

Department of Labor and Workforce Development

Mission

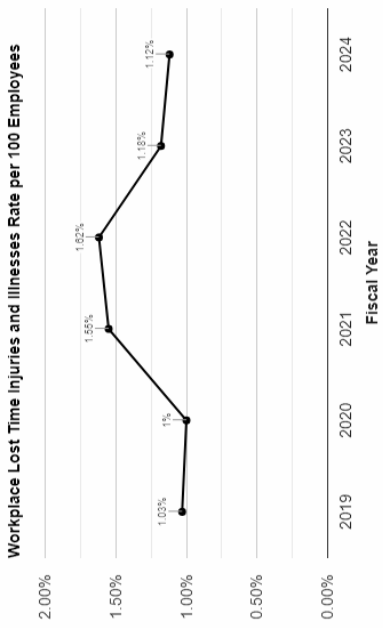
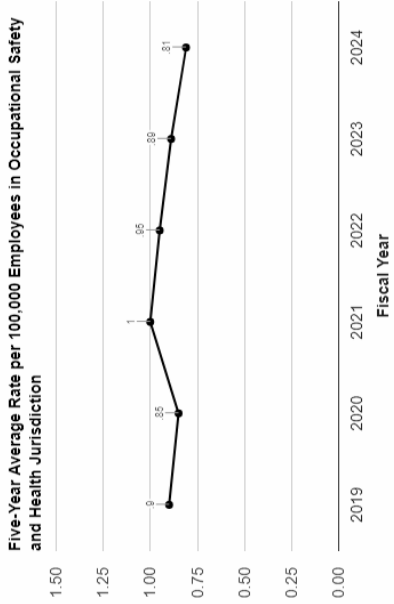
Provide safe and legal working conditions and advance opportunities for employment. Alaska Statute 23.05.010

Core Services (in priority order)		UGF	DGF	Other	Fed	Total	PFT	PPT	NP	% GF
1	Protect Workers	4,059.1	17,355.1	2,551.2	3,127.2	27,092.7	139.5	0.1	2.1	29.6%
2	Workforce Development	17,384.5	31,379.3	15,745.1	55,123.9	119,632.7	347.0	17.7	11.7	67.4%
3	Income Replacement	1,141.3	1,001.8	2,273.4	35,496.4	39,912.9	195.5	22.3	2.3	3.0%
FY2025 Management Plan		22,584.9	49,736.3	20,569.6	93,747.5	186,638.3	682.0	40.0	16.0	

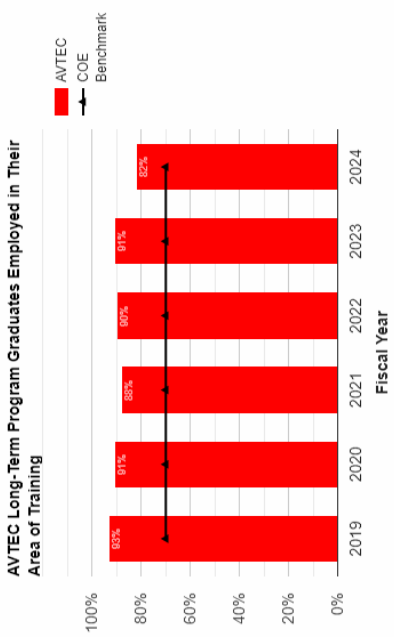
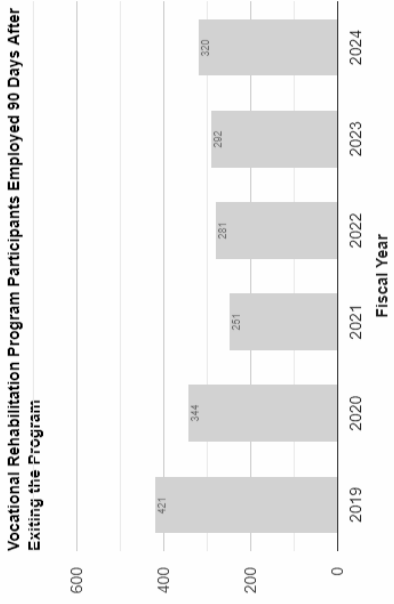
Measures by Core Service

