

LEG. FINANCE - BILLS 1979 - 1980 1374

SB 496 cont. , 1374

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Bureau	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FOR: 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82		Thru Dec. 31 FY'83			
	1	2		3						
4	PERSONAL SERVICES:									
	SALARY	1,629	19,348							
5	BENEFITS	.1542	3,014							
6	ICA	.0665	1,300							
7	HEALTH INS.	127 X 12	1,524							
8	TOTAL PERSONAL SERVICES 7/12 X 25,386 =			14,809	25,386		12,693			
9	TRAVEL			1,000	4,000		2,140			
10	CONTRACTUAL			7,788	14,284		7,642			
11	COMMODITIES			145	268		143			
12	EQUIPMENT			1,000	0		0			
13	OTHER									
14	TOTAL COST			24,742	43,938		22,618			
					Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
	CODE	FUNDING SOURCE								
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		24,742						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION		FOR B&M USE ONLY							
22	ADDITION	XXX								
4A KEY NUMBER _____ COLUMN NO. _____										

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 4 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Palmer/etc.	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION:		Thru Dec. 31		
	1	2	3		FY'82	FY'83			
4	PERSONAL SERVICES:								
	SALARY	1,689	20,268						
5	BENEFITS	1542	3,125						
6	FICA	.0665	1,348						
7	HEALTH INS.	127 X 12	1,524						
8	TOTAL PERSONAL SERVICES	7/12 X	26,265	=	15,321	26,265	13,132		
9	TRAVEL		1,000		4,000	2,140			
10	CONTRACTUAL		7,788		14,284	7,642			
11	COMMODITIES		145		268	143			
12	EQUIPMENT		1,000		0	0			
13	OTHER								
14	TOTAL COST		25,254		44,817	23,057			
	CODE	FUNDING SOURCE			Justification for this position:				
15		FED RCPTS.			In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
16		GF MATCH.							
17		GEN. FUND		25,254					
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
4A	KEY NUMBER			COLUMN NO.					

AGENCY Department of Labor

PROGRAM AREA Social Services

BRU Employment Security Division

COMPONENT Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

Page 5 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14 A	BARG. UNIT. GGII	LOCATION Palmer	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82	Thru Dec. 31 FY'83			
	1	2		3					
4	PERSONAL SERVICES:								
	SALARY	1,689		20,268					
5	BENEFITS	.1542		3,125					
6	FICA	.0665		1,348					
7	HEALTH INS.	127 X 12		1,524					
8	TOTAL PERSONAL SERVICES 7/12 X 26,265 =			15,321	26,265	13,132			
9	TRAVEL			1,000	4,000	2,140			
10	CONTRACTUAL			7,788	14,284	7,642			
11	COMMODITIES			145	268	143			
12	EQUIPMENT			1,000	0	0			
13	OTHER								
14	TOTAL COST			25,254	44,817	23,057			
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		25,254					
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
	4A KEY NUMBER			COLUMN NO.					

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 6 of 9

REVISED DATE

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14 A	BARG. UNIT. GGII	LOCATION FRY	APPROV	DISAPP.	
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	GOV	LEG.	
3	TYPE OF EXPENDITURE FY'81			AMOUNT		JUSTIFICATION: FY'82	Thru Dec. 31 FY'83		
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1,888	22,656						
5	BENEFITS	.1542	3,494						
6	FICA	.0665	1,507						
7	HEALTH INS.	127 X 12	1,524						
8	TOTAL PERSONAL SERVICES	7/12 X 29,181	= 17,022	29,181	14,590				
9	TRAVEL		1,000	4,000	2,140				
10	CONTRACTUAL		7,788	14,284	7,642				
11	COMMODITIES		145	268	143				
12	EQUIPMENT		1,000	0	0				
13	OTHER								
14	TOTAL COST		26,955	47,733	24,515				
15	CODE	FUNDING SOURCE		Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
16		FED RCPTS.							
17		GF MATCH.							
18		GEN. FUND							26,955
19		I-A RCPTS.							
20		OTHER							
21	CONTINUATION			FOR B&M USE ONLY 4A KEY NUMBER _____ COLUMN NO. _____					
22	ADDITION	XXX							

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 7 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION FBX	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82		Thru Dec. 31 FY'83			
	1		2	3						
4	PERSONAL SERVICES:									
	SALARY	1,888		22,656						
5	BENEFITS	.1542		3,494						
6	FICA	.0665		1,507						
7	HEALTH INS.	127 X 12		1,524						
8	TOTAL PERSON. SERVICES	7/12 X	29,181	=	17,022	29,181	14,590			
9	TRAVEL				1,000	4,000	2,140			
10	CONTRACTUAL				7,788	14,284	7,642			
11	COMMODITIES				145	268	143			
12	EQUIPMENT				1,000	0	0			
13	OTHER									
14	TOTAL COST			26,955		47,733	24,515			
	CODE	FUNDING SOURCE				Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		26,955						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXX	FOR B&M USE ONLY							
4A KEY NUMBER				COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

RRU Employment Security Division

FY 81.

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 8 of 9

REVISED DATE

1	POSITION TITLE Clerk Typist III			RANGE/STEP 8 A	BARG. UNIT. GGU	LOCATION Juneau	APPROV. GOV	DISAPP
2	TYPE OF POSITION PET	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82	Thru Dec. 31 FY'83		
	1	2	3					
4	PERSONAL SERVICES:							
	SALARY	1,108	13,296					
5	BENEFITS	.1542	2,050					
6	FICA	.0665	884					
7	HEALTH INS.	127 X 12	1,524					
8	TOTAL PERSONAL SERVICES 7/12 X 17,754 =			10,357	17,754	8,877		
9	TRAVEL		0		0	0		
10	CONTRACTUAL		7,788		14,284	7,642		
11	COMMODITIES		145		268	143		
12	EQUIPMENT		1,000		0	0		
13	OTHER							
14	TOTAL COST			19,290	31,306	16,662		
	CODE	FUNDING SOURCE			Justification for this position: In Central office provide support services to Alaska Targeted Job Tax Credit Coordinator (Employment Security Analyst II) to include typing of all related correspondence, sorting, distribution and filing of all vouchers and Certifications and transmission of Certifications to employers.			
15		FED RCPTS.						
16		GF MATCH.						
17		GEN. FUND		19,290				
18		I-A RCPTS.						
19		PGM RCPTS						
20		OTHER						
21	CONTINUATION				FOR B&M USE ONLY			
22	ADDITION	XXX						
4A KEY NUMBER _____				COLUMN NO. _____				

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 9 of 9

REVISED DATE _____

MEMORANDUM

TO: The Honorable Jay S. Hammond
Governor
State of Alaska

DATE: February 8, 1980

FILE NO:

Edmund N. Orbeck
Commissioner of Labor

TELEPHONE NO:

FROM:

Thomas K. Williams *TKW*
Commissioner of Revenue

SUBJECT: Proposed Legislation:
Alaska Job Tax Credits

The Department of Labor has proposed an Alaska Job Tax Credit bill which would allow an employer to take as a credit against his net income tax due under AS 43.20 and AS 43.21, ten percent of the first \$15,000 of wages paid to certain qualifying employees (i.e. the "economically disadvantaged" and the "chronically unemployed") for the first twelve months of employment. The Department of Revenue has endorsed the general concept of developing a state job credit specifically tailored to Alaska's employment needs.

The two Departments have reached a consensus on the following points:

1. That an Alaska Job Tax Credit would be preferable to various federal job credits otherwise available. These latter credits which have been amended quite frequently in recent years are very confusing for employers to keep track of and to utilize both at the federal and state level. In addition, amendments to the federal credit are incorporated by reference into the state tax (AS 43.20) more than a year after the implementation of each federal change. Thus, the state credit available for a given tax year is constantly out of sync with the federal credit.
2. That the proposed bill should be introduced this year both because this type of state tax incentive is needed and because several alternate, but less desirable, proposals are already before the legislature this year.
3. That the program should not commence until January 1, 1981 to give the Department of Labor time to educate local employers and to prepare to administer the certification program. This would also prevent any interference with existing expectations of employers who may have hired people in anticipation of receiving the federal job tax credits which are presently incorporated by reference into the state tax.

The only point of contention between the Departments is the estimated cost of the program in terms of tax revenues foregone if the credit is calculated at ten percent (10%) of the first \$15,000 of wages. The Department of Labor has estimated a total pool of eligible participants of 17,100 for 1981. See attached schedule. Depending upon the number of certified eligibles who are ultimately hired and the number of employers who actually try to take advantage of the credit, the program could cost anywhere from a de minimis amount to a theoretical maximum of \$18,000,000. The Departments are in agreement that the most probable amount of the tax expenditure is some 2.7 million for calendar year 1981. (FY 81 cost would be less than half this amount or approximately \$700,000.) It is important to note that this figure does not take into account various incalculable offsetting factors, e.g. savings to the State in reduced welfare payments, unemployment insurance, and incremental income tax revenues generated by those employed by the program who would not otherwise have been employed during the given time period.

The Department of Revenue's sole concern is that the outside risks of an expenditure greater than that predicted be made clear and that those risks be minimized if at all possible. The attached schedules illustrate the total range of expenditures at varying degrees of participation and indicate the most likely cost of the program under Department of Labor estimates. These costs are shown for three versions of the credit: 10% of the first \$15,000, 10% of the first \$10,000, and 10% of the first \$6,000 of wages.

Obviously, using a lower credit formula would reduce the risks of expending more than the desired dollar amount. The only other possible method would be to put a statutory statewide ceiling of, for instance, 3,000 on the number of certified employees whose wages can be claimed as a credit. This latter approach while perhaps the most certain method of limiting the revenue exposure would present certain additional administrative difficulties for the Department of Labor. More importantly, it would create the appearance of inequity to employees and employers alike should any program (which would have to be considered highly successful at 3,000 participants) have to be shut down towards the end of a year.

