

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version:	CSHB 186(TRA)
Fiscal Note Number:	1
(H) Publish Date:	5/5/2025

Identifier: HB186-DOLWD-WH-04-16-25  
 Title: APPRENTICE LABOR IN PUBLIC PROJECTS  
 Sponsor: CARRICK  
 Requester: (H) TRA

Department: Department of Labor and Workforce Development  
 Appropriation: Labor Standards and Safety  
 Allocation: Wage and Hour Administration  
 OMB Component Number: 345

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2026	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2026 Request	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>OPERATING EXPENDITURES</b>	<b>FY 2026</b>	<b>FY 2026</b>					
Personal Services	80.9		80.9	80.9	80.9	80.9	80.9
Travel							
Services	13.5		13.5	13.5	13.5	13.5	13.5
Commodities	2.0		0.5	0.5	0.5	0.5	0.5
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>96.4</b>	<b>0.0</b>	<b>94.9</b>	<b>94.9</b>	<b>94.9</b>	<b>94.9</b>	<b>94.9</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	96.4		94.9	94.9	94.9	94.9	94.9
<b>Total</b>	<b>96.4</b>	<b>0.0</b>	<b>94.9</b>	<b>94.9</b>	<b>94.9</b>	<b>94.9</b>	<b>94.9</b>

**Positions**

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2026) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** N/A  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
 If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version/comments:**

Not applicable, initial version
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 Agency: Department of Labor & Workforce Development

Phone: (907)269-4930  
 Date: 04/17/2025  
 Date: 04/18/25

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION

## Analysis

This proposed legislation establishes a new reporting requirement for Wage and Hour, creating a process for the Department of Transportation (DOT) and the Department of Administration (DOA) to submit information on projects costing over \$ 2.5M. It includes contractor information, percentages of hours performed by apprentices, and their classifications for fiscal years 2026 to 2030. After receiving this information, Wage and Hour will track each project and audit every certified payroll submitted by contractors, maintaining totals of apprentice hours and hours worked by other classifications. Wage and Hour must also track subcontractor changes during the project and monitor DOT and DOA projects to ensure costs do not exceed \$ 2.5 million. If costs rise above this threshold, DOT or DOA must be contacted for the necessary project information. Retroactive audits of all certified payrolls from contractors will then be completed to gather data on apprentice hours and total working hours.

After collecting data, Wage and Hour must prepare a report each fiscal year to submit to the DOLWD Commissioner detailing apprentice labor hours by classification. The final report is to be submitted to the legislature by September 1, 2030. Currently, there is no separation of DOT or DOA project information, nor is apprentice data categorized by classifications or hours worked. This legislation will require manual data extraction for the covered projects. Wage and Hour currently has 147 projects that meet these criteria, resulting in over 13,000 certified payrolls generated each year (about 50 daily) needing individual review.

Due to the substantial volume of new administrative tasks generated by this legislation, Wage and Hour anticipates needing one additional Wage and Hour Technician to monitor and verify the data and fulfill reporting obligations.

Personal Services: **Total: \$80,900**

Services Costs: Based on core service average **Total: \$13,500**

Commodities Costs: First year set up for an employee. **Total \$2,000**

Out-year supplies: **Total \$500**