

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2
4264 SRES SB 271 1944

16. Resident Hire on Natural Resource Projects (SB 271)

Source: Senator Joe Josephson
Contact: Bob Landau, 465-2700

Summary of Proposal: Senate Bill 271, originally introduced during the 1985 session, establishes resident hire requirements for all employment on all natural resource projects on state land. "Natural resource projects on state land" are defined to include all new or renegotiated oil and gas, timber, and mineral leases, contracts and agreements, where the project is to be performed in whole or part on state land.

The current version of the bill was drafted by the Senate Labor and Commerce Committee. The bill is currently pending before the Senate Resources Committee. An identical version of the bill was introduced in the House (HB 367).

Implementation: Both the Department of Labor and the Department of Natural Resources would have responsibilities under the bill. Labor would establish resident hire requirements for each project, refer qualified residents for work, monitor employer reporting requirements, and certify employer noncompliance. In the event of employer noncompliance, Natural Resources would conduct an investigation and could impose monetary and other penalties on the employer in violation.

Costs: The Department of Labor's current fiscal note is \$164,000 for FY 87 and \$358,000 for FY 88 (the year that many leases and unitization agreements come up for renegotiation). The fiscal impact on the Department of Natural Resources is unknown.

Legal Considerations: This bill faces several constitutional hurdles, but they may not be insurmountable. First, the findings on which the bill is premised must be factually documented to show the negative impact of nonresidents in natural resource industries. Second, the bill as currently drafted is overbroad - the resident hire preference must be more closely tied to remedying unemployment within natural resource industries in Alaska. The preference should also be limited to chronically unemployed or underemployed Alaskans or graduates of State job training programs.

17. Expansion of Youth Employment Program

Source: Department of Natural Resources
Contact: Bob Arnold, 465-2400

Summary of Proposal: The State Park Youth Employment Program provides summer jobs for youths between the ages of 15 and 23. The program provides a temporary work force to assist in trail building, erosion control, and facility maintenance projects that cannot be done by permanent staff. Generally, young people hired for this program are living in Alaska at the time of hire, but Alaska residency is not a requirement. The program could be expanded to provide greater job opportunities for Alaska's young people, particularly in smaller communities.

Implementation: Expansion of the youth employment program could be accomplished administratively, assuming additional funding is provided.

Costs: Expansion of the program would require additional funding in proportion to the number of additional youths to be employed.

Legal Considerations: Expansion of the existing program would not present any legal problems as long as Alaska residency was not required as a condition of enrollment.

18. Federal Land and Water Conservation Grants

Source: Department of Natural Resources
Contact: Bob Arnold, 465-2400

Summary of Proposal: The federal government administers grants to state and local recipients under the Federal Land and Water Conservation Fund. In 1983, on a one-time basis, federal grants from this Fund were channeled through the Small Business Administration (SBA). The SBA's role in the grant process was to determine which small businesses in Alaska were available to provide services to the grant recipients. Eligible businesses were then required to be used to provide contractual services, commodities, and equipment necessary to perform the grant. This provision was known as the "Jobs Bill" and its purpose was to stimulate local hire.

Currently, federal Land and Water Conservation Fund grants are reviewed by DNR's Division of Parks and Outdoor Recreation. The State could petition our Congressional delegation to reintroduce a "Jobs Bill" provision into the above federal grant program. The Alaska Legislature might also be requested to include a similar provision in selected state grants.

Implementation: This proposal would be implemented administratively through the Department of Natural Resources.

Costs: The principal costs involved would be for DNR or another appropriate agency to establish and maintain a list of eligible small businesses in Alaska which could provide goods or services to the grant recipient.

Legal Considerations: A federal program that requires resident hire is probably constitutional even though the program is administered by the state. The major constitutional barrier to state resident employment preferences is the privileges and immunities clause of the U.S. Constitution, but this clause does not apply to the federal government. In addition, it appears that this program would also survive scrutiny under the state or federal equal protection clauses, assuming there can be established a rational basis for a resident hiring preference.

19. Resident Hire Stipulations in Oil and Gas Leases

Source: Department of Natural Resources
Contact: Kay Brown, 561-2020

Summary of Proposal: This proposal would include certain Alaska hire provisions as stipulated conditions of state oil and gas leases and unit agreements. Under such provisions, Alaska residents and Alaska companies would be employed to the extent that they are available and qualified for work performed in Alaska under the lease. Alaska residency would be defined as a minimum of one year in the state at the time of hiring or employment. Alaska companies are those incorporated in Alaska or whose principal place of business is in Alaska.

Implementation: The resident hire stipulations would be incorporated into state oil and gas leases and negotiated royalty contracts. Similar provisions have already been included in recent royalty contracts.

Costs: Certain administrative costs would be incurred by the state, probably the Department of Labor, in connection with verifying the residency of persons employed and companies hired to perform work under oil and gas leases. Some of this cost, however, could be absorbed by the Department of Labor's current resident hire program.