In conclusion, the Department of Revenue would prefer,

The Honorable Jay S. Hammond
Governor

February 8, 1980
Page 3

for tax revenue receipt purposes, that a lesser tax credit amount (e.g. 10% of \$10,000) be adopted. However, the Department of Labor's recommendation of 10% of \$15,000 is acceptable to the Department of Revenue especially considering that the proposed bill specifies a definite life of two years at which time it would expire unless renewed by the Legislature. This gives the Departments of Labor and Revenue an opportunity to study the impact of the credit and to determine whether, on the basis of actual experience, the benefits of the program in terms of increased employment amongst the targeted groups outweigh its costs.

Attachments

10% of First \$15,000 Income Level Limit

1981 Total Pool of Eligible Participants
(17,100)

% of eligibles	10%	15%	23%	40%	100%
No. of Participants	1,710	2,565	3,960	6,840	17,100
Revenue Lost Assuming 10% Wage Tax Credit or \$1,500	2.57	3.85	5.94	10.26	25.65
			(Millions of Dollars)		
After Reduction for Seasonality Factor and Start Up Lag 30%	1.8	2.7	4.16	7.18	17.96

1982 Total Pool of Eligible Participants
(17,800)

% of eligibles	10%	15%	20%	31%	40%	100%
No. of Participants	1,780	2,670	3,560	5,470	7,120	17,800
Revenue Lost Assuming 10% Wage Tax Credit or \$1,500	2.67	4.01	5.34	8.21	10.68	26.70
			(Millions of Dollars)			
After Reduction for Seasonality Factor 25%	2.0	3.01	4.01	6.16	8.01	20.03

10% of First \$10,000 Income Level Limit

1981 Total Pool of Eligible Participants
(17,100)

% of eligibles	10%	15%	23%	40%	100%
No. of Participants	1,710	2,565	3,960	6,840	17,100
Revenue Lost Assuming 10% Wage Tax Credit or \$1,000	1.71	2.56	3.96	6.84	17.10
			(Millions of Dollars)		
After Reduction for Seasonality Factor and Start Up Lag 30%	1.20	1.79	2.77	4.79	11.97

1982 Total Pool of Eligible Participants
(17,800)

% of Participants	10%	15%	20%	31%	40%	100%
No. of Participants	1,780	2,670	3,560	5,470	7,120	17,800
Revenue Lost Assuming 10% Wage Tax Credit or \$1,000	1.78	2.67	3.56	5.47	7.12	17.80
			(Millions of Dollars)			
After Reduction for Seasonality Factor 25%	1.34	2.00	2.67	4.10	5.34	13.35

10% of First \$6,000 Income Level Limit

1981 Total Pool of Eligible Participants
(17,100)

% of eligibles	10%	15%	23%	40%	100%
No. of Participants	1,710	2,565	3,960	6,840	17,100
Revenue Lost Assuming 10% Wage Tax Credit or \$600	1.03	1.54	2.38	4.10	10.26
			(Millions of Dollars)		
After Reduction for Seasonality Factor and Start Up Lag 30%	.72	1.08	1.67	2.87	7.18

1982 Total Pool of Eligible Participants
(17,800)

% of eligibles	10%	15%	20%	31%	40%	100%
No. of Participants	1,780	2,670	3,560	5,470	7,120	17,800
Revenue Lost Assuming 10% Wage Tax Credit or \$600	1.07	1.60	2.14	3.28	4.27	10.68
			(Millions of Dollars)			
After Reduction for Seasonality Factor 25%	.80	1.20	1.61	2.46	3.20	8.01

ALASKA STATE LEGISLATURE

SEVENTH Legislature SECOND Session

SENATE BILL NO. 496

By THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act providing for Alaska Job Tax Credits; and providing for an effective date."

Introduced in the Senate 2/21/80

HISTORY IN THE SENATE

19 80 Read first time and referred to Committee on

2 21 Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. (J-77-008-80) SB 496

Title An Act providing for Alaska Job Tax Credits

Requested by Rules Committee by request of the Governor

Date March 27, 1980

COMBINED

II. FISCAL DETAIL

Agency Affected Department of Labor

Program Category Affected Public Protection/Social Services

BRU, Program, or Subprogram(s) Affected Wage and Hour/Employment Services

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	194.7	264.9	166.7	-0-	-0-
200 TRAVEL	-0-	32.6	37.8	34.7	-0-	-0-
300 CONTRACTUAL	-0-	63.8	87.7	62.4	-0-	-0-
400 COMMODITIES	-0-	1.6	2.3	1.6	-0-	-0-
500 EQUIPMENT	-0-	10.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	302.7	392.7	265.4	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	302.7	392.7	265.4	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	9	9	9	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- FY '80 Three positions full time, six positions starting December 1, 1980
FY '82 Nine positions full time
FY '83 Three positions full time, six positions through December 31, 1982

- Inflation rate used for non-personal services 7%

IV. DATE 3-27-80

PREPARED BY James M. Souby III

AGENCY Department of Labor

PHONE 465-2720

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. (J-77-008-80) SB 496

Title An Act providing for Alaska Job Tax Credits

Requested by Rules Committee by request of the Governor Date March 27, 1980

II. FISCAL DETAIL

Agency Affected Department of Labor

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected Employment Services

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	161.9	232.1	133.9	-0-	-0-
200 TRAVEL	-0-	25.1	29.8	26.1	-0-	-0-
300 CONTRACTUAL	-0-	57.0	80.4	54.5	-0-	-0-
400 COMMODITIES	-0-	1.4	2.0	1.3	-0-	-0-
500 EQUIPMENT	-0-	9.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-				-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	254.4	344.3	215.8	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	254.4	344.3	215.8	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	8	8	8	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- FY '81 Two positions full-time, six positions starting December 1, 1980
FY '82 Eight positions full time
FY '83 Two positions full time, six positions through December 31, 1982
- Inflation rate used for non-personal services is 7%

IV. DATE 3-27-80

PREPARED BY James M. Souby III

AGENCY Department of Labor

Original: Legislative Finance

PHONE 465-2720

cc: Budget and Management

Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. (J-77-008-80) SB 496

Title An Act providing for Alaska Job Tax Credits

Requested by Rules Committee by request of the Governor Date March 27, 1980

II. FISCAL DETAIL

Agency Affected Department of Labor

Program Category Affected Public Protection

BRU, Program, or Subprogram(s) Affected Wage and Hour

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	32.8	32.8	32.8	-0-	-0-
200 TRAVEL	-0-	7.5	8.0	8.6	-0-	-0-
300 CONTRACTUAL	-0-	6.8	7.3	7.9	-0-	-0-
400 COMMODITIES	-0-	.2	.3	.3	-0-	-0-
500 EQUIPMENT	-0-	1.0	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-				-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-					
	-0-					
TOTAL	-0-	48.3	48.4	49.6	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	48.3	48.4	49.6	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-	1	1	1	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. Assumes effective date of July 1, 1980
2. Inflation rate @ 7% for non-personal services

IV. DATE 3-27-80

PREPARED BY James M. Souby III

AGENCY Department of Labor

Original: Legislative Finance

PHONE 465-2720

cc: Budget and Management

Prime Sponsor (First Legislator Named)

1	POSITION TITLE Wage & Hour Investigator I				RANGE/STEP 16A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:				
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	2132.	25,584	Personal Services: Salary Schedule effective 3/16/80.						
5	BENEFITS	.1542	3,945	Travel: Hearings and workshops in Ketchikan, Juneau, Anchorage, Fairbanks, Bethel, Nome and Barrow \$ 7,500						
6	FICA	.0665	1,701	Admin: \$ 3,000						
7	HEALTH INS.	127 x 12	1,524	Contractual: Postage & Mailing \$ 1,500						
8	TOTAL PERSONAL SERVICES		32,754	Local & Long Distance Telephone 1,600						
9	TRAVEL		7,500	Rent 100 sq. ft. @ \$1,575 x 12 1,890						
10	CONTRACTUAL		6,750	Professional Fees/Other Services \$ 6,750						
11	COMMODITIES		250	Commodities: Supplies for one position \$ 250						
12	EQUIPMENT		1,000	Equipment: Desk, Chair, Credenza, Calculator, Misc. \$ 1,000						
13	OTHER			Justification for this position:						
14	TOTAL COST		48,254	A Wage & Hour Investigator I is needed to draft regulations to implement the resident certification portion of the bill and to set up procedures for processing applications. The Investigator will also investigate and rule on appeals of denials for certification.						
15	CODE	FUNDING SOURCE								
16		FED RCPTS.								
17		GF MATCH.								
18		GEN. FUND		48,254						
19		I-A RCPTS.								
20		PGM RCPTS.								
21		OTHER								
22	CONTINUATION		FOR B&M USE ONLY							
23	ADDITION	XXX								
24	KEY NUMBER			COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Worker Protection

BRU Wage & Hour Administration

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Wage & Hour Administration

Page 1 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Analyst II			RANGE/STEP 17A	BARG. UNIT. Superv.	LOCATION Juneau	APPROV. GOV.	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:		
	1	2	3					
4	PERSONAL SERVICES:							
	SALARY	2,289	27,468	Personnal Services: Based on schedule effective 3/16/80.				
5	BENEFITS	.1542	4,236	Travel: . Visitation of all Employment Offices \$8,350				
6	FICA	.0665	1,827	Statewide meeting 550				
7	HEALTH INS.	127 X 12	1,524	Training session in Anchorage 550				
8	TOTAL PERSONAL SERVICES		35,055	Employers visits 3,150				
9	TRAVEL		12,600	\$12,600				
10	CONTRACTUAL		13,759	Contractual: Indirect Cost 24,74% of P.S. = \$ 6,796				
11	COMMODITIES		250	Premises Rent 1,663				
12	EQUIPMENT		2,000	Phone-Long Distance 2,500				
13	OTHER			-Local 300				
14	TOTAL COST		63,664	Other 2,500				
				\$13,759				
	CODE	FUNDING SOURCE		Commodities: Supplies for one position \$ 250				
15		FED RCPTS.		Equipment: Desk, Chair, Credenza, Dictation				
16		GF MATCH.		Equipment, File Cabinet,				
17		GEN. FUND		63,664	Calculator \$ 2,000			
18		I-A RCPTS.		Justification for this position:				
19		PGM RCPTS		Coordinate with other state agencies providing social				
20		OTHER		services to maximize referrals to the Employment Sec-				
21	CONTINUATION			urity Division for vouchering and job placement of				
22	ADDITION	XXX	FOR S&M USE ONLY					
4A KEY NUMBER				eligible applicants. Certify the eligibility of all				
				applicants to the employer for tax credit.				

