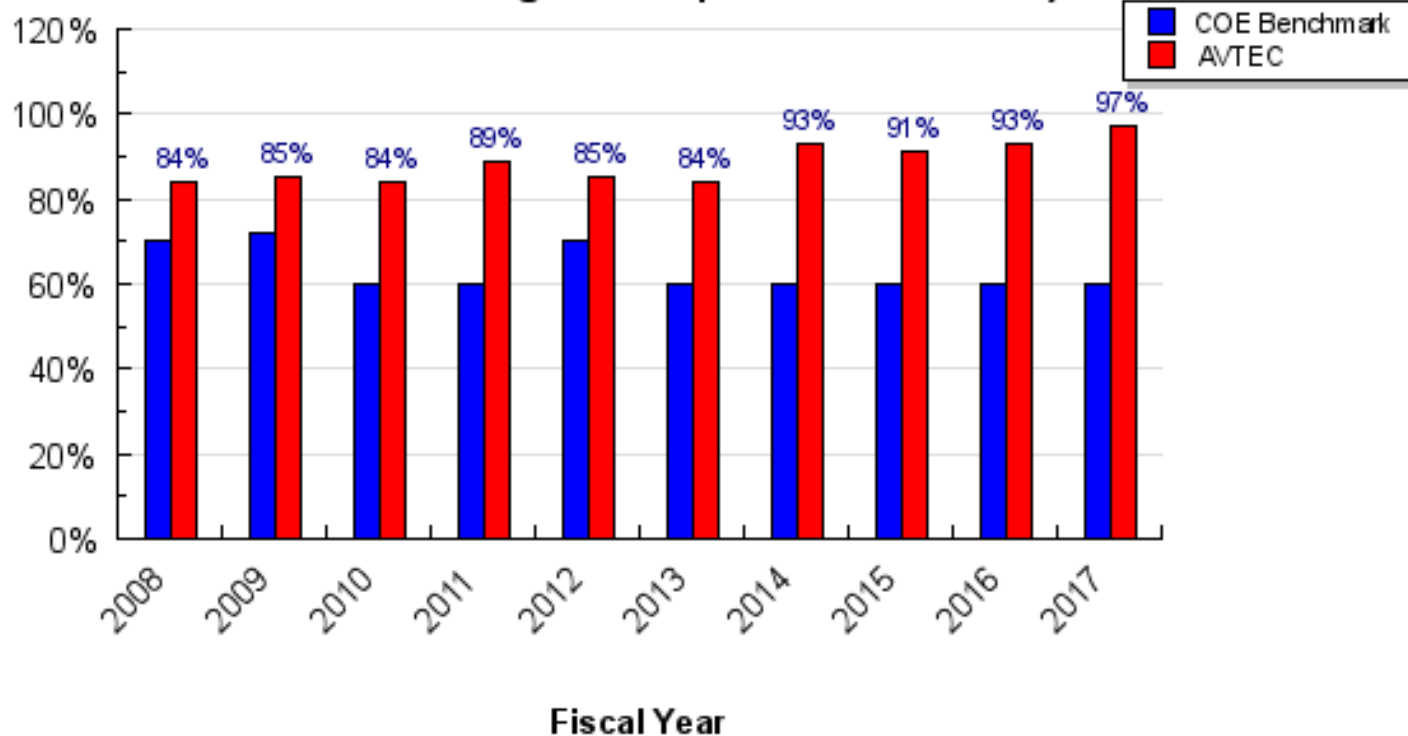
- ❖ Assisted inmates at Alaskan correctional facilities prior to reentry
- ❖ Achieved record high graduation rates from the Alaska Vocational Technical Center



# WORKFORCE DEVELOPMENT



**Percent of AVTEC Long-Term Program Students Who Graduate (exceeded the target of 80 percent in FY2017)**





## Challenges:

- ❖ Replacing aging information systems to meet reporting requirements of the Workforce Innovation and Opportunity Act (Division of Employment and Training Services)
- ❖ Addressing unacceptable backlog of Work Opportunity Tax Credit (WOTC) applications resulting from Federal delays
- ❖ Balancing annual maintenance and operation with unplanned emergency repair work (Alaska Vocational Technical Center)



# WORKFORCE DEVELOPMENT



## Related Legislation:

### ❖ HB 141-TVEP Reauthorization

- Extends the sunset date for TVEP program to FY2020
- Signed into law October 2017

Entity	Distribution Percentage	FY2016 Distribution	FY2017 Distribution	FY2018 Distribution	FY2019 Governor's Distribution
University of Alaska	45%	\$ 5,630.0	\$ 5,980.1	\$ 5,386.6	\$ 4,926.4
Galena Interior Learning Academy	4%	\$ 500.4	\$ 531.6	\$ 478.8	\$ 437.9
Alaska Technical Center	9%	\$ 1,126.0	\$ 1,196.0	\$ 1,077.3	\$ 985.3
Southwest Alaska Vocational and Education Center	3%	\$ 375.3	\$ 398.7	\$ 359.1	\$ 328.4
Yuut Elinaurviat, Inc. People's Learning Center	9%	\$ 1,126.0	\$ 1,196.0	\$ 1,077.3	\$ 985.3
Northwestern Alaska Career and Technical Center	3%	\$ 375.3	\$ 398.7	\$ 359.1	\$ 328.4
Partners for Progress in Delta, Inc.	3%	\$ 375.3	\$ 398.7	\$ 359.1	\$ 328.4
Amundsen Educational Center	2%	\$ 250.2	\$ 265.8	\$ 239.4	\$ 218.9
Ilisagvik College	5%	\$ 625.5	\$ 664.5	\$ 598.5	\$ 547.4
Alaska Vocational Technical Center	17%	\$ 2,126.9	\$ 2,259.2	\$ 2,034.0	\$ 1,861.1
<b>Total</b>	<b>100%</b>	<b>\$ 12,510.9</b>	<b>\$ 13,289.3</b>	<b>\$ 11,969.2</b>	<b>\$ 10,947.5</b>