Legal Considerations: Although the proposed resident hire stipulations in oil and gas leases would not be as broad in scope as those struck down in Hicklin v. Orbeck, 437 U.S. 518 (1978), there are still significant constitutional issues. In the event of a legal challenge, a factual foundation would be necessary to show that nonresidents are displacing residents in the oil and gas industry and are having a detrimental effect on the Alaska economy. In addition, the hiring preference should be limited to unemployed or underemployed Alaskans only. Finally, the one-year durational residency requirement would raise an equal protection issue; a durational residency requirement of up to 30 days, however, would likely be upheld.

20. Year-round Exploratory Activities

Source: Department of Natural Resources
Contact: Kay Brown, 561-2020

Summary of Proposal: The state could allow certain natural resource exploration activities, such as seismic exploration and exploratory drilling, to take place on a year-round basis. This change could help foster a more stable Alaska work force instead of tending to favor the short-term importation of outside workers for lower wages. The precise impact on local hire, however, is uncertain, depending on how the oil industry reacts to such a change.

Implementation: This proposal can be implemented administratively, but would require the coordinated involvement of several departments, including Natural Resources, Environmental Conservation, Fish and Game, and Labor, to monitor year-round activities.

Costs: There are potentially increased environmental and safety hazards in allowing year-round exploratory activities. The enforcement staffs of the Departments of Labor and Environmental Conservation may require additional funding to perform adequate year-round monitoring of these hazards. In addition, the Departments of Natural Resources and Fish and Game would also incur increased monitoring costs.

Legal Considerations: No problems foreseen.

21. Prevailing Wages on Oil and Gas Lease Work

Source: Department of Natural Resources
Contact: Don Wilson, 264-2452

Summary of Proposal: Companies performing work on state oil and gas leases or contracts would be required to pay prevailing wages for the area in which the work is performed. This would tend to equalize labor costs for lease holders and provide a disincentive to hire nonresidents for lower wages. Recent statistics compiled by the Department of Labor indicate that on publicly-funded construction projects where prevailing wages are required to be paid, the percentage of nonresident workers has been extremely low.

Implementation: The state's current prevailing wage requirements apply only on public construction projects under contract for a state agency or political subdivision of the state. This proposal would require legislation to extend the existing prevailing wage laws and regulations to include oil and gas work on state land.

Costs: The Department of Labor would incur additional administrative costs in surveying the oil and gas industry to establish prevailing wage rates for job classifications not currently covered. There would also be additional costs for on-site field inspections at remote job sites. Another possible fiscal impact is reduced bidding on oil and gas leases due to lease holders having to pay higher labor costs.

Legal Considerations: If properly drafted, this proposal could probably withstand a constitutional challenge. The most serious concern would be with the Commerce Clause; oil and gas is so critical to the national economy that state regulatory burdens may be closely examined. However, the proposal is so similar to the current Davis-Bacon requirements that it would likely be upheld.

22. Oil Industry Training Programs

Source: Department of Natural Resources

Contact: Kay Brown, 561-2020 or Ed Musslewhite, 465-2712

Summary of Proposal: Many oil industry training programs are currently conducted outside the state, making it difficult for Alaskans to qualify for oil and gas jobs. The state could survey the extent of existing oil industry training programs within Alaska to determine whether these are adequate and sufficient for the employment of Alaskans. The state could also explore the feasibility of requiring as a condition of oil and gas leases that such training programs be made more accessible to Alaskans, either by providing the training programs within the state or by sending Alaskans to such programs outside the state.

Implementation: Considerable research would have to be conducted on the adequacy of existing training programs. The most appropriate agencies to conduct such an effort would appear to be the Departments of Labor and Education. In addition, the Departments of Natural Resources and Law could explore the feasibility of requiring training in Alaska as a condition of oil and gas leases and contracts.

Costs: Research and surveying costs could probably be absorbed within existing budgets. If lack of training is identified as a problem in Alaska, some costs would be incurred in providing additional training programs or low-interest loans for training applicants. Moreover, if oil and gas lease holders can be required to make training more accessible to Alaskans, it is likely that these increased costs would be reflected in their bids.

Legal Considerations: A requirement to train Alaskans or to offer training in Alaska would raise constitutional issues ranging from due process to privileges and immunities and equal protection. Some federal programs, however, have successfully required training as a condition or term of a grant or construction contract. Absent facts demonstrating that nonresidents are causing significant displacement of Alaskans in the oil industry and that the lack of trained residents is an important element of such displacement, it appears unlikely that the state could validly impose a requirement to train state residents. On the other hand, a financial incentive in oil and gas lease or contract to train locally, that does single out residents, may be permissible.

23. Resident Hire Incentive Credits

Source: Department of Natural Resources
Contact: Kay Brown, 561-2020

Summary of Proposal: The oil and gas leasing statute, AS 38.05.180, could be amended to allow for "resident hire" incentive credits, similar to the existing exploration incentive credits program. Without further analysis, it is unknown how receptive the industry would be to such an idea and whether oil companies would take advantage of it.

Implementation: This proposal would require legislative amendments to AS 38.05. Prior to such amendments, however, a complete cost-benefit analysis should be done before any decision to implement the proposal is made. The Department of Revenue would also have to assess the revenue impact of the proposal.