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW
POSITION.

COMPONENT Employment Services

Page 2 of 9

REVISED
DATE

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14A	BARG. UNIT. GGU	LOCATION Anchorage	APPROV.	DISAP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:		
	1	2	3					
4	PERSONAL SERVICES:							
	SALARY	1.850	22,200					
5	BENEFITS	.1542	3,423					
6	FICA	.0665	1,476					
7	HEALTH INS.	127 x 12	1,524					
8	TOTAL PERSONAL SERVICES			28,623	Personal Services: Based on Schedule effective 3/16/80			
9	TRAVEL			5,850	Travel: Statewide Meetings \$ 550			
10	CONTRACTUAL			10,455	Extensive Travel throughout State 5,300			
11	COMMODITIES			250	\$ 5,850			
12	EQUIPMENT			1,000	Contractual Svs: Indirect Cost 24.74% of P.S. \$ 5,492			
13	OTHER				Premises Rent 1,663			
14	TOTAL COST			46,178	Phone - Local 300			
					- Long Distance 2,000			
					Other 1,000			
					\$10,455			
					Commodities: Supplies for one position \$ 250			
					Equipment: Desk, Chair, Credenza, File Cabinet \$ 1,000			
15	CODE	FUNDING SOURCE		Justification for this position:				
16		FED RCPTS.		In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
17		GF MATCH.						
18		GEN. FUND		46,178				
19		I-A RCPTS.						
20		PGM RCPTS						
21		OTHER						
22	CONTINUATION	XXX		FOR B&M USE ONLY				
	ADDITION	XXX						
	7A KEY NUMBER	COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

COMPONENT Employment Services

FY 81

13 REQUEST FOR NEW POSITION.

Page 3 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV.	BISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 7	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1,850	22,200						
5	BENEFITS	.1542	3,423						
6	FICA	.0665	1,476						
7	HEALTH INS.	127 x 12	1,524						
8	TOTAL PERSONAL SERVICES	7/12x28,623	16,697						
9	TRAVEL		1,050						
10	CONTRACTUAL		5,499						
11	COMMODITIES		145						
12	EQUIPMENT		1,000						
13	OTHER								
14	TOTAL COST		24,391						
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		24,391					
18		I-A RCPTS.							
19		PGM RCPTS.							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR BSM USE ONLY						

Personal Services: Schedule effective 3/16/80

Travel: Haines & Sitka \$ 500
 Statewide Meeting (Anchorage) 550
 \$ 1,050

Contractual Svs: Indirect Cost 24.74% of P.S. \$ 3,204
 Premises Rent 970
 Phone - Local 175
 - Long Distance 650
 Other 500
 \$ 5,499

Commodities: Supplies for one position \$ 145

Equipment: Desk, Chair, Credenza, File Cabinet \$ 1,000

Note: This position will work: FY 81 7 months
 FY 82 12 months
 FY 83 5 months

Justification for this position:

In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Services

REVISED DATE _____



1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14A	BARG. UNIT. GGU	LOCATION Anchorage	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 7 *	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1,050	22,200						
5	BENEFITS	.1542	3,423						
6	FICA	.0665	1,476						
7	HEALTH INS.	127 X 12	1,524						
8	TOTAL PERSONAL SERVICES 7/12x28.623			16,697					
9	TRAVEL			550					
10	CONTRACTUAL			5,498					
11	COMMODITIES			145					
12	EQUIPMENT			1,000					
13	OTHER								
14	TOTAL COST			23,890					
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		23,890					
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
44 KEY NUMBER				COLUMN NO.					

JUSTIFICATION:

Personal Services: Schedule effective 3/16/80.

Travel: Statewide Meetings \$ 550

Contractual Svs: Indirect Cost 24.74% of P.S. \$ 3,203
 Premises Rent 970
 Phone - Local 175
 - Long Distance 650
 Other 500
 \$ 5,498

Commodities: Supplies for one position \$ 145

Equipment: Desk, Chair, Credenza, File Cabinet \$ 1,000

*Note: This position works: FY 81 7 months
 FY 82 12 months
 FY 83 5 months

Justification for this position:

In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION

COMPONENT Employment Services

1	POSITION TITLE Employment Security Specialist I B			CHANGE/STEP 14A	BA. G. UNIT. GUGU	LOCATION Palmer	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 7 *	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1,915	22,980	Personal Services: Schedule effective 3/16/80.					
5	BENEFITS	.1542	3,544	Travel: Statewide Meetings \$ 250					
6	FICA	.0665	1,528	MatSu Valley 600					
7	HEALTH INS.	127 X 12	1,524	Cont actual Svs: Indirect Cost 24.74% of P.S. \$ 3,316					
8	TOTAL PERSONAL SERVICES 7/12 x 29,576			17,253	Premises Rent 970				
9	TRAVEL			850	Phone - Local 245				
10	CONTRACTUAL			5,681	- Long Distance 650				
11	COMMODITIES			145	Other 500				
12	EQUIPMENT			1,000					
13	OTHER								
14	TOTAL COST			24,929					
					Commodities: Supplies for one Position \$ 145				
					Equipment: Desk, Chair, Credenza, File Cabinet \$ 1,000				
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND			24,929	*Note: This position works: FY 81 7 months			
18		I-A RCPTS			FY 82 12 months				
19		PGM RCPTS			FY 83 5 months				
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR GRM USE ONLY			Justification for this position:			
					In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
	4A KEY NUMBER				COLUMN NO.				

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Services

Page 6 of 9

REVISED DATE

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14A	BARG. UNIT. GGU	LOCATION Fairbanks	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 7 *	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	2,132	25,584	Personal Services: Schedule effective 3/16/80.					
5	BENEFITS	.1542	3,945	Travel: Statewide Meetings \$ 550					
6	FICA	.0665	1,701	Extensive Travel Northern Region 2,400					
7	HEALTH INS.	127 x 12	1,524	\$ 2,950					
8	TOTAL PERSONAL SERVICES 7/12x32,754			19,107	Contractual Svs: Indirect Cost 24.74% of P.S. \$ 3,692				
9	TRAVEL			2,950	Premises Rent 1,191				
10	CONTRACTUAL			6,828	Phone - Local 245				
11	COMMODITIES			145	- Long Distance 1,200				
12	EQUIPMENT			1,000	Other 500				
13	OTHER				\$ 6,828				
14	TOTAL COST			30,030	Commodities: Supplies for one position \$ 145				
	CODE	FUNDING SOURCE		Equipment: Desk, Chair, Credenza, Dictation Equipment \$ 1,000					
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		30,030	* Note: This position works: FY 81 7 months				
18		I-A RCPTS		FY 82 12 months					
19		PGM RCPTS		FY 83 5 months					
20		OTHER							
21	CONTINUATION			Justification for this position:					
22	ADDITION	XXX		In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
				FOR B&M USE ONLY					
4A KEY NUMBER				COLUMN NO.					

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Services

Page 7 of 9

REVISED DATE

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14A	BARG. UNIT. GGU	LOCATION Ketchikan	GOV.	APPROV.	DISAPP.	
2	TYPE OF POSITION PFT	STAFF MONTHS 7 *	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.			
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:				
	1	2	3		Personal Services: Schedule effective 3/16/80.					
4	PERSONAL SERVICES:					Travel: Statewide Meetings \$ 750				
	SALARY	1,850	22,200			Petersburg/Wrangell 500				
5	BENEFITS	.1542	3,423			\$ 1,250				
6	FICA	.0665	1,476							
7	HEALTH INS.	127 x 12	1,524							
8	TOTAL PERSONAL SERVICES 7/12x28,623			16,697			Contractual Svs: Indirect Cost 24.74% of P.S. \$ 3,203			
9	TRAVEL			1,250			Premises Rent 970			
10	CONTRACTUAL			5,568			Phone - Local 245			
11	COMMODITIES			145			- Long Distance 650			
12	EQUIPMENT			1,000			Other 500			
13	OTHER						\$ 5,568			
14	TOTAL COST			24,660			Commodities: Supplies for one position \$ 145			
	CODE	FUNDING SOURCE		Equipment: Desk, Chair, File Cabinet, Calculator \$ 1,000						
15		FED RCPTS.		* Note: This position works: FY 81 7 months						
16		GF MATCH.		FY 82 12 months						
17		GEN. FUND		24,660	FY 83 5 months					
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION			Justification for this position:						
22	ADDITION	XXX	FOR BSM USE ONLY		In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers					
4A KEY NUMBER				COLUMN NO.						

AGENCY Depart of Labor PROGRAM AREA Social Services

BRU Employment Security Division

COMPONENT Employment Services

FY 81

13 REQUEST FOR NEW POSITION

Page 8 of 9

REVISED DATE _____

1	POSITION TITLE Clerk Typist III	RANGE/STEP 8 A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 7 *	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE
						LEG.	

