

**Department of Labor and Workforce Development**  
**Summary of Budget Changes**  
(\$ thousands)

| Item | Appropriation / Allocation                  | Description  | Amount / Fund Source   | Comment  |
|------|---|--|--|--|
| 1    | Workers' Compensation / Second Injury Fund  | Restore Omnibus Workers' Compensation Ch91 SLA2018 (HB79)                              | \$400.0 Sec Injury (DGF)   | The referenced fiscal note had projected additional annual reductions of (\$400.0) in the Second Injury Fund (SIF). However, the fiscal note did not consider that 95% of SIF claims are for permanent total disability, meaning the claim will be paid for the life of the claimant. This will take decades for the fund liabilities to be fully absolved and therefore, the division will require the \$400.0 expenditure authority to make payments from the fund.  |
| 2    | Employment and Training Services / Various  | Open-Ended Federal Receipt Authority Associated with COVID-19                          | <b>Net Zero</b>  | Open-ended federal receipt authority was added to the Employment and Training Services appropriation in sec. 29(e) & (f), ch, 8, SLA 2020 for the purposes of receiving federal awards associated with COVID-19. This includes receiving federal funding to make unemployment insurance payments. Similar language is added to the Governor's FY22 budget proposal.  |
| 3    | Vocational Rehabilitation / Client Services | Decrease General Fund Match to Client Services' Basic Support Federal Grant            | <b>Net Zero</b><br>\$662.8 Fed Rcpts (Fed)<br>(\$662.8) GF/Match (UGF)                                     | This is a one-time fund change as the department plans to leverage available federal funds for FY22 and will re-evaluate the general fund match need for FY23.   |
| 4    | Various                                     | UGF Savings Associated with Administrative Efficiencies and Positions No Longer Needed | <b>Total: (\$561.5)</b><br>(\$41.7) GF/Match (UGF)<br>(\$519.8) Gen Fund (UGF)<br><b>(3) PFT Positions</b> | UGF decrements associated with administrative efficiencies and positions no longer needed in the following appropriations/allocation:<br><br><b><u>Commissioner and Administrative Services Total: (\$453.0 UGF) and (1 PFT)</u></b><br>-Commissioner's Office (\$57.2 UGF) - split funding and duties of Executive Secretary position with the Workforce Investment Board<br>-Alaska Labor Relations Agency (\$60.4 UGF) - administrative efficiencies<br>-Management Services (\$66.9 UGF) - reduce funding no longer needed for Shared Services of Alaska chargeback costs<br>-Data Processing (\$29.6 UGF) - business process realignment savings<br>-Labor Market Information (\$238.9) and (1 PFT) - savings from renegotiating Reimbursable Services Agreements and delete Research Analyst position<br><br><b><u>Labor Standards and Safety Total: (108.5 GF) and (2 PFTs)</u></b><br>-Wage and Hour Administration (\$66.8 UGF) and (1 PFT-) delete vacant Office Assistant position Occupational Safety and Health (\$41.7 GF Match) and (1 PFT) - delete vacant Administrative Assistant position |