Costs: In general, the State's share of oil and gas royalties would be expected to decline if such credits are provided, unless the State's overall share of such royalties is increased across the board.

Legal Considerations: Significant constitutional issues as described in Proposals No. 24 and 25.

24. Graduated Corporate Tax Rates

Source: Department of Revenue
 Contact: Mark Graber or Carl Meyer, 465-2320

Summary of Proposal: The state's corporate tax rate structure could be explicitly tied to compliance with local hire goals. Corporations maintaining a work force of 90 percent or more of available and qualified residents would be subject to the current graduated tax rates now ranging from 1 percent to 9.4 percent. Corporations with lower percentages of resident employees would be taxed at increased rates, as follows:

<u>Percent Alaska Residents Employed</u>	<u>Tax rates</u>
80 to 90%	1.2 to 9.6%
70 to 80%	1.4 to 9.8%
60 to 70%	1.6 to 10.0%
50 to 60%	1.8 to 10.2%
Below 50%	2.0 to 10.4%

The Department of Labor would be responsible for certifying the percentage of available and qualified residents employed by each taxable corporation on an annual basis.

Implementation: This proposal would require amendments to the current corporate tax laws, and would probably require implementing regulations as well.

Costs: There would be a significant fiscal impact on the Department of Labor, which would be the agency responsible for determining the residency of every person employed by a company subject to the state's corporate tax. Some of this could be accomplished through a computer cross-match of Permanent Fund Dividend recipients with unemployment insurance (UI) data. However, in many cases residency would have to be verified manually through other means, such as a residency questionnaire and/or personal interviews. There may also be some costs associated with appeals of Labor's residency determinations.

The tax impact of this proposal on corporations is unknown in the absence of resident hire statistics for each corporation. However, in theory there would be a net revenue gain, since companies with lower resident hire percentages would be taxed at a higher rate.

Legal Considerations: This approach raises questions under the commerce clause of the U.S. Constitution and possibly also under the equal protection clause. Under the commerce clause, if the statute discriminates against interstate commerce, either on its face or in its effect, it may be held invalid. In this case, while the proposal appears to treat interstate and intrastate businesses equally on its face, it may be deemed to have an unequal effect on interstate commerce and might thus be struck down as protectionist legislation. See Delta Air Lines, Inc., v. Dept. of Revenue, 455 So. 2d 317 (Fla. 1984).

With respect to equal protection analysis, the proposal would also face constitutional difficulties. The Alaska Supreme Court has indicated in several cases that "benefiting economic interests of residents over nonresidents is not a purpose which may constitutionally vindicate discriminatory legislation. . ." Lynden Transport, Inc. v. State, 532 P. 2d 700, 711 (Alaska 1975).

In addition to the constitutional concerns, there is a potential conflict between the disclosure required under this proposal and the existing UI confidentiality law in AS 23.20.110. Also, the definition of "resident" is taken from AS 43.23.095(7) in the Permanent Fund Dividend statutes; a more appropriate and legally defensible definition is found in AS 01.10.055.

25. Adjustment of Investment Tax Credit

Source: Department of Revenue
Contact: Mark Graber or Carl Meyer, 465-2320

Summary of Proposal: Special incentive investment tax credits for certain qualifying investments would be allowed to companies in certain targeted industries that maintain an employment level of 90 percent or more Alaska residents. The targeted industries include mining, gas processing, fish processing, and timber processing. If a company initially qualifies for the investment tax credit but then falls below the required 90 percent resident level, it would be required to recapture (pay back) the credit previously taken. Those companies that do not meet the 90 percent local hire requirements would still be permitted to qualify for the "regular investment credit" currently provided in AS 43.20.036(b). As with the corporate tax proposal, the Department of Labor would be responsible for determining residency for each corporation applying for the special incentive investment tax credit.

Implementation: This proposal would require amendments to the existing investment tax laws, and probably the underlying regulations as well.

Costs: Similar to corporate tax proposal, except that residency determinations would only have to be made for those corporations applying for the special investment tax credit.

Legal Considerations: This proposal raises similar legal issues to those described in Proposal No. 24.

26. Bidder Prequalification on State Construction Projects

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: On specific public construction projects awarded by the Department of Transportation and Public Facilities, all bidders could be required to be prequalified. Prequalification would mean that potential bidders, before they could be issued bid packages, would have to meet specific criteria which could include previous experience in the type of work under Alaskan conditions and knowledge of the local environment. Most Alaskan contractors would have no problem in meeting such requirements because of their knowledge of local conditions and use of a local work force. Outside contractors, on the other hand, could be excluded from bidding on state construction work unless they could show adequate familiarity and experience with the Alaskan environment.

Implementation: Prequalification of bidders would not require any changes to state statutes or regulations but would require changes to specific project specifications and subsequent staff review of bidder applications.

Costs: Prequalification of bidders would involve additional administrative costs associated with reviewing bidder applications and determining prequalification status. There might also be some delay in advertising projects due to the prequalification process. In addition, potential bidders may incur additional time and cost for the preparation and submission of prequalification material. It is difficult to precisely determine these costs but they should be minimal. Another potential cost resulting from prequalification might be an increased total cost of a project due to the elimination of a potential low bidder for failure to meet the prequalification criteria, but this cost is highly speculative.