3	TYPE OF EXPENDITURE	AMOUNT	
	1	2	3
4	PERSONAL SERVICES:		
	SALARY 1,277	15,324	
5	BENEFITS .1542	2,363	
6	FICA .0665	1,019	
7	HEALTH INS. 127 X 12	1,524	
8	TOTAL PERSONAL SERVICES 7/12x20,230	11,801	
9	TRAVEL	-0-	
10	CONTRACTUAL	3,672	
11	COMMODITIES	145	
12	EQUIPMENT	1,000	
13	OTHER		
14	TOTAL COST	16,618	

JUSTIFICATION:

Personal Services: Schdule effective 3/16/80.

Contractual Svs: Indirect Cost 24.74% of P.S. \$ 2,212
 Premises Rent 385
 Phone - Local 175
 - Long Distance 100
 Other 800
\$ 3,672

Commodities: Supplies per position \$ 145

Equipment: Desk,Chair,Credenza,File Cabinet \$ 1,000

* Note: This position works: FY 81 7 months
 FY 82 12 months
 FY 83 5 months

	CODE	FUNDING SOURCE	
15		FED RCPTS.	
16		GF MATCH.	
17		GEN. FUND	16,618
18		I-A RCPTS	
19		FGM RCPTS	
20		OTHER	

Justification for this position:

In Central Office provide support services to Alaska Targeted Job Tax Credit Coordinator (Employment Security Analyst II) to include typing of all related correspondence, sorting, distribution and filing of all vouchers and Certifications and transmission of Certifications to employers.

21	CONTINUATION		
22	ADDITION	XXX	FOR B&M USE ONLY

AA KEY NUMBER _____ COLUMN NO. _____

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION

COMPONENT Employment Services



SB 496

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 496
Title Act relating to Alaska job tax credits
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected _____
Program Category Affected _____
BRU, Program, or Subprogram(s) Affected _____
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

Millions

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		(.7)	(4.0)	(2.0)		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The aforementioned figures are for the years FY 81, FY 82 and FY 83 after which the program would expire unless renewed by the Legislature.

The impact for FY 81 is for only half the year since it is assumed the program commences January, 1981. The impact for FY 83 is for only half a year also since the program is assumed to end December, 1982.

The basic data for these estimates is based on the Department of Labor's assumed projections of eligible participants.

IV. DATE 2/20/80 PREPARED BY Vincent Wright
AGENCY Revenue

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)
PHONE 465-2391

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. J-77-008-80 SB 496

Title An Act providing for Alaska Job Tax Credits

Requested by Rules Committee by request of the Governor Date February 5, 1980

II. FISCAL DETAIL

Agency Affected Department of Labor

Program Category Affected Public Protection/Social Services

BRU, Program, or Subprogram(s) Affected Wage & Hour/Employment Security Division

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0	175.8	240.0	162.9	0	0
200 TRAVEL	0	27.5	44.1	36.5	0	0
300 CONTRACTUAL	0	80.2	121.5	84.2	0	0
400 COMMODITIES	0	1.6	2.1	1.6	0	0
500 EQUIPMENT	0	10.0	4.0	2.0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	295.1	411.7	287.2	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	295.1	411.7	287.2	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	9	9	9	0	0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. FY'81 Three positions full-time, six positions starting December 1, 1980.*
FY'82 Nine Positions full-time.*
FY'83 Three positions full-time, six positions through December 31, 1982.*
2. NPS is pro-rated to the number of positions in the Fiscal Year.
3. Inflation rate used for Non-Personal Services is 7%.
4. (See attachment)

* At current salary schedules (3/78 Supv.) (1/79 GGU)

IV. DATE February 5, 1980

PREPARED BY James Souby

AGENCY Labor

PHONE 465-2720

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

4. FY 81 Estimate includes:

	<u>Wage and Hour</u>	<u>Employment Security</u>	<u>Total</u>
100	\$30.7	\$145.1	175.8
200	7.5	20.0	27.5
300	6.7	73.5	80.2
400	.3	1.3	1.6
500	<u>1.0</u>	<u>9.0</u>	<u>10.0</u>
	\$46.2	\$248.9	295.1

1	POSITION TITLE Wage & Hour Investigator I			RANGE/STEP 16 A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE FY'81			AMOUNT					
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1,888	22,656						
5	BENEFITS	.1542	3,494						
6	FICA	.0665	1,506						
7	HEALTH INS.	127 X 12	3,048						
8	TOTAL PERSONAL SERVICES			30,704					
9	TRAVEL		7,500						
10	CONTRACTUAL		6,750						
11	COMMODITIES		250						
12	EQUIPMENT		1,000						
13	OTHER								
14	TOTAL COST			46,204					
15	CODE	FUNDING SOURCE							
		FED RCPTS.							
		GF MATCH.							
		GEN. FUND		46,204					
		I-A RCPTS.							
		PGM RCPTS							
		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
4A KEY NUMBER _____ COLUMN NO. _____									

JUSTIFICATION:

Personal Services: Current Salary Schedule (1/79)

Travel: Program's estimate

Contractual: Based on Wage & Hour Budget divided by positions

Commodities: Based on Wage & Hour Budget divided by positions

Equipment: One time cost

Justification for this position:

A Wage & Hour Investigator I is needed to draft regulation to implement the resident certification portion of the bill and to set up procedures for processing applications. The Investigator will also investigate and rule on appeals of denials for certification.

AGENCY Department of Labor PROGRAM AREA Worker Protection

BRU Wage & Hour Administration

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Wage & Hour Administration

1	POSITION TITLE Employment Security Analyst II			RANGE/STEP 17 A	BARG. UNIT. Supervisor	LOCATION Junoau	GOV.	APPROV.	DISAP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		

3	TYPE OF EXPENDITURE	FY'81	AMOUNT
	1	2	3
4	PERSONAL SERVICES:		
	SALARY	1,934	23,208
5	BENEFITS	1,542	3,579
6	FICA	0665	1,543
7	HEALTH INS.	127 X 12	1,524
8	TOTAL PERSONAL SERVICES		29,854
9	TRAVEL		7,500
10	CONTRACTUAL		13,350
11	COMMODITIES		250
12	EQUIPMENT		2,000
13	OTHER		
14	TOTAL COST		52,954

JUSTIFICATION:

Personal Services: Based on current salary schedule (3/78)

Travel: Program's estimate

Contractual: Based cost per position in FY'81 Budget

Commodities: Based cost per position in FY'81 Budget

Equipment: One time cost

Justification for this position:

Coordinate with other state agencies providing social services to maximize referrals to the Employment Security Division for vouchering and job placement of eligible applicants. Certify the eligibility of all applicants to the employer for tax credit.

	CODE	FUNDING SOURCE	
15		FED RCPTS.	
16		GF MATCH.	
17		GEN. FUND	52,954
18		I-A RCPTS.	
19		PGM RCPTS	
20		OTHER	

21	CONTINUATION		FOR B&M USE ONLY
22	ADDITION	XXX	

4A. KEY NUMBER _____ COLUMN NO. _____

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division



1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DIS
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT		JUSTIFICATION:				
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,629	19,548		Personal Services: Based on current salary schedule (1/					
5	BENEFITS	.1542	3,014		Travel: Program's estimate					
6	FICA	.0665	1,300		Contractual: Based cost per position in FY'81 Budget					
7	HEALTH INS.	127 X 12	1,524		Commodities: Based cost per position in FY'81 Budget					
8	TOTAL PERSONAL SERVICES		25,386		Equipment: One time cost					
9	TRAVEL		7,500		Justification for this position:					
10	CONTRACTUAL		13,350		In local Job Service offices identify potentially eligib individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
11	COMMODITIES		250							
12	EQUIPMENT		1,000							
13	OTHER									
14	TOTAL COST		47,486							
	CODE	FUNDING SOURCE								
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		47,486						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXXX	FOR B&M USE ONLY							
AA KEY NUMBER _____ COLUMN NO. _____										

AGENCY Department of Labor

PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 3 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	LEG.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE			
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82		Thru Dec. 31 FY'83			
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,629		19,348						
5	BENEFITS	.1542		3,014						
6	FICA	.0665		1,300						
7	HEALTH INS.	127 X 12		1,524						
8	TOTAL PERSONAL SERVICES 7/12 X 25,386 =			14,809	25,386		12,693			
9	TRAVEL			1,000	4,000		2,140			
10	CONTRACTUAL			7,788	14,284		7,642			
11	COMMODITIES			145	268		143			
12	EQUIPMENT			1,000	0		0			
13	OTHER									
14	TOTAL COST			24,742	43,938		22,618			
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers					
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		24,742						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXX			FOR B&M USE ONLY					
AA KEY NUMBER _____ COLUMN NO. _____										

AGENCY Department of Labor

PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW
POSITION.

COMPONENT Employment Security Division

Page 4 of 9

REVISED
DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION: Palmer/etc.	GOV	APPROV	DIS
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION FY'82		Thru Dec. 31 FY'83			
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,689		20,268						
5	BENEFITS	1542		3,125						
6	FICA	.0665		1,348						
7	HEALTH INS.	127 X 12		1,524						
8	TOTAL PERSONAL SERVICES 7/12 X 26,265 =			15,321	26,265		13,132			
9	TRAVEL			1,000	4,000		2,140			
10	CONTRACTUAL			7,788	14,284		7,642			
11	COMMODITIES			145	268		143			
12	EQUIPMENT			1,000	0		0			
13	OTHER									
14	TOTAL COST			25,254	44,817		23,057			
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		25,254						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION				FOR B&M USE ONLY					
22	ADDITION	XXX								
	4A KEY NUMBER			COLUMN NO.						

AGENCY Department of Labor

PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW
POSITION.

