

A large, dark sculpture of a humpback whale leaping out of the water, creating a massive splash. The whale is positioned in the center-right of the frame. In the background, there are forested mountains and a small town with houses visible on the left side. The sky is clear and blue.

FY2026 Operating Budget Overview

House Finance Subcommittee

January 29, 2025

Presenting – Dan DeBartolo, Administrative Services Director



ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
Cathy Muñoz, Commissioner



Organization and Mission Delivery

(\$ Thousands)



Leadership and Support

\$19,582.8
10.8%

- Commissioner's Office
- Management Services
- Labor Market Information
- Technology Services



Protect Workers

\$26,410.5
14.6%

- Alaska Labor Relations Agency
- Workers' Compensation
- Labor Standards and Safety



Income Replacement

\$32,501.1
17.9%

- Unemployment Insurance
- Disability Determinations



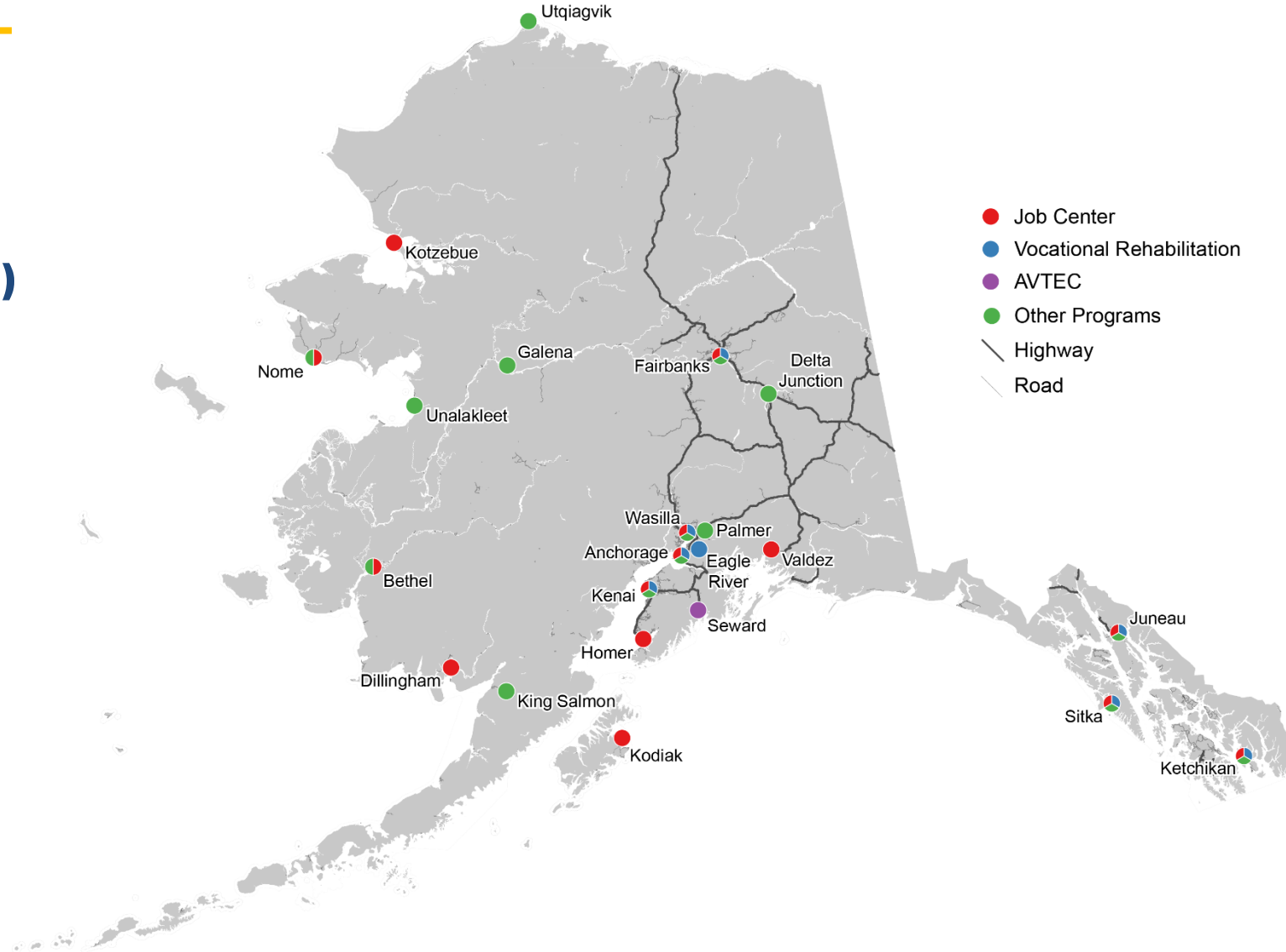
Workforce Development

\$102,750.8
56.7%

- Alaska Workforce Investment Board
- Employment and Training Services
- Vocational Rehabilitation
- Alaska Vocational Technical Center
- Office of Citizenship Assistance