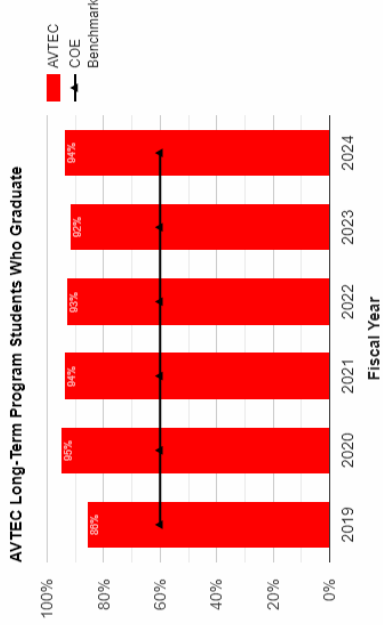
(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Protect Workers

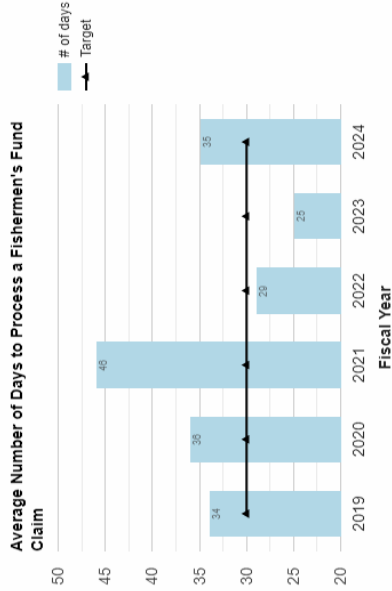


2. Workforce Development





3. Income Replacement



Major Department Accomplishments in 2024

Protect Workers

The Division of Labor Standards and Safety's (LSS) Mechanical Inspection (MI) component conducted a total of 6,748 boiler, elevator, electrical, and plumbing inspections. The section reviewed and approved 7,174 third-party inspections, identified 1,075 code violations, and conducted 827 on-site construction project visits statewide to ensure contractor-licensing and Certificate of Fitness compliance.

The response from LSS Alaska Occupational Safety and Health (AKOSH) Enforcement to fatalities and imminent danger complaints was 100 percent timely throughout the year. AKOSH updated citation packets and whistleblower forms to make processes easier to understand for employers and employees. It also provided an Occupational Safety and Health Administration (OSHA) 30-hour training class on an expanded list of topics associated with workplace hazards to the Department of Transportation and Public Facilities to build stronger relationships with other State agencies and assist with education. The Whistleblower Program decreased the number of pending cases from 103 to 29 and improved the average number of days to completion by 25 percent. In FY2023, AKOSH reduced the rate of workplace fatalities within AKOSH jurisdiction from 0.95 to 0.93 per 100,000 employees.

Workforce Development

The Alaska Vocational Technical Center (AVTEC) hosted students from the Alaska EXCEL program, a non-profit providing supplemental academic and career and technical education intensives for rural youth and young adults across Alaska. Nearly 60 students lived on campus in June 2023, and participated in a variety of trainings including aviation, welding, and diesel mechanics.

The Commissioner's Office and Administrative Services created the advertising campaign "Build It Alaska"

which targets young Alaskans for training and employment.

The Division of Employment and Training Services (DETS), Alaska Job Center staff began in-reach in 10 Department of Corrections (DOC) facilities as a part of a continued partnership to provide pre-release services to inmates. Staff provide direct workshops on topics such as Employment After Incarceration, Resume Writing, and Interviewing Skills. DOC facilities included: Anvil Mountain Correctional Center, Fairbanks Correctional Center, Goose Creek Correctional Center, Hiland Mountain Correctional Center, Ketchikan Correctional Center, Lemon Creek Correctional Center, Palmer Correctional Center, Spring Creek Correctional Center, Wildwood Correctional Center, and Yukon Kuskokwim Correctional Center.