COMPONENT Employment Security Division

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REVISED
DATE

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGII	LOCATION Palmer	GOV.	APPROV.	DISA
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82		Thru Dec. 31 FY'83			
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,689	20,268							
5	BENEFITS	.1542	3,125							
6	FICA	.0665	1,348							
7	HEALTH INS.	127 X 12	1,524							
8	TOTAL PERSONAL SERVICES 7/12 X 26,265 =			15,321	26,265		13,132			
9	TRAVEL		1,000		4,000		2,140			
10	CONTRACTUAL		7,788		14,284		7,642			
11	COMMODITIES		145		268		143			
12	EQUIPMENT		1,000		0		0			
13	OTHER									
14	TOTAL COST			25,254	44,817		23,057			
	CODE	FUNDING SOURCE			Justification for this position:					
15		FED RCPTS.			In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
16		GF MATCH.								
17		GEN. FUND		25,254						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXX	FOR B&M USE ONLY							
1A KEY NUMBER				COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

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REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14 A	BARG. UNIT GGII	LOCATION FBY	GOV.	APPROV.	DISA
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.	
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION:	Thru Dec. 31			
	1	2		3	FY'82	FY'83			
4	PERSONAL SERVICES:								
	SALARY	1.888		22.656					
5	BENEFITS	.1542		3.494					
6	FICA	.0665		1.507					
7	HEALTH INS.	127 X 12		1.524					
8	TOTAL PERSONAL SERVICES 7/12 X 29,181 =			17,022	29,181	14,590			
9	TRAVEL			1,000	4,000	2,140			
10	CONTRACTUAL			7,788	14,284	7,642			
11	COMMODITIES			145	268	143			
12	EQUIPMENT			1,000	0	0			
13	OTHER								
14	TOTAL COST			26,955	47,733	24,515			
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND.		26,955					
18		I-A RCPTS.							
19		PGM RCPTS.							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
4A KEY NUMBER _____ COLUMN NO. _____									

AGENCY Department of Labor PROGRAM AREA Social Services

BRII Employment Security Division

COMPONENT Employment Security Division

13 REQUEST FOR NEW POSITION.

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION FBX	GOV.	APPROV.	DISAP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82	Thru Dec. 31 FY'83				
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,888	22,656							
5	BENEFITS	.1542	3.494							
6	FICA	.0665	1,507							
7	HEALTH INS.	127 X 12	1,524							
8	TOTAL PERSONAL SERVICES 7/12 X 29,181 =			17,022	29,181	14,590				
9	TRAVEL		1,000		4,000	2,140				
10	CONTRACTUAL		7,788		14,284	7,642				
11	COMMODITIES		145		268	143				
12	EQUIPMENT		1,000		0	0				
13	OTHER									
14	TOTAL COST			26,955	47,733	24,515				
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		26,955						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXX			FOR B&M USE ONLY					
4A KEY NUMBER				COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

COMPONENT Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

1	POSITION TITLE Clerk Typist III				RANGE/STEP R A	BARG. UNIT. GGII	LOCATION Juneau	GOV	APPROV	DIS
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82	Thru Dec. 31 FY'83				
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1.108		13,296						
5	BENEFITS	.1542		2,050						
6	FICA	.0665		884						
7	HEALTH INS.	127 X 12		1,524						
8	TOTAL PERSONAL SERVICES 7/12 'X			17,754 =	10,357	17,754	8,877			
9	TRAVEL			0	0	0	0			
10	CONTRACTUAL			7,788	14,284	7,642				
11	COMMODITIES			145	268	143				
12	EQUIPMENT			1,000	0	0				
13	OTHER									
14	TOTAL COST			19,290	32,306	16,662				
	CODE	FUNDING SOURCE			Justification for this position: In Central office provide support services to Alaska Targeted Job Tax Credit Coordinator (Employment Security Analyst II) to include typing of all related correspondence, sorting, distribution and filing of all vouchers and Certifications and transmission of Certifications to employers.					
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		19,290						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION				FOR B&M USE ONLY					
22	ADDITION	XXX								
	3A KEY NUMBER			COLUMN NO.						

AGENCY Department of Labor

PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW
POSITION.

COMPONENT Employment Security Division

Page 9 of 9

REVISED
DATE _____

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 496
Title An Act providing for Alaska Job Tax Credits
Requested by Rules Committee by request of the Governor Date February 5, 1980

II. FISCAL DETAIL

Agency Affected Department of Labor
Program Category Affected Public Protection/Social Services
BRU, Program, or Subprogram(s) Affected Wage & Hour/Employment Security Division
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0	175.8	240.0	162.9	0	0
200 TRAVEL	0	27.5	44.1	36.5	0	0
300 CONTRACTUAL	0	80.2	121.5	84.2	0	0
400 COMMODITIES	0	1.6	2.1	1.6	0	0
500 EQUIPMENT	0	10.0	4.0	2.0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	295.1	411.7	287.2	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	295.1	411.7	287.2	0	0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	9	9	9	0	0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. FY'81 Three positions full-time, six positions starting December 1, 1980.*
FY'82 Nine Positions full-time.*
FY'83 Three positions full-time, six positions through December 31, 1982.*
2. NPS is pro-rated to the number of positions in the Fiscal Year.
3. Inflation rate used for Non-Personal Services is 7%.

* At current salary schedules (3/78 Supv.) (1/79 GGU)

IV. DATE February 5, 1980 PREPARED BY James Sorby
AGENCY Labor
PHONE 465-2720

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

CATEGORY: PUBLIC PROTECTION
PROGRAM: WORKER PROTECTION

AGENCY: LABOR
BRU (s): ADMINISTRATION OF WORKER'S COMPENSATION
 ADMINISTRATION OF WAGE AND HOUR

This program includes the Wage and Hour and Worker's Compensation BRUs.

The purpose of the Worker's Compensation BRU is to ensure adequate compensation for economic loss due to work related injury or death. Three major activities are involved in accomplishing this purpose: 1) maintenance of a record of each work connected injury in the State; 2) technical assistance to employees, employers, insurance companies, medical facilities and legal representatives; and 3) adjudication of disputed cases through public hearing before the Worker's Compensation Board. Decisions by the Board effect amounts to be paid workers by insurance companies; as such, this BRU primarily funds a record-keeping and adjudication process with one exception. This exception allows the State to pay workers additional compensation above that paid by their insurance company if their injury occurred prior to March 4, 1974. This was the effective date of a revision to the worker's compensation law which substantially increased benefits. In FY 81, the amount of funds budgeted for this purpose is \$613,200.

The purpose of the Wage and Hour BRU is to ensure that workers in the state are justly compensated for labor and safeguarded from unfair or discriminatory practices by enforcing and administering Alaska Labor Law. This obligation includes enforcement of minimum wage and overtime, child labor law, equal pay for women, right to return transportation, establishing and enforcing prevailing wages on public work contracts, enforcing construction contractor licensing requirements, wage security bonding of fish processors and primary fish buyers, acting in the capacity of labor relations agency for all political subdivisions of the State, and the administration and licensing of private employment agencies.

The Division conducts an ongoing educational program, primarily aimed at employers or industries against whom it has received a high number of complaints. An effort is made to achieve voluntary compliance by thoroughly informing all concerned of Alaska Labor Laws.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
LOCAL HIRE	68.0	47.7	47.7				
ADMIN OF WORKMENS COMPENSATION	746.6	1117.8	1103.3	1195.3			1544.9
WAGE & HOUR ADMIN.	597.9	670.3	660.6	612.5			724.7
** TOTAL	1412.5	1835.8	1811.6	1807.8			2269.6
** CHANGE VERSUS 80 AUTH							25.5%
OBJECT DESCRIPTION							
PERS. SERV.	580.1	990.4	1010.4	942.9			1247.6
TRAVEL	67.7	75.4	59.4	58.8			89.9
CONTRACTUAL	154.5	154.3	159.4	157.0			271.5
COMMODITIES	18.5	18.5	11.1	20.0			24.1
EQUIPMENT	2.3	3.3	.5				5.6
LANDS/BLDGS	10.9	15.4	17.9	15.9			17.7
GRANTS, CLMS	578.5	578.5	552.9	613.2			613.2
FUNDING SOURCE							
GENERAL FUND	1412.5	1835.8	1811.6	1807.8			2211.7
OTHER FUNDS							57.9
** GENERAL FUND CHANGE VS. 80 AUTH							22.3%
POSITIONS							
FULL-TIME	31.0	18.0	18.0	33.0			41.0
PART-TIME	1.0			1.0			1.0
STAFF MONTHS	378.0	216.0	216.0	402.0			498.0

CATEGORY: SOCIAL SERVICES

AGENCY: DEPARTMENT OF LABOR

PROGRAM: EMPLOYMENT STABILIZATION

BRU (s): EMPLOYMENT SECURITY

This BRU contains three separate major components, employment services, unemployment insurance, and the Director's Office.

The State of Alaska Employment Security Division administers the Alaskan portion of a nationwide network of employment centers funded by Congress and operated by the State within federal guidelines and State law. The major purpose of Employment Services is to facilitate communications between potential employees and potential employers for the purpose of enhancing the economic and social well-being of the State's populace. The Employment Service (ES), a component of the Employment Security Division, provides the largest single source of employer/job seeker contact within the State. In addition to offering job placement services, the Employment Service's nine Job Service Centers and eight Rural Offices provide vocational counseling, aptitude and proficiency testing, referrals to institutional and on-the-job training programs and labor market information. The ES services are helpful in matching the skills of those persons looking for employment (or seeking more meaningful employment) with jobs known to be available. The placement of Alaskans in jobs in the rapidly growing seafood industry is a major goal of the Department. A concerted effort is being made to assure that our residents receive first preference, thereby reducing the number of individuals imported for these jobs.