Legal Considerations: No significant problems foreseen. However, the criteria established for prequalification should be linked as closely as possible to project requirements rather than to the residency of the potential bidder.

27. Solicitation of Construction Bids Only in Alaska

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: At present, it is the policy of the Department of Transportation and Public Facilities to seek bids on major construction projects by advertising as widely as possible including out-of-state. The advertised plans and specifications on such projects are typically furnished to plan centers in Seattle and Portland. To enhance the likelihood of Alaskan firms and workers obtaining these construction contracts, DOT/PF could restrict its advertising to Alaska media sources only.

Implementation: This proposal could be implemented without changing any statutes or regulations but would require a modification to DOT/PF internal policies and procedures.

Costs: This approach would slightly decrease DOT/PF's advertising costs. However, there might be an increased total project cost on any projects where a potential low bidder from outside the state is eliminated by the curtailment of out-of-state advertising. Such increased cost, of course, is highly speculative.

Legal Considerations: No problems foreseen.

28. Require Prime Contractors to Publicize Labor and Subcontract Needs on Public Construction Projects

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: The Department of Transportation and Public Facilities could require contractors, as a contract obligation, to identify and publicize through the media, unions, the state's Job Service network and other channels, the type and number of labor crafts and subcontract work in the area where work is to be performed. This would give local residents and employment authorities specific knowledge of job opportunities on public construction projects.

Implementation: Requiring prime contractors to publicize labor and subcontract opportunities would not involve any changes to statutes or regulations but could be accomplished through modification to present DOT/PF standards specifications.

Costs: The cost to DOT/PF of administering such a contract requirement would be minimal. However, there would be a more significant cost to prime contractors. If the cost of meeting the publication requirement is assumed to average approximately \$500 for each project, then with about 200 projects performed annually by DOT/PF, the total cost to prime contractors would be approximately \$100,000.

Legal Considerations: No problems foreseen.

29. Use of Unique Alaska Materials or State-furnished Materials

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: On specific projects such as Pioneer Homes, schools, or state office buildings, where it may be desirable to exhibit Alaskan heritage or historical features, the Department of Transportation and Public Facilities could require the design consultants in the actual design to use unique Alaska materials such as quarry rock, marble, lumber or wood work decorations. This would tend to enhance local employment and business opportunities.

A variation of this approach would be to have DOT/PF purchase Alaskan materials or products in advance of bidding and include such items as state-furnished materials in a public works contract. Examples include highway culvert markers, certain Alaskan wood products, and other frequently used construction materials. In essence, DOT/PF would stockpile frequently used construction materials and then furnish them as needed on particular construction projects.

Implementation: Either of the above approaches could be implemented administratively by including them as requirements in the applicable bid specifications and construction contracts.

Costs: Additional administrative costs to DOT/PF should be minimal. If DOT/PF is to stockpile certain frequently used materials, costs would depend on the items and amounts that are selected. The effect on overall project costs would depend on the additional cost incurred by contractors in having to locate and purchase specific Alaska construction materials.

Legal Considerations: No problems foreseen.

30. "Buy Alaskan" Legislation

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: "Buy Alaskan" legislation could be enacted, providing a bidder's preference on publicly-funded construction projects for those bidders who agree to use designated Alaskan materials or products. The extent of the preference would be determined by the "value added in Alaska" of the material or product in question. Alaskan industries which would particularly benefit from such legislation include the wood and concrete products industries. If successful on public construction projects, "Buy Alaskan" requirements could be extended to all state contracts.

Implementation: This proposal would require new legislation and implementing regulations. Each state agency and political subdivision awarding a construction contract would be responsible for the administration and enforcement of the "Buy Alaskan" requirements. In addition, an appropriate state agency would be designated to develop standards for classifying Alaska products and materials triggering the bidder's preference.

Costs: Overall project costs are difficult to estimate but may be higher depending on the increased costs to contractors of locating and purchasing Alaska materials. There would also be certain administrative monitoring and enforcement costs for affected contracting agencies.

Legal Considerations: This approach raises commerce clause and equal protection issues. Other states have enacted similar legislation, but there is very little case law on their constitutionality. A "Buy Alaskan" requirement on public construction projects would probably pass legal muster under the "market participant" exception to the commerce clause. Equal protection analysis, however, could be more troublesome to the extent that such a scheme is analogized to the Alaska bidder's preference, which at least two members of the Alaska Supreme Court believe is unconstitutional. An additional legal problem is that many federal grants prohibit discriminatory purchasing or hiring specifications; a "Buy Alaskan" statute, therefore, could not be applied where it conflicted with federal law.

31. Local Fabrication of Construction Materials

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: On certain Department of Transportation and Public Facilities construction projects involving the fabrication of materials, the project specifications could be written to require contractors to perform such fabrication in Alaska. Examples of fabricated materials include concrete walls, beams, pipes, manholes, catch basins, drains, septic tanks, and wood products such as cabinetry and millwork. Requiring local fabrication would enhance both business opportunities and employment for Alaskans.