Our Reach in Alaska

- **14 Job Centers**
(includes satellite in Kotzebue)
- **11 Vocational Rehabilitation Offices**
- **9 Regional TVEP Recipients**
- **31 STEP Grantees**
- **10 Construction Academies**
- **Alaska Vocational Technical Center**



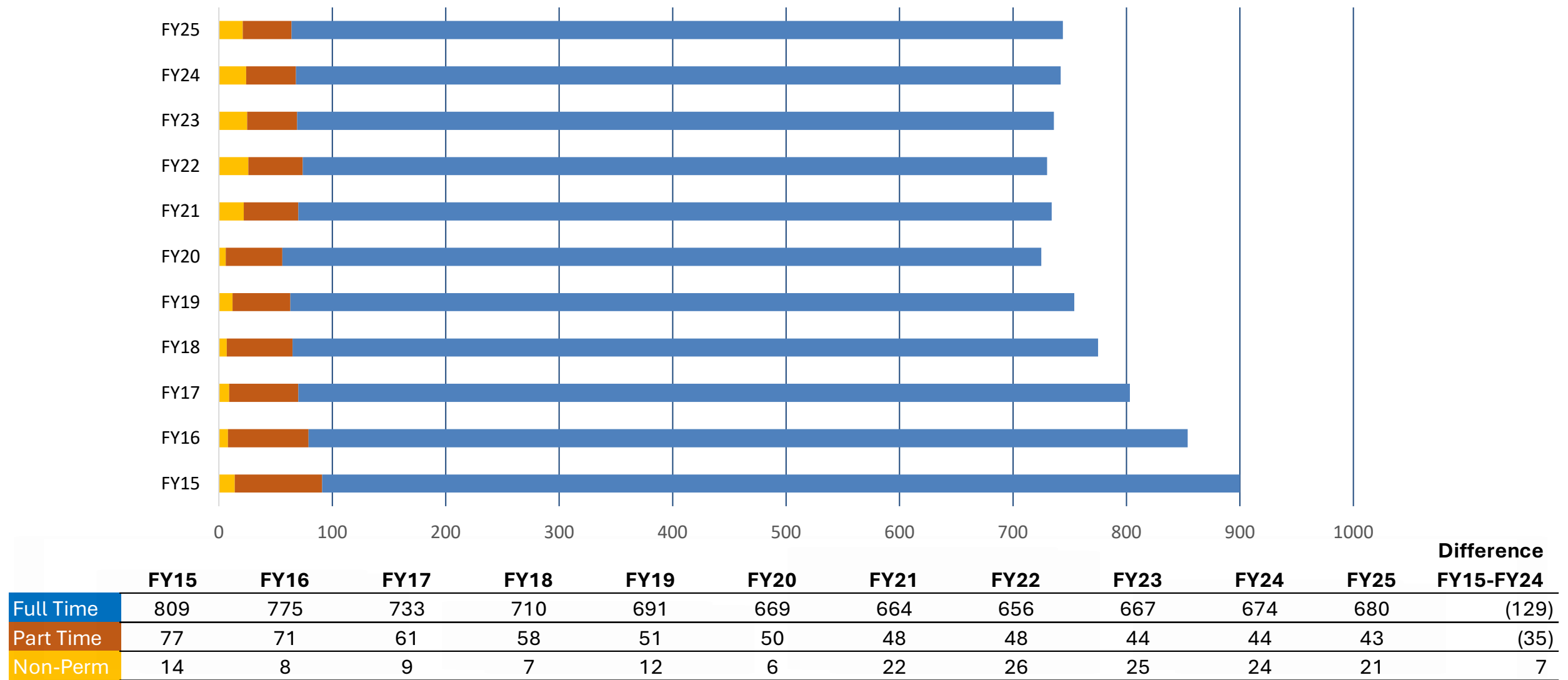
Historical Operating Authority (FY2015-FY2025)