The primary goal of the Unemployment Insurance (UI) component is to pay timely, temporary benefits in lieu of wages to members of the labor force who are able to and available for work (and are otherwise eligible for the benefits under the applicable laws), but who are temporarily unemployed through no fault of their own. A second goal is to provide an economic stabilizer during periods of seasonal unemployment and/or periods of economic recession. The UI program operates from a central office in Juneau through nine field offices located in Ketchikan, Sitka, Juneau, Fairbanks, Anchorage, Kodiak, Wasilla, Seward and Kenai. These nine offices serve "walk-in" claimants who live within a fifty mile radius of their respective offices. The claims of persons not within commuting distance of these offices are served by the mail claims unit in the Central Office. To finance the program, a companion Tax Section with headquarters in Juneau and field offices in Juneau, Anchorage, and Fairbanks, collects and accounts for the quarterly tax contributions received from employers whose participation is mandated by law. Also headquartered in Juneau is an Appeals Tribunal which hears appeals concerning determinations of eligibility and renders decisions on the appeals.

The components of the BRU include the Employment Security Division Director's Office and a Data Processing Section. The Data Processing Section is primarily involved in providing automated data services to the Unemployment Insurance Program and the Employment Service.

The FY 81 budget recommendation includes \$123,100 in new funding to support expanded U.I. fraud detection and investigation efforts.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPPL	80 RP	GOVERNOR
EMPLOYMENT SERVICES	7366.2	7572.3	7190.5	8270.8			8619.9
UNEMPLOYMENT INSURANCE	9085.1	9292.3	8772.8	10433.1			10780.7
FRAUD INVESTIGATION	100.0	352.6	283.1	400.4			547.0
CETA SERVICES							1203.6
SUPPORT SERVICES	1139.3	1225.6	898.7	1257.1			
ESD DIRECTORS OFFICE							337.3
DP APPLICATIONS							1432.3
DP OPERATIONS							966.5
ES FOR SEAFOOD INDUSTRY							254.6
ANCHORAGE CETA CONTRACT	655.8	661.5	1247.7				
** TOTAL	18346.4	19104.3	18392.8	20361.4			24229.9
** CHANGE VERSUS 80 AUTH							
OBJECT DESCRIPTION							
PENS. SERV.	12432.0	12387.8	12533.8	13371.2			15343.3
TRAVEL	203.2	226.7	263.5	261.3			359.6
CONTRACTUAL	4771.8	5434.5	4490.4	5712.7			7431.8
COMMODITIES	206.4	206.4	235.6	277.4			264.4
EQUIPMENT	533.4	654.9	110.1	65.9			134.4
LANDS/BLDGS	199.6	194.0	146.0	172.0			146.8
GRANTS, CLMS			613.4	500.9			549.6
FUNDING SOURCE							
FED. RECEIPT	16451.3	17117.2	16146.4	18296.8			19513.1
GENERAL FUND	100.0	100.0	100.0	38.9			292.9
PGM RECEIPTS	655.8	661.5	572.8	668.6			668.6
OTHER FUNDS	1139.3	1225.6	1573.6	1357.1			3755.3
** GENERAL FUND CHANGE VS. 80 AUTH							
POSITIONS							
FULL-TIME	415.0	417.0	417.0	411.0			406.0
PART-TIME	110.0	110.0	110.0	116.0			124.0
TEMPORARY				8.0			8.0
STAFF MONTHS	5670.0	2802.0	2802.0	5942.0			5960.0

February 21, 1981

The Honorable Clem Tillion
President of the Senate
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. President:

Under the authority of Art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill which would establish an Alaska Job Tax Credit Program to promote resident employment. The bill would implement over a two-year period a tax credit program to encourage employers to hire persons who qualify as "certified individuals": those who have been residents for a minimum of one year and who are either chronically unemployed or economically disadvantaged. In order to qualify as chronically unemployed, a resident must have been unemployed for a minimum of nine months of the twelve months immediately preceding his application for certification. An economically disadvantaged resident is a person whose income for the twelve months preceding the application falls below a certain percentage of Bureau of Labor Statistics' "lower living standard income level" as adjusted for Alaska.

The credit program would begin January 1, 1981 and expire December 31, 1982. The individual for whom a credit is claimed by an employer must work a minimum of 30 days for that employer and must be re-certified if he subsequently accepts employment with any employer wishing to file for the tax credit provided in the chapter. The eligibility of any certified individual in the program extends for twelve months.

The program is designed to be administered by an Alaska Job Tax Credits section in the Department of Labor. The bill establishes methods of application and also considers the disqualification of an individual who intentionally falsifies information on his application.

An Alaska Job Tax Credit would not be able to exceed the total tax liability of the employer. Nor would the employer be permitted to take as a business deduction the amount of credit allowed under the new chapter.

Sincerely,

S/JSW

Jay S. Hammond
Governor

MEMORANDUM

TO: [The Honorable Jay S. Hammond
Governor
State of Alaska

DATE: February 8, 1980

FILE NO:

Edmund N. Orbeck
Commissioner of Labor

TELEPHONE NO:

FROM:

Thomas K. Williams *TKW*
Commissioner of Revenue

SUBJECT: Proposed Legislation:
Alaska Job Tax Credits

The Department of Labor has proposed an Alaska Job Tax Credit bill which would allow an employer to take as a credit against his net income tax due under AS 43.20 and AS 43.21, ten percent of the first \$15,000 of wages paid to certain qualifying employees (i.e. the "economically disadvantaged" and the "chronically unemployed") for the first twelve months of employment. The Department of Revenue has endorsed the general concept of developing a state job credit specifically tailored to Alaska's employment needs.

The two Departments have reached a consensus on the following points:

1. That an Alaska Job Tax Credit would be preferable to various federal job credits otherwise available. These latter credits which have been amended quite frequently in recent years are very confusing for employers to keep track of and to utilize both at the federal and state level. In addition, amendments to the federal credit are incorporated by reference into the state tax (AS 43.20) more than a year after the implementation of each federal change. Thus, the state credit available for a given tax year is constantly out of sync with the federal credit.
2. That the proposed bill should be introduced this year both because this type of state tax incentive is needed and because several alternate, but less desirable, proposals are already before the legislature this year.
- 3: That the program should not commence until January 1, 1981 to give the Department of Labor time to educate local employers and to prepare to administer the certification program. This would also prevent any interference with existing expectations of employers who may have hired people in anticipation of receiving the federal job tax credits which are presently incorporated by reference into the state tax.

The Honorable Jay S. Hammond
Governor

February 8, 1980
Page 2

The only point of contention between the Departments is the estimated cost of the program in terms of tax revenues foregone if the credit is calculated at ten percent (10%) of the first \$15,000 of wages. The Department of Labor has estimated a total pool of eligible participants of 17,100 for 1981. See attached schedule. Depending upon the number of certified eligibles who are ultimately hired and the number of employers who actually try to take advantage of the credit, the program could cost anywhere from a de minimis amount to a theoretical maximum of \$18,000,000. The Departments are in agreement that the most probable amount of the tax expenditure is some 2.7 million for calendar year 1981. (FY 81 cost would be less than half this amount or approximately \$700,000.) It is important to note that this figure does not take into account various incalculable offsetting factors, e.g. savings to the State in reduced welfare payments, unemployment insurance, and incremental income tax revenues generated by those employed by the program who would not otherwise have been employed during the given time period.

The Department of Revenue's sole concern is that the outside risks of an expenditure greater than that predicted be made clear and that those risks be minimized if at all possible. The attached schedules illustrate the total range of expenditures at varying degrees of participation and indicate the most likely cost of the program under Department of Labor estimates. These costs are shown for three versions of the credit: 10% of the first \$15,000, 10% of the first \$10,000, and 10% of the first \$6,000 of wages.

Obviously, using a lower credit formula would reduce the risks of expending more than the desired dollar amount. The only other possible method would be to put a statutory statewide ceiling of, for instance, 3,000 on the number of certified employees whose wages can be claimed as a credit. This latter approach while perhaps the most certain method of limiting the revenue exposure would present certain additional administrative difficulties for the Department of Labor. More importantly, it would create the appearance of inequity to employees and employers alike should any program (which would have to be considered highly successful at 3,000 participants) have to be shut down towards the end of a year.

In conclusion, the Department of Revenue would prefer,

The Honorable Jay S. Hammond
Governor

February 8, 1980
Page 3

for tax revenue receipt purposes, that a lesser tax credit amount (e.g. 10% of \$10,000) be adopted. However, the Department of Labor's recommendation of 10% of \$15,000 is acceptable to the Department of Revenue especially considering that the proposed bill specifies a definite life of two years at which time it would expire unless renewed by the Legislature. This gives the Departments of Labor and Revenue an opportunity to study the impact of the credit and to determine whether, on the basis of actual experience, the benefits of the program in terms of increased employment amongst the targeted groups outweigh its costs.