Implementation: Local fabrication requirements could be inserted in selected state contracts. Also, the current contracting approach of allowing contractors to substitute like products on materials would have to be changed.

Costs: There may be some additional administrative cost to DOT/PF for added inspection duties. The change in overall project costs would depend on the increased cost to contractors, if any, of fabricating construction materials locally.

Legal Considerations: This approach raises constitutional issues similar to Proposal No. 30.

32. Prequalification of Local Labor Force

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: Through an appropriate state agency or by a supportive service contract, lists of qualified resident construction workers in various Alaska communities could be developed and maintained. The lists could be furnished with the bid proposals which are sent to prospective bidders. Successful bidders would be encouraged to hire construction labor from the established lists.

Implementation: This proposal could be implemented administratively without any changes to state statutes or regulations. The development of accurate lists of qualified Alaskan construction workers would involve computer cross-matching to verify residency as well as each worker's qualifications. The Department of Labor's Job Service network has many of the resources to assist in this process.

Cost: There would be administrative costs incurred in compiling the lists, verifying residency and qualifications, and keeping the lists current by region. It is estimated that such costs would run at least \$50,000 to \$100,000 per year.

Legal Considerations: No constitutional problem if contractors are merely "encouraged" to hire off the lists. However, if contractors are required to hire off the lists, constitutional issues would arise similar to those identified in the recent Alaska Supreme Court decision striking down Alaska's resident hire preference law.

Also, in the event that the Department of Labor's Job Service offices are assigned the responsibility of maintaining such worker lists, there may be a potential conflict with federal regulatory requirements which generally prohibit any type of discrimination in job referrals on the basis of state residence. There may also be a potential conflict with state confidentiality laws, which protect information received by DOL from employers and job applicants in the course of administering the Job Service program.

33. Expanded Bidder Preference

Source: Department of Transportation and Public Facilities
Contact: Loren Rasmussen, 465-2951

Summary of Proposal: The present bidder preference law, AS 37.05.230(7), could be revised to eliminate the exclusion of DOT/PF projects over \$5,000. DOT/PF could then apply the Alaska bidder preference on virtually all state-funded construction projects, increasing the likelihood that Alaska contractors and Alaska workers will be employed on those projects. In addition, the current bidder preference statute could be tightened up to ensure that only bona fide Alaskan contractors would be entitled to the preference.

Implementation: The proposed state procurement code (SB 341) retains the current exclusion of bidder preference on Department of Transportation and Public Facilities projects over \$5000; this provision would have to be deleted.

Costs: The expansion of the bidder preference statute might increase total project costs to the extent that potential low bidders from outside Alaska might not be awarded the contract.

Legal Considerations: The Alaska bidder preference law is probably valid under the "market participant" exception to the commerce clause, but runs into serious trouble with the equal protection clause of the Alaska Constitution. At least two members of the Alaska Supreme Court have already indicated their belief that the current bidder preference law violates the Alaska equal protection clause.

Other Considerations: Since a high percentage of DOT/PF projects are federally funded, and federal regulations prohibit discrimination on the basis of residence, the Alaska bidders preference could not be applied on those projects. In addition, on entirely state-funded projects, the number of successful out-of-state bidders has been very low, so that the net effect of such a statutory change may be more symbolic than real.

34. Administrative Order Regarding Alaska Hire

Source: Department of Law
Contact: Ron Lorensen, 465-3600

Summary of Proposal: Through an administrative order from the Governor, contractors on public construction projects could be required to explicitly comply with Alaska hire requirements now in effect or subsequently enacted by the Legislature. Such an administrative order could also apply to state grants for construction work or to work performed under state oil and gas leases or unit agreements.

Implementation: This proposal would require the issuance of an administrative order by the Governor, and would not require additional legislation.

Costs: There would be virtually no cost associated with this proposal.

Legal Considerations: As long as the proposed administrative order merely secures compliance with present or future legislation and does not independently impose local hiring requirements, it would probably avoid any constitutional problems.

35. Management Program for Public Land Managers

Source: U.S. Department of the Interior
Contact: Bob Landau, 465-2700

Summary of Proposal: The University of Alaska, in conjunction with various agencies within the U.S. Department of the Interior, could develop an undergraduate and graduate management program for public interest lands management. Such a program would enable Alaskan students to have much better employment prospects as public interest lands managers for either the state or federal government. The program would train future park, refuge and other state or federal public land managers directly in Alaska. The University of Alaska currently administers a land management as well as a planning program, but these have not been specifically focused in the area of public interest lands management.

Implementation: Discussions have been underway for some time between Department of the Interior officials and land management faculty at the University. There is a strong desire by the University to develop this specialized program soon. This proposal does not appear to require any legislative or regulatory action.

Costs: The only cost involved would be the minimal administrative cost to the University of developing a more specialized management program and recruiting qualified resident undergraduate and graduate students.

Legal Considerations: The Alaska National Interests Lands Conservation Act (ANILCA) specifically allows a local hiring preference for federal land management positions in Alaska, provided the talent base is available, willing and competitive with national applicants. No constitutional problems are foreseen.