(\$Thousands)



	FY15 Auth	FY16 Auth	FY17 Auth	FY18 Auth	FY19 Auth	FY20 Auth	FY21 Auth	FY22 Auth	FY23 Auth	FY24 Auth	FY25 Auth	Difference FY15 -FY24
Federal	\$ 95,237.6	\$ 94,386.6	\$ 85,299.9	\$ 84,337.9	\$ 74,507.3	\$ 77,196.8	\$ 77,549.9	\$ 80,454.1	\$ 91,942.9	\$ 90,620.8	\$ 93,747.5	\$ (1,490.1)
Other	\$ 21,773.6	\$ 20,592.8	\$ 20,265.8	\$ 20,410.1	\$ 17,104.3	\$ 17,131.9	\$ 17,379.2	\$ 17,806.9	\$ 16,099.0	\$ 15,658.2	\$ 20,569.6	\$ (1,204.0)
Designated GF	\$ 34,847.5	\$ 36,015.1	\$ 35,739.3	\$ 36,292.4	\$ 35,766.7	\$ 36,413.4	\$ 38,832.5	\$ 38,407.3	\$ 35,942.4	\$ 36,943.0	\$ 49,736.3	\$ 14,888.8
Unrestricted GF	\$ 33,448.0	\$ 25,831.5	\$ 22,497.4	\$ 20,992.0	\$ 20,697.2	\$ 20,846.6	\$ 18,650.6	\$ 18,123.7	\$ 27,730.9	\$ 27,070.4	\$ 22,584.9	\$ (10,863.1)
Total	\$ 185,306.7	\$ 176,826.0	\$ 163,802.4	\$ 162,032.4	\$ 148,075.5	\$ 151,588.7	\$ 152,412.2	\$ 154,792.0	\$ 171,715.2	\$ 170,292.4	\$ 186,638.3	\$ 1,331.6

Historical Position Counts (FY2015 to FY2025)



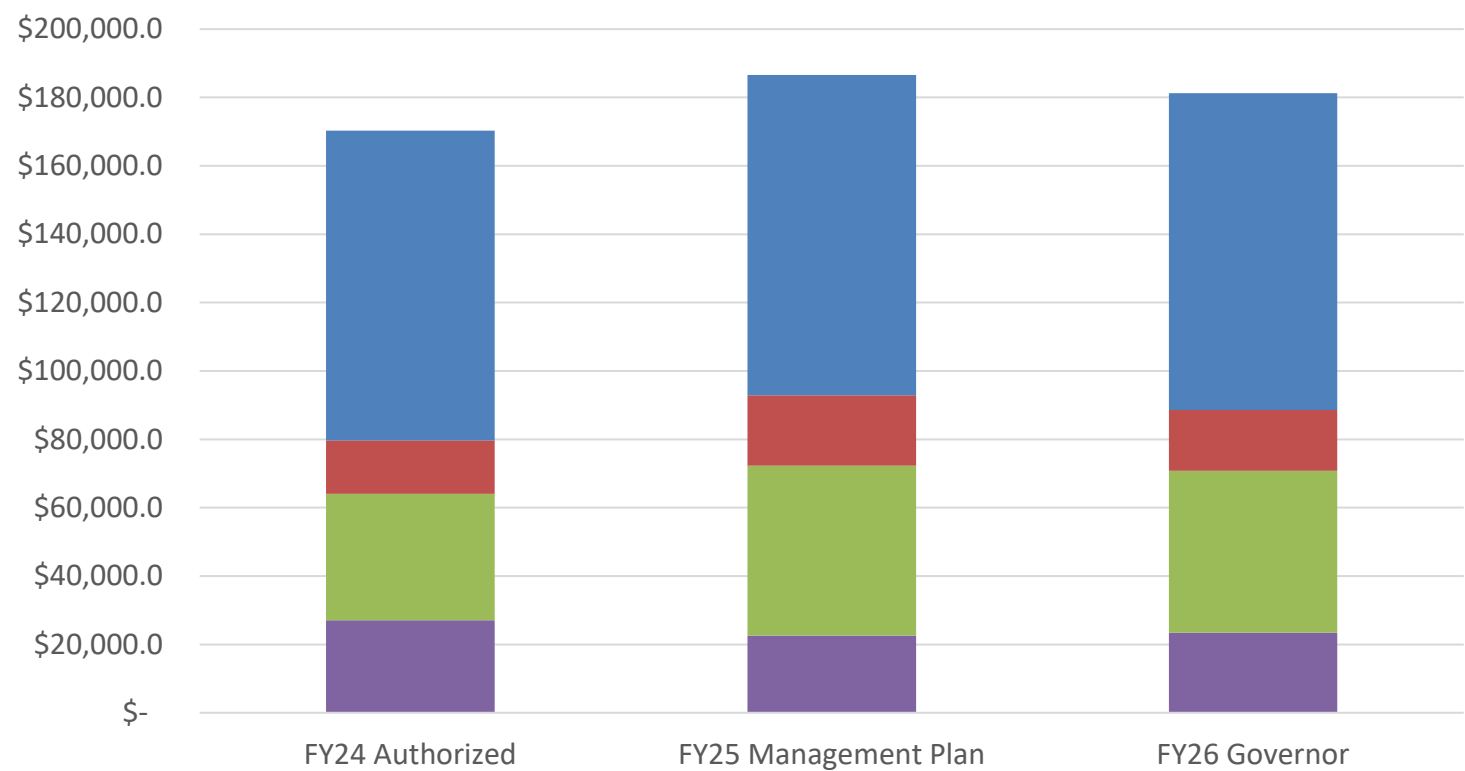
FY2025 - Current Year Implementation Status