Attachments

10% of First \$15,000 Income Level Limit

1981 Total Pool of Eligible Participants
(17,100)

% of eligibles	10%	15%	23%	40%	100%
No. of Participants	1,710	2,565	3,960	6,840	17,100
Revenue Lost Assuming 10% Wage Tax Credit or \$1,500	2.57	3.85	5.94	10.26	25.65
			(Millions of Dollars)		
After Reduction for Seasonality Factor and Start Up Lag 30%	1.8	2.7	4.16	7.13	17.96

1982 Total Pool of Eligible Participants
(17,800)

% of eligibles	10%	15%	20%	31%	40%	100%
No. of Participants	1,780	2,670	3,560	5,470	7,120	17,800
Revenue Lost Assuming 10% Wage Tax Credit or \$1,500	2.67	4.01	5.34	8.21	10.68	26.70
			(Millions of Dollars)			
After Reduction for Seasonality Factor 25%	2.0	3.01	4.01	6.16	8.01	20.03

10% of First \$10,000 Income Level Limit

1981 Total Pool of Eligible Participants
(17,100)

% of eligibles	10%	15%	23%	40%	100%
No. of Participants	1,710	2,565	3,960	6,840	17,100
Revenue Lost Assuming 10% Wage Tax Credit or \$1,000	1.71	2.56	3.96	6.84	17.10
			(Millions of Dollars)		
After Reduction for Seasonality Factor and Start Up Lag 30%	1.20	1.79	2.77	4.79	11.97

1982 Total Pool of Eligible Participants
(17,800)

% of Participants	10%	15%	20%	31%	40%	100%
No. of Participants	1,780	2,670	3,560	5,470	7,120	17,800
Revenue Lost Assuming 10% Wage Tax Credit or \$1,000	1.78	2.67	3.56	5.47	7.12	17.80
			(Millions of Dollars)			
After Reduction for Seasonality Factor 25%	1.34	2.00	2.67	4.10	5.34	13.35

10% of First \$6,000 Income Level Limit

1981 Total Pool of Eligible Participants
(17,100)

% of eligibles	10%	15%	23%	40%	100%
No. of Participants	1,710	2,565	3,960	6,840	17,100
Revenue Lost Assuming 10% Wage Tax Credit or \$600	1.03	1.54	2.38	4.10	10.26
			(Millions of Dollars)		
After Reduction for Seasonality Factor and Start Up Lag 30%	.72	1.08	1.67	2.87	7.18

1982 Total Pool of Eligible Participants
(17,800)

% of eligibles	10%	15%	20%	31%	40%	100%
No. of Participants	1,780	2,670	3,560	5,470	7,120	17,800
Revenue Lost Assuming 10% Wage Tax Credit or \$600	1.07	1.60	2.14	3.28	4.27	10.68
			(Millions of Dollars)			
After Reduction for Seasonality Factor 25%	.80	1.20	1.61	2.46	3.20	8.01

1	POSITION TITLE Wage & Hour Investigator I				RANGE/STEP 16 A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION:					
	1		2	3						
4	PERSONAL SERVICES:				Personal Services: Current Salary Schedule (1/79)					
	SALARY	1.888		22,656	Travel: Program's estimate					
5	BENEFITS	.1542		3,494	Contractual: Based on Wage & Hour Budget divided by positions					
6	FICA	.0665		1,506	Commodities: Based on Wage & Hour Budget divided by positions					
7	HEALTH INS.	127 X 12		3,048	Equipment: One time cost					
8	TOTAL PERSONAL SERVICES			30,704	Justification for this position:					
9	TRAVEL			7,500	A Wage & Hour Investigator I is needed to draft regulations to implement the resident certification portion of the bill and to set up procedures for processing applications. The Investigator will also investigate and rule on appeals of denials for certification.					
10	CONTRACTUAL			6,750						
11	COMMODITIES			250						
12	EQUIPMENT			1,000						
13	OTHER									
14	TOTAL COST			46,204						
	CODE	FUNDING SOURCE								
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND			46,204					
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION				FOR B&M USE ONLY					
22	ADDITION	XXX								
4A KEY NUMBER					COLUMN NO.					

AGENCY Department of Labor PROGRAM AREA Worker Protection

BRU Wage & Hour Administration

FY 81

3 REQUEST FOR NEW POSITION.

COMPONENT Wage & Hour Administration

Page 1 of 9

REVISED DATE

1	POSITION TITLE Employment Security Analyst II			RANGE/STEP 17 A	BARG. UNIT. Supervisor	LOCATION Jungau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT					
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1.934	23,208						
5	BENEFITS	.1542	3,579						
6	FICA	.0665	1,543						
7	HEALTH INS.	127 X 12	1,524						
8	TOTAL PERSONAL SERVICES			29,854					
9	TRAVEL		7,500						
10	CONTRACTUAL		13,350						
11	COMMODITIES		250						
12	EQUIPMENT		2,000						
13	OTHER								
14	TOTAL COST			52,954					
JUSTIFICATION:									
Personal Services: Based on current salary schedule (3/78)									
Travel: Program's estimate									
Contractual: Based cost per position in FY'81 Budget									
Commodities: Based cost per position in FY'81 Budget									
Equipment: One time cost									
Justification for this position:									
Coordinate with other state agencies providing social services to maximize referrals to the Employment Security Division for vouchering and job placement of eligible applicants. Certify the eligibility of all applicants to the employer for tax credit.									
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND							52,954
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
4A KEY NUMBER _____ COLLECT NO. _____									

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

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REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Juneau	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: Personal Services: Based on current salary schedule (1/79) Travel: Program's estimate Contractual: Based cost per position in 'Y'81 Budget Commodities: Based cost per position in FY'81 Budget Equipment: One time cost Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,629	19,548							
5	BENEFITS	.1542	3,014							
6	FICA	.0665	1,300							
7	HEALTH INS.	127 X 12	1,524							
8	TOTAL PERSONAL SERVICES		25,386							
9	TRAVEL		7,500							
10	CONTRACTUAL		13,350							
11	COMMODITIES		250							
12	EQUIPMENT		1,000							
13	OTHER									
14	TOTAL COST		47,486							
	CODE	FUNDING SOURCE								
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		47,486						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXXX	FOR B&M USE ONLY							
AA KEY NUMBER		COLUMN NO.								

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

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REVISED DATE

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Juneau	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82	Thru Dec. 31 FY'83				
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	1,629	19,348							
5	BENEFITS	.1542	3,014							
6	FICA	.0665	1,300							
7	HEALTH INS.	127 X 12	1,524							
8	TOTAL PERSONAL SERVICES 7/12 X 25,386 =			14,809	25,386		12,693			
9	TRAVEL		1,000		4,000		2,140			
10	CONTRACTUAL		7,788		14,284		7,642			
11	COMMODITIES		145		268		143			
12	EQUIPMENT		1,000		0		0			
13	OTHER									
14	TOTAL COST			24,742	43,938		22,618			
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		24,742						
18		I-A RCPTS								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION				FOR B&M USE ONLY					
22	ADDITION	XXX								
	4A KEY NUMBER			COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 4 of 9

REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION Palmer/etc.	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'R1			AMOUNT	JUSTIFICATION:		Thru Dec. 31			
	1	2	3		FY'82		FY'83			
4	PERSONAL SERVICES:									
	SALARY	1,689		20,268						
5	BENEFITS	1542		3,125						
6	FICA	.0665		1,348						
7	HEALTH INS.	127 X 12		1,524						
8	TOTAL PERSONAL SERVICES 7/12 X 26,265 =			15,321	26,265		13,132			
9	TRAVEL			1,000	4,000		2,140			
10	CONTRACTUAL			7,788	14,284		7,642			
11	COMMODITIES			145	268		143			
12	EQUIPMENT			1,000	0		0			
13	OTHER									
14	TOTAL COST			25,254	44,817		23,057			
	CODE	FUNDING SOURCE			Justification for this position:					
15		FED RCPTS.			In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
16		GF MATCH.								
17		GEN. FUND		25,254						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION	XXX								
				FOR B&M USE ONLY						
4A KEY NUMBER				COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

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REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B			RANGE/STEP 14 A	BARG. UNIT. GGII	LOCATION Palmer	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82	Thru Dec. 31 FY'83			
	1	2	3						
4	PERSONAL SERVICES:								
	SALARY	1,689	20,268						
5	BENEFITS	.1542	3,125						
6	FICA	.0665	1,348						
7	HEALTH INS.	127 X 12	1,524						
8	TOTAL PERSONAL SERVICES 7/12 X 26,265 =			15,321	26,265	13,132			
9	TRAVEL		1,000		4,000	2,140			
10	CONTRACTUAL		7,788		14,284	7,642			
11	COMMODITIES		145		268	143			
12	EQUIPMENT		1,000		0	0			
13	OTHER								
14	TOTAL COST			25,254	44,817	23,057			
					Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.				
	CODE	FUNDING SOURCE							
15		FED RCPTS.							
16		GF MATCH.							
17		GEN. FUND		25,254					
18		I-A RCPTS.							
19		PGM RCPTS							
20		OTHER							
21	CONTINUATION								
22	ADDITION	XXX	FOR B&M USE ONLY						
1A KEY NUMBER					COLUMN NO.				

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

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REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION FBX	GOV.	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION: FY'82		Thru Dec. 31 FY'83			
	1		2	3						
4	PERSONAL SERVICES:									
	SALARY	1,888		22,656						
5	BENEFITS	.1542		3,494						
6	FICA	.0665		1,507						
7	HEALTH INS.	127 X 12		1,524						
8	TOTAL PERSONAL SERVICES 7/12 X 29,181 =			17,022	29,181		14,590			
9	TRAVEL			1,000	4,000		2,140			
10	CONTRACTUAL			7,788	14,284		7,642			
11	COMMODITIES			145	268		143			
12	EQUIPMENT			1,000	0		0			
13	OTHER									
14	TOTAL COST			26,955	47,733		24,515			
	CODE	FUNDING SOURCE			Justification for this position: In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.					
15		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		26,955						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION			FOR B&M USE ONLY						
22	ADDITION		XXX							
4A KEY NUMBER				COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

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REVISED DATE _____

1	POSITION TITLE Employment Security Specialist I B				RANGE/STEP 14 A	BARG. UNIT. GGU	LOCATION FBX	GOV	APPROV	DISAPP.	
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG			
3	TYPE OF EXPENDITURE FY'81			AMOUNT		JUSTIFICATION: FY'82		Thru Dec. 31 FY'83			
	1	2	3								
4	PERSONAL SERVICES:										
	SALARY	1,888	22,656								
5	BENEFITS	.1542	3,494								
6	FICA	.0665	1,507								
7	HEALTH INS.	127 X 12	1,524								
8	TOTAL PERSONAL SERVICES 7/12 X 29,181 =		17,022		29,181		14,590				
9	TRAVEL		1,000		4,000		2,140				
10	CONTRACTUAL		7,788		14,284		7,642				
11	COMMC TIES		145		268		143				
12	EQUIPMENT		1,000		0		0				
13	OTHER										
14	TOTAL COST		26,955		47,733		24,515				
	CODE	FUNDING SOURCE									
15		FED RCPTS.									
16		GF MATCH.									
17		GEN. FUND		26,955							
18		I-A RCPTS.									
19		PGM RCPTS									
20		OTHER									
21	CONTINUATION										
22	ADDITION		XXX		FOR B&M USE ONLY						
4A KEY NUMBER				COLUMN NO.							