36. Linked Deposit Small Business Loan Program

Source: Department of Commerce and Economic Development
Contact: Paul Fletcher, 465-2018

Summary of Proposal: In an effort to stimulate small business growth and local employment, the state could create a reduced-rate loan program for eligible small businesses. Eligible businesses would include those headquartered in the state, operating exclusively in the state, employing less than 50 employees, a majority of whom are state residents. Small businesses owned at least 51 percent by veterans or rural residents would be entitled to an additional interest rate discount.

Implementation: New legislation would be required to implement this proposal. Draft legislation has already been prepared by the Department of Commerce and Economic Development. Under the draft legislation, the Department of Revenue would place certificates of deposit with eligible leading institutes at up to 4 percent below current market rates. The lending institutions would then loan those funds to eligible small businesses at up to 3 percent below the current borrowing rates or, in the case of veteran- or rural-owned small businesses, 4 percent below current rates. The program would be limited to \$50 million in loans and would be jointly administered by the Departments of Revenue and Commerce and Economic Development.

Cost: By placing up to \$50 million in linked deposits at up to 4 percent below prevailing rates, the state would forego a significant amount of investment income it might otherwise earn. Administrative costs of the program would be expected to be minimal.

Legal Considerations: This proposal raises similar issues to those described in Proposal No. 24.

DEPARTMENT OF LAW

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OFFICE OF THE ATTORNEY GENERAL

February 28, 1986

The Honorable Arliss Sturgulewski
Chairman, Senate Resources Committee
Alaska State Legislature
P. O. Box V
Juneau, AK 99811

Re: SSSB 271, relating to
certain natural resource
projects on state land

Dear Senator Sturgulewski:

I am responding to your request of February 25, 1986 for our comments regarding SSSB 271, relating to employment preferences on certain natural resource projects on state land.

As you know, the Alaska Supreme Court recently issued its decision in Francis v. Robison, holding the state's resident employment preference on public construction projects (AS 36.10.010) invalid under the privileges and immunities clause of the U.S. Constitution. In its decision, the court identified two fundamental problems with the existing law:

1. In the court's view, unemployment among residents, even where it is the result of non-residents being hired in Alaska, is not a permissible justification for a resident hire clause. The court considers this to be impermissible economic discrimination. Before a resident preference can be upheld, there must be a substantial justification beyond the fact that Alaskans are unemployed. The court suggests (but does not decide) that a preference implemented "in order to stave off an economic or social collapse" might be permissible.

2. The scope of the preference provided by AS 36.10.010 was too broad, since it was available to Alaskans who already had jobs as well as to unemployed Alaskans.

While the provisions of SSSB 271 do address the second of these problems by extending the preference to certain "target groups" of Alaska residents (e.g. unemployed or underemployed

persons), I am concerned that it does not adequately deal with the first problem. Under the bill, the general employment preference established by proposed AS 38.45.040(b) applies whether or not it can be shown that unemployment among residents, which is caused by the hiring of non-residents, has led or threatens to lead to adverse social or economic consequences for the state or an area of the state. Also, the bill appears to provide the preference for any kind of employment activity on state land. Other than in the area of construction, there is probably not presently sufficient factual information available to support extending the preference to other employment sectors. I would recommend that both of these deficiencies be addressed.

With respect to technical changes that might improve the bill, I would offer two suggestions:

1. Under the bill as currently drafted, the special preference for economically distressed areas created by proposed AS 38.45.040(c) (p.4, l.7) is effective "during the three fiscal years following a determination by the commissioner of labor..." A literal reading of this language leads to the result that the preference will only take effect on July 1 of a particular year (the beginning of the first fiscal year following the commissioner's determination), even if the commissioner made his or her determination months earlier. Unless this result is intended, the language should be revised to make it clear that the preference takes effect immediately following a determination by the commissioner and remains in effect until the end of the third full fiscal year after that determination. Also, I would suggest reducing the period of applicability of the preference from three to two years, unless strong justification for such a long period of applicability is provided in the bill or in the legislative record.

2. Proposed AS 38.45.070(a) requires that all hearings other than those conducted by the Department of Labor under subsec. (b) are subject to the Administrative Procedure Act (AS 44.62). As the bill is presently drafted, this would mean that investigative hearings conducted by the Department of Labor under subsec. (c) would be subject to the APA. The APA procedure can be unnecessarily formal and cumbersome, particularly for hearings that are primarily investigative in nature. I would recommend that the bill be

The Honorable Arliss Sturgulewski
Chairman, Senate Resources Committee

February 28, 1986
Page 3

revised to exclude Department of Labor hearings under subsec. (c) from APA coverage, as well.

3. Proposed AS 38.45.100, setting out applicable definitions, contains some potentially unclear provisions:

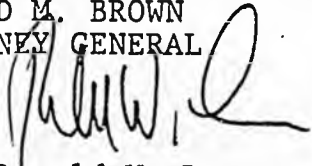
(a) The definition of "employer" can be read as applying only to persons (including affiliates, principals, contractors, etc) who are actually a party to a natural resource lease or agreement. I doubt this is the intended scope of the definition. I think this interpretation can be avoided by deleting the word "includes" on p.8, l.5 of the bill.