# INCOME REPLACEMENT



## Accomplishments:

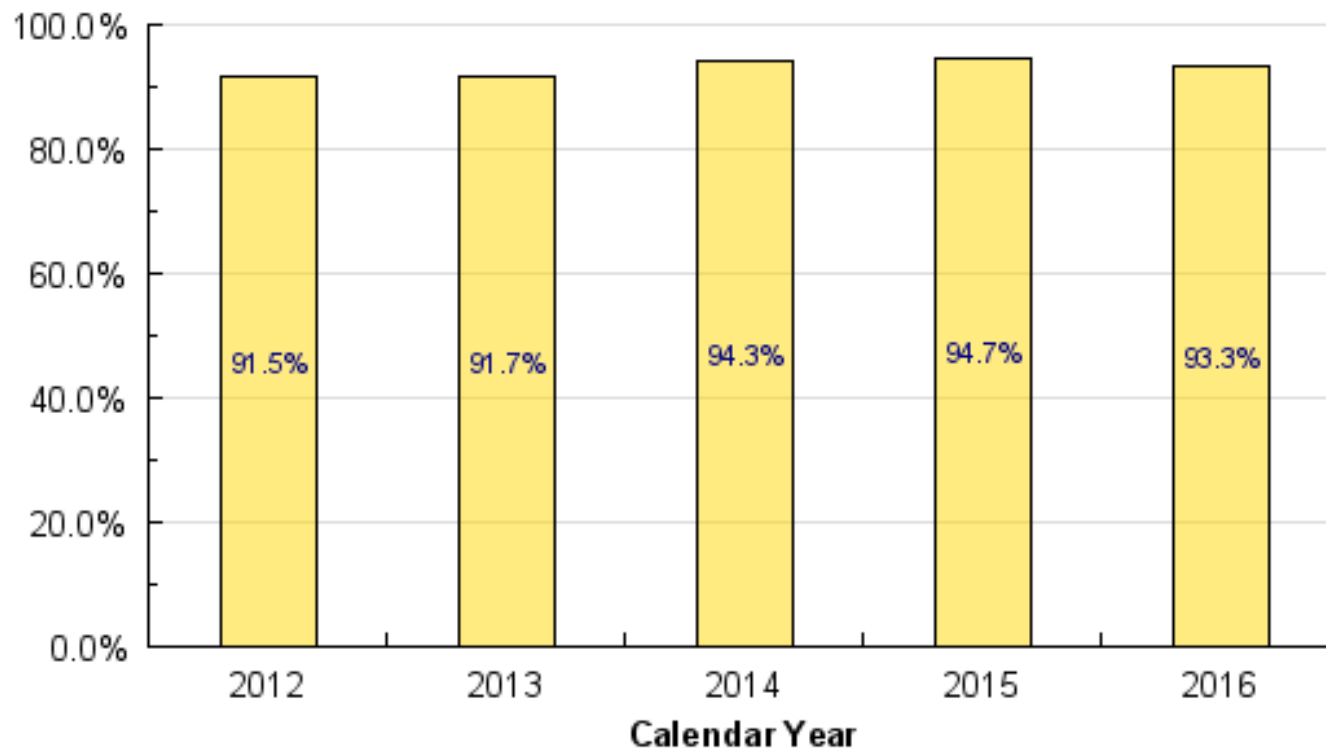
- ❖ Investigated 2,400 businesses and brought 600 employers into compliance with the Workers' Compensation Act
- ❖ Received a Social Security Administration Deputy Commissioner's Citation "For Thorough Analysis and Responsible Cost Estimates"
- ❖ Paid over \$128 million in UI benefits to nearly 39,000 claimants
- ❖ Protected UI Trust Fund; recovered \$5.2 million in overpayments, fraudulent claims, and penalties



# INCOME REPLACEMENT



**Percent of Initial Unemployment Insurance Payments Processed within 21 Days (exceeded the target of 87 percent in 2016)**



# INCOME REPLACEMENT



## Challenges:

- ❖ Realize further efficiencies and program improvements without statutory changes  
(Division of Workers' Compensation)
- ❖ Maintaining service levels, given high turnover and reduction in federal funds  
(Division of Employment and Training Services-  
Unemployment Insurance Section)
- ❖ Meeting the Social Security Administration initial case clearance goal, given significant attrition rate  
(Division of Vocational Rehabilitation-Disability Determination)





# INCOME REPLACEMENT



## Related Legislation:

- ❖ HB 79-Omnibus Workers' Compensation
  - Increases efficiency and flexibility of WC system
- ❖ HB 69-Repeal Workers' Comp Appeals Commission
  - Repeals the Alaska Workers' Comp Appeals Commission
- ❖ HB 142-Unemployment Compensation Benefits
  - Increases maximum weekly unemployment benefit amount



# WE'RE PREPARING ALASKANS FOR THE JOBS OF TODAY—AND TOMORROW

Email: [Commissioner.Labor@alaska.gov](mailto:Commissioner.Labor@alaska.gov)

Phone: (907) 465-2700



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