Income Replacement

The Division of Labor Standards and Safety's (LSS) Wage and Hour provided more than 4,679 voluntary compliance briefings to employers, collected \$65,672.09 in wages, penalties, and damages owed to Alaskan workers, conducted 12-on-site inspections of public construction projects, and audited 15,710 certified payrolls to ensure compliance.

Deposited over \$178 million of Unemployment Insurance (UI) contributions into the UI Tax Trust Account. Collected \$3.2 million in overpaid benefits and penalties from fraudulent claims. Recovered approximately \$1.03 million through garnishment of Internal Revenue Service (IRS) tax returns of claimants and employers who owe the UI Trust Fund due to fraudulent claims or past due contributions. Paid UI benefits in a timely manner to 18,940 claimants, totaling \$57 million in benefits to assist workers who were temporarily out of work due to no fault of their own.

Workforce Efficiency

The Division of Vocational Rehabilitation (DVR) achieved 97.9 percent performance accuracy – best in the nation for a second consecutive year. The national average for accuracy is 94.4 percent.

In LSS, Consultation and Training exceeded the federally required 20 federal working day response time to provide the employer with written response within 13 working days.

Key Department Challenges

Workforce Development

A challenge for the Alaska Vocational Technical Center (AVTEC) will be finding skilled subject matter experts (SME) to fill instructional staff vacancies.

Another challenge for AVTEC will be scoping out repairs to the First Lake Building and getting the project in the queue in a timely manner to assure the availability and affordability of supplies. This challenge, together with the challenge to balance the annual maintenance and operations of AVTEC's facilities with unplanned emergency repair work, impacts the health and safety of staff and students.

The Commissioner's Office and Administrative Services has a significant audit workload to maintain in addition to its daily duties.

Alaska has continued to close-out the multiple federal pandemic Unemployment Insurance (UI) programs within the Division of Employment and Training Services (DETS) and begun participating in the associated audits. These audits include the state's Division of Legislative Audit, Federal Emergency Management Agency (FEMA) for the Lost Wage Assistance (LWA) program, and United States Department of Labor (USDOL) audits for multiple COVID-related programs. The audits consume a great deal of staff time and division resources.

The Data Processing (DP) unit in DETS maintains multiple department systems that must comply with federal security and reporting requirements. DP staff must ensure that department systems are in line with a continually changing compliance landscape and meet both federal and state security, audit, and reporting requirements.

The State of Alaska continues to see a safer workforce with a corresponding reduction to Workers' Compensation

(WC) premiums and, in turn, revenue to the program is declining. WC operations are supported by a 2.5 percent fee assessed against the premiums paid by employers for workers' compensation insurance. As a result of lower premiums, the reduced revenue collections impact the receipt-supported services of the division.

Protect Workers

Labor Standards and Safety (LSS) continues to be challenged with upholding worker protections across all three components due to unpredictable annual legal costs and decreases in revenues. These legal costs are outside of LSS's control and can exceed budgeted annual amounts.

Significant Changes in Results to be Delivered in FY2026

Alaska is ranked last in the nation for the number of students completing the Free Application for Federal Student Aid (FAFSA). This statistic also affects the Alaska Vocational Technical Center (AVTEC) admission and registration process. The main reason students do not complete registration is for financial reasons, and getting financial aid begins with FAFSA completion. The enrollment services staff at AVTEC are planning interventions to support student completion of the FAFSA, which should result in significant changes in students securing funding and increase the number of students who complete the FAFSA and attend AVTEC.

In the Division of Employment and Training Services (DETS), the solicitation and administration of grants for federal and state training and employment programs will be integrated into AlaskaJobs for improved reporting.

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