(b) "Natural resource project on state land" is defined as being a contract, lease, etc. This is at least confusing since "project" usually contemplates some kind of activity, whereas a "contract" or a "lease" is just a piece of paper with words on it. I would suggest adopting separate definitions for "natural resource lease or agreement" and "project" ("or natural resource project") and then using these terms, as applicable, in the bill.

I will plan to attend your committee's scheduled hearing on SSSB 271, Friday afternoon, February 28 in order to be available should you or any committee member have any further questions.

Sincerely yours,

HAROLD M. BROWN
ATTORNEY GENERAL

By: 
Ronald W. Lorensen
Deputy Attorney General

RWL/glg
cc: The Honorable Joe Josephson
Alaska State Legislature

Honorable Jim Robison, Commissioner
Department of Labor

Terry Cramer, Attorney
Legislative Affairs Agency

my "anonymous" source has asked that I put in my own words these 4 features of a local hire law which will probably survive court scrutiny:

- ① Application: state & local government contracts which are to be carried out in distressed areas of the state. Distressed may be defined by some agency based on definite criteria, especially a high rate of unemployment.
- ② Preference should be given to unemployed Alaskans with a definition of unemployed that assures that a worker is truly out of a job. A worker who has recently quit so that he/she may be employed on this project should be excluded.

3. Preference may be given to residents who are graduates of government supported job training programs.

4. ^{implicit} Not all positions should ^{will} be guaranteed local hire preference. A contractor should be able to hire a substantial number of non-preferred employees - resident & non-res.

contractor
or non-res.

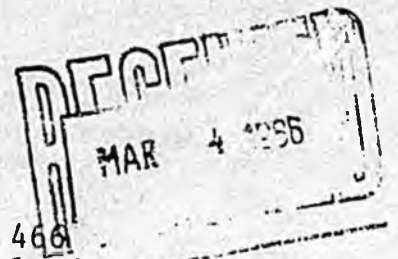
STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 4, 1986



SUBJECT: Comparison of SSSB 271 and SSHB 466
Resident hiring preference legislation

TO: Senator Joe Josephson

FROM: Teresa B. Cramer *ABC*
Legislative Counsel

You have requested that I compare and contrast SSSB 271 and SSHB 466, two of the bills establishing a hiring preference for state residents. You have also requested that I discuss the constitutional issues that arise under this type of legislation.

Both bills create hiring preferences for targeted groups of state residents. The preference in SSSB 271 applies to natural resource projects on state land. The preferences in SSHB 466 apply to public construction projects and also certain public works projects that receive state grants.

PURPOSE STATEMENTS. Both bills begin with a purpose or policy statement. The policy articulated in Sec. 38.45.010 of SSSB 271 is to develop state natural resources to provide the maximum benefit, including employment opportunities for state residents. The purpose statement in Section 1 of SSHB 466 identifies the state's unemployment problem as causing social harms that the legislation is intended to reduce.

FINDINGS. SSSB 271 makes findings to support the need for the resident employment preference and to demonstrate the harm caused by nonresident employment. SSHB 466 makes findings concerning the methods that the commissioner of labor may use to determine levels of unemployment in the state.

ELIGIBILITY FOR PREFERENCE. Each bill uses almost identical language to limit eligibility for the employment preference to the unemployed, underemployed or marginally employed, and to graduates of job training programs. (Compare SSHB 466,

*oil & gas
minerals
timber
wherever state
has contractual
arrangement*

Sec. 36.10.140 with SSSB 271, Sec. 38.45.030.) SSHB 466 limits the preference for this last group to a resident who "has completed a job-training program approved by the department and is either not employed or is engaged in employment that does not use the skills acquired in the job-training program. (Emphasis Added)

RESIDENT HIRE REQUIREMENTS. The two bills differ in when a resident hiring preference is required. Section 38.45.040 of SSSB 271 gives the commissioner of labor authority to require an employer (which is a term defined in the bill) to hire residents for work on a natural resource project on state land (also a defined term). The commissioner of labor decides on a project-by-project basis what resident hiring requirements will be imposed on an employer. The commissioner is directed to consider "the nature of the work, the classification of workers, availability of eligible residents, and the willingness of eligible residents to perform the work. The preference is to be the "maximum feasible effort" that an employer could be required to make. (See Sec. 38.45.040(a) and (b).)

SSHB 466 imposes a hiring preference in three situations, depending on the circumstances that the commissioner of labor finds. Sec. 36.10.150 creates a preference for residents of underemployed areas. An underemployed area exists when an economic region of the state or the state as a whole suffers from substantial unemployment as defined in subsection (b). Before imposing the hiring preference, the commissioner must find that the lack of employment opportunities contributes to social or economic problems in the area and that employment of workers who are not residents of the area is a peculiar source of the unemployment of residents of the area.

The House Bill creates two other kinds of preferences. Sec. 36.10.160 creates a preference for residents of economically distressed areas. This preference is also found in SSSB 271 at Sec. 38.05.040(c) and (d). It applies to areas in which the average annual family income is below the adjusted poverty guidelines. The findings concerning lack of employment opportunities and the effect of nonresident employment on resident employment are identical to those required under Sec. 36.10.150.

