

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 504(L&C)
 (H) Publish Date: 4/4/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Minimum Wage for Workers in Fisheries BRU: Labor Standards & Safety
 Component: Wage & Hour
 Sponsor: House Rules
 Requester: House L&C Component Number: 345

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	52.8	52.8	52.8	52.8	52.8	52.8
Travel	5.0	5.0	5.0	5.0	5.0	5.0
Contractual	9.3	9.3	9.3	9.3	9.3	9.3
Supplies	3.5	3.5	3.5	3.5	3.5	3.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	70.6	70.6	70.6	70.6	70.6	70.6

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	70.6	70.6	70.6	70.6	70.6	70.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	70.6	70.6	70.6	70.6	70.6	70.6

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See Attached Analysis.

Prepared by: Richard A. Mastriano, Director Phone: 269-4919
 Division: Labor Standards & Safety Date/Time: 3/22/02 9:23 AM
 Approved by: Ed Flanagan, Commissioner Date: 03/22/02
 Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

**STATE OF ALASKA
2002 LEGISLATIVE SESSION**

BILL NO. CSHB 504(L&C) - FN#1

ANALYSIS: (continued)

This bill amends AS 23.10 by adding a new section concerning wages for fisheries businesses. The amendment allows employers engaged in fisheries businesses, as defined in AS 43.75.290, to deduct from the applicable minimum wage paid to an employee the costs associated with board and lodging. These deductions are based on a written agreement with the employee, and the costs of board and lodging are to be reasonable and without profit to the employer. Additionally, the board and facilities are those customarily furnished by employers and used by employees.

The "reasonable costs and without profit" would be subject to interpretation and would require close oversight on the part of the department. At least one new Wage and Hour Investigator position in Anchorage will be necessary to conduct the complex audits required to determine actual costs to the employer for the purpose of validating a deduction. In order to perform these audits, the investigator will have to travel to the employer's business locations where employees are housed to verify the charged expenses.