Justification for this position:

In local Job Service offices identify potentially eligible individuals for Alaska Targeted Job Tax Credit and refer these individuals to job openings with Alaska employers.

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 8 of 9

REVISED DATE

1	POSITION TITLE Clerk Typist III				RANGE/STEP 8 A	BARG. UNIT. GGU	LOCATION Bureau	GOV	APPROV	DISAPP
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12	PAGE/LINE	LEG		
3	TYPE OF EXPENDITURE FY'81			AMOUNT	JUSTIFICATION:		Thru Dec. 31			
	1	2	3		FY'82		FY'83			
4	PERSONAL SERVICES:									
	SALARY	1.108	13,296							
5	BENEFITS	.1542	2,050							
6	FICA	.0665	884							
7	HEALTH INS.	127 X 12	1,524							
8	TOTAL PERSONAL SERVICES 7/12 X 17,754 =			10,357	17,754		8,877			
9	TRAVEL		0		0		0			
10	CONTRACTUAL		7,788		14,284		7,642			
11	COMMODITIES		145		268		143			
12	EQUIPMENT		1,000		0		0			
13	OTHER									
14	TOTAL COST			19,290	32,306		16,662			
					Justification for this position:					
					In Central office provide support services to Alaska Targeted Job Tax Credit Coordinator (Employment Security Analyst II) to include typing of all related correspondence, sorting, distribution and filing of all vouchers and Certifications and transmission of Certifications to employers.					
15	CODE	FUNDING SOURCE								
		FED RCPTS.								
16		GF MATCH.								
17		GEN. FUND		19,290						
18		I-A RCPTS.								
19		PGM RCPTS								
20		OTHER								
21	CONTINUATION									
22	ADDITION		XXX	FOR B&M USE ONLY						
4A KEY NUMBER				COLUMN NO.						

AGENCY Department of Labor PROGRAM AREA Social Services

BRU Employment Security Division

FY 81

13 REQUEST FOR NEW POSITION.

COMPONENT Employment Security Division

Page 9 of 9

REVISED DATE _____

Introduced: 2/21/80
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 496

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for Alaska Job Tax Credits; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 43 is amended by adding a new chapter to read:

10 Chapter 27. ALASKA JOB TAX CREDITS.

11 Sec. 43.27.010. POLICY. It is the policy of the State of
12 Alaska in the development and training of its valuable human resources
13 to provide maximum employment opportunities for its disadvantaged and
14 chronically unemployed residents.

15 Sec. 43.27.020. LEGISLATIVE FINDINGS AND PURPOSE. (a) The
16 legislature finds that the State of Alaska has been hindered in its
17 objective of developing a fully qualified labor pool by seasonal
18 employment patterns which encourage extensive migrations into the
19 state. The legislature further finds that the migratory work force
20 absorbs the training and job experience which otherwise would be
21 available to state residents.

22 (b) It is the purpose of this Act to provide incentives for em-
23 ployers in Alaska to hire those residents who have become economically
24 disadvantaged or chronically unemployed as a result of the detrimental
25 effects of the seasonal employment patterns which have encouraged the
26 development of a migratory work force.

27 (c) Because credits available under this chapter are more closely
28 tailored to Alaska's needs, these credits will supersede the credits
29 available under Targeted Jobs tax credit and the Work Incentive Program

1 credit under Internal Revenue Code secs. 40 and 44B (26 U.S.C. secs.
2 40 and 44B) after December 31, 1980 on the Alaska income tax return.

3 Sec. 43.27.030. ELIGIBILITY OF EMPLOYERS FOR JOB TAX CREDITS.

4 (a) An employer, whether corporation, partnership, individual or
5 other entity, operating within the state and licensed to do business
6 in the state under AS 43.70, is entitled to a tax credit equal to 10
7 percent of the wages up to \$15,000 paid an individual certified as a
8 chronically unemployed or economically disadvantaged resident during
9 the tax year for which the credit is claimed, if the individual worked
10 a minimum of 30 days for that employer and is hired after December 31,
11 1980.

12 (b) The tax credit provided in this section may not exceed the
13 total tax liability of the employer under AS 43.20 or AS 43.21.

14 (c) If an employer continuously employs a certified individual
15 for a period of 12 months, the eligibility of that employer for the
16 tax credit based on that employee expires at the end of one year.

17 (d) The employer may not take as a business deduction on the
18 applicable Alaska income tax return the amount of the credit allowed
19 under this chapter.

20 (e) The employer may claim a credit for wages paid to a certified
21 individual through December 31, 1982.

22 Sec. 43.27.040. CERTIFICATION. (a) A tax credit may be claimed
23 under this chapter only for an individual who has been certified by
24 the commissioner as either a chronically unemployed or economically
25 disadvantaged resident.

26 (b) A certified individual who is hired by an employer must be
27 re-certified if he subsequently accepts employment with any employer
28 wishing to file for the tax credit provided in this chapter.

29 (c) The commissioner may require the individual to produce in-

1 come tax returns for the calendar year preceding the year in which the
2 application for certification is made.

3 Sec. 43.27.050. REGULATIONS. The commissioner may adopt regula-
4 tions pertaining to the certification of disadvantaged or chronically
5 unemployed residents and other regulations he considers necessary to
6 implement this chapter.

7 Sec. 43.27.060. ELIGIBILITY FOR CERTIFICATION. (a) An indivi-
8 dual who seeks certification as an economically disadvantaged or
9 chronically unemployed resident must make a statement of eligibility
10 verified by him under penalty of perjury. The commissioner of labor
11 may require an individual to provide additional proof of eligibility
12 including one or more affidavits from persons having personal know-
13 ledge concerning the individual's eligibility.

14 (b) The department shall prescribe and furnish a form for the
15 statement of eligibility which must include a sworn statement of
16 residency. The statement must advise the individual that if he is
17 convicted of perjury, unsworn falsification, or perjury by inconsis-
18 tent statements, under AS 11.56.200 -- 11.56.240, on the basis of
19 statements made in the certification application, it will result in
20 the individual's forfeiture of the certification in addition to any
21 specified criminal penalties.

22 (c) No employer may claim a tax credit for employment of an
23 individual convicted of perjury, unsworn falsification, or perjury by
24 inconsistent statements, under AS 11.56.200 -- 11.56.240, in connection
25 with statements made in the certification application.

26 (d) Each economically disadvantaged or chronically unemployed
27 resident must be certified at least annually or as specified by the
28 department in regulation.

29 Sec. 43.27.070. ENFORCEMENT. If the commissioner determines

1 that an individual issued a certification was not entitled to the
2 certification at the time of application, he shall notify the employer.
3 The employer's eligibility for the tax credit based on the employment
4 of that individual ceases at the last day of the month during which
5 notification of ineligibility was received.

6 Sec. 43.27.080. RELATION TO OTHER PROGRAMS. Employers employing
7 certified individuals under this chapter may use in computing the tax
8 credit all wages actually paid to the certified individual, including
9 on-the-job training wages not reimbursed under sec. 826 of the Compre-
10 hensive Employment and Training Act (29 U.S.C. secs. 801-966).

11 Sec. 43.27.090. DEFINITIONS. In this chapter, unless otherwise
12 defined,

13 (1) "chronically unemployed resident" means either

14 (A) a resident who has been unemployed for a minimum
15 of 9 months of the 12 months immediately preceding the time of
16 application for certification so long as the individual's income
17 for the 12-month period does not exceed \$25,000, or

18 (B) a resident who has exhausted unemployment insurance
19 benefits available under AS 23.20.330 -- 23.20.409 within the 12
20 months immediately preceding the time at which he makes the
21 application for certification and is currently not eligible for
22 unemployment benefits;

23 (2) "commissioner" means the commissioner of labor;

24 (3) "department" means the Department of Labor;

25 (4) "resident" means a person 18 years of age or older who
26 has been physically present in the state for a minimum of one year or
27 who, if a resident but not physically present, was temporarily absent
28 on vacation or for reasons of formal education, military service, or
29 medical treatment;

1 (5) "economically disadvantaged resident" means a resident
2 whose total household income for the 12 months immediately preceding
3 the time of application for certification falls below 70 percent of
4 the minimums set by the Bureau of Labor Statistics' lower living
5 standard income level as adjusted for Alaska.

6 * Sec. 2. AS 43.20.036 is amended by adding a new subsection to read:

7 (i) For purposes of calculating the income tax payable under
8 this chapter, the taxpayer may not apply as a credit against tax
9 liability the Targeted Jobs tax credit and Work Incentive Program
10 credit under Internal Revenue Code secs. 40 and 44B (26 U.S.C. secs.
11 40 and 44B) after December 31, 1980.

12 * Sec. 3. AS 43.05.230 is amended by adding a new subsection to read:

13 (g) Personnel of the Department of Labor responsible for admin-
14 istering the Alaska Jobs Tax Credit under AS 43.27 are entitled to
15 access to information concerning the existence of and residency status
16 of a particular taxpayer's tax return.

17 * Sec. 4. APPLICABILITY. The Alaska Jobs Tax Credit created by this
18 Act is available only for tax years 1981 and 1982, unless extended by the
19 legislature. The federal credits made unavailable for claiming against the
20 Alaska tax liability by AS 43.20.036(i), as enacted in sec. 2 of this Act,
21 become available again beginning with tax year 1983, unless the legislature
22 extends the Alaska Jobs Tax Credit.

23 * Sec. 5. This Act takes effect July 1, 1980 and is repealed December
24 31, 1982.