	Component	Trans Type	\$ in Thousands	Fund Source	Title
1	Technology Services	Inc	\$608.5	I/A	Increase Interagency Receipts for IT Helpdesk
2	Office of Citizenship Assistance	Inc	\$437.8	UGF	Establish the Office of Citizenship Assistance
3	Workforce Services	Inc	\$2,400.0	I/A	Partnership with the Department of Transportation and Public Facilities for Workforce Development
4	Vocational Rehabilitation	OTI	\$97.5	UGF	Maintain Vocational Rehabilitation Administration Support



FY2024-26 Operating Budget Comparison

(\$ Thousands)



	FY24 Authorized	FY25 Management Plan	FY26 Governor	FY24 Auth- FY26 Gov	% Change
Fed	\$ 90,620.8	\$ 93,747.5	\$ 92,620.4	\$ 1,999.6	2.2%
Other	\$ 15,658.2	\$ 20,569.6	\$ 17,793.9	\$ 2,135.7	13.6%
Designated General Funds	\$ 36,943.0	\$ 49,736.3	\$ 47,391.9	\$ 10,448.9	28.3%
Unrestricted General Funds	\$ 27,070.4	\$ 22,584.9	\$ 23,439.0	\$ (3,631.4)	-13.4%
Total	\$ 170,292.4	\$ 186,638.3	\$ 181,245.2	\$ 10,952.8	6.4%



FY2026 Proposed Operating Budget – *Key Changes*

Component	Trans Type	\$ in Thousands	Fund Source	Title
Workforce Investment Board & AVTEC	Dec/Inc	\$ 14,596.2	TVEP	Move Technical and Vocational Education Program Appropriation to Language
Workers' Compensation	Inc	\$ 125.4	GF	Support for Stay-at-Work Program
Mechanical Inspection	Inc	\$ 58.8	GF	Support for Certificate of Fitness Program
Alaska Safety Advisory Program	Inc	\$ 290.4	GF	Rename Alaska Safety Advisory Council and Provide Operational Support
Workforce Services	Dec	\$ (2,400.0)	I/A	Eliminate Authority for Unrealized Training Partnership with DOT/PF
Unemployment Insurance	Dec	\$ (2,150.0)	FED	Eliminate Pandemic-Related Federal Receipt Authority
AVTEC	Inc	\$ 182.3	GF	Support for Expanding Alaska's Electrical and Plumbing Workforce

FY2026 Implementation and Beyond

Technology –

- Completion of the assessment and documentation of the legacy mainframe (FY25 Capital)
- Explore federal and state funding opportunities for the mainframe replacement (5-year horizon)

Programmatic –

- Roll out monitoring and enforcement related to Ballot Measure 1 – Minimum Wage & Paid Family Leave
- Build knowledge base and referral network for the Office of Citizenship Assistance
- Limit new initiatives to ensure successful rollout of new legislative changes in Labor Standards & Safety and Workers Compensation

Apprenticeship –

- Model other states' success to implement robust apprenticeship program offerings
- Seek federal grant opportunities related to high-demand trade apprenticeships (possibly add grant writer)

PREPARING ALASKANS FOR THE JOBS OF TODAY — AND TOMORROW

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