The third preference in SSHB 466 is for economically disadvantaged minority residents. The section requires findings

concerning the unemployment of minority residents and the same findings as in the other preferences concerning the lack of employment opportunities and the effect of nonresident employment on unemployment of minority residents of the area.

SCOPE OF PREFERENCES. In SSSB 271, the commissioner of labor is directed to impose the maximum local hiring preference feasible. The preference becomes part of the lease, contract or agreement concerning the natural resource project. The preferences under SSHB 466 apply to a stated percentage of the workforce. Sec. 36.10.150 requires that the entire workforce be area residents for a project in an underemployed area, if there are sufficient eligible qualified residents of the area to do the work. For an economically distressed area, 50 percent of the workforce must be area residents. For minority preference, 25 percent must be minority residents of the area.

PROJECTS SUBJECT TO THE PREFERENCE. SSSB 271 applies the preference to "natural resource projects on state land." The bill defines the term. The preference is also limited to application where the employment is performed directly for an employer. Sec. 38.45.060.

SSHB 466 applies to public construction projects, and to certain state grant programs as set out in Sec. 36.10.180.

PENALTIES. SSSB 271 sets up an extensive list of penalties and remedies, including injunctive relief, that the state may seek for violation of a contract term requiring resident hire. There is nothing similar in SSHB 466.

OTHER DIFFERENCES. There are differences in the administrative matters the two bills address. SSSB 271 involves both the department of labor and the department of natural resources in its administration. SSHB 466 repeals the existing AS 36.10.010, preference on public construction contracts, found unconstitutional in Francis v. Robison, P2d, Alaska Supreme Court Opinion No. 3011, January 17, 1986.

The constitutional issues raised by these two bills center on whether the state's need to remedy a harm to its citizens is sufficiently strong to justify impairing the rights of nonresidents to have the same privileges and immunities that citizens of Alaska have.

Senator Joe Josephson
Page 4
March 4, 1986

Both bills limit the preferences to residents who are not now working, to most directly aid the groups who need the assistance given by resident hire legislation.

SSHB 466 requires, for each of the three preferences, that the commissioner find that the lack of employment opportunities in the area has contributed to social or economic problems, and that employment of nonresidents is a peculiar source of the unemployment of residents. SSSB 271 does not contain similar language. The requirement derives from constitutional standards, that to justify infringing a nonresident's privileges and immunities, the nonresident must be shown to constitute a "peculiar source of the evil at which the statute is aimed." United Building and Construction Trades Council v. Camden, and therefore aids the constitutionality of the bill.

However, in Sec. 36.10.150, SSHB 466 applies an absolute preference to work in an underemployed area. The scope of this preference - which would exclude all nonresidents from employment if there were residents to take the jobs - is probably too extensive to survive constitutional scrutiny. In Francis v. Robison, the Alaska Supreme Court considered the extensiveness of the scope of discrimination under AS 36.10.010, which granted a 95 percent preference to Alaskans, in finding the statute unconstitutional.

The major hurdle that either bill would have to surmount to survive a constitutional challenge is identifying the employment of nonresidents as the cause of the unemployment of residents. In both Hicklin v. Orbeck, decided in 1976, and in Francis, decided this year, the ultimate court decision turned on a finding that the facts presented did not establish that nonresidents were causing unemployment of Alaskans. Instead, in Francis the court found that

There is not sufficient evidence to support a finding that nonresident construction workers are a peculiar source of unemployment in the construction industry in Alaska any more than they would be in any other state. The only inference that can be drawn from the record is that nonresident construction workers come to Alaska to work during peak construction periods of time, during which there are more jobs available and less unemployment resulting.

If I may be of further assistance, please advise.
TC:mkr
m3/111

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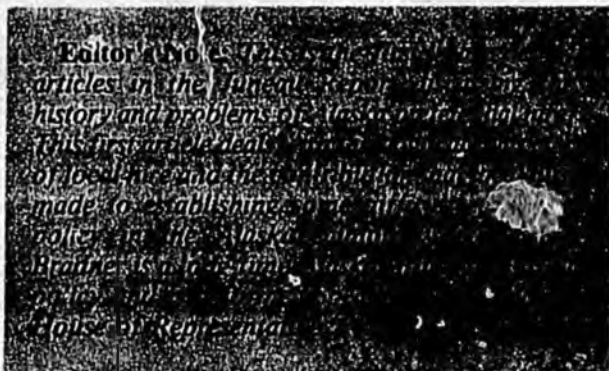
BUREAU REPORT

of employees June 1988

A Recurring Issue:

Local hire means different things to many Alaskans

By Mike Bradner



Fueled by Alaska's natural geographic, political, and economic isolation, local hire has been historically, still is, and perhaps always will be, a recurrent political theme in this expansive north country.

The Many 'Local Hires:'

Local hire and Alaska preference issues have swept across Alaska from time-to-time, and have taken many different forms.

- **In employment**, local hire can mean actual jobs, hiring Alaskans for Alaskan jobs, but it can also mean hiring Fairbanksans for Fairbanks jobs, Kenai residents for Kenai jobs, and North Slope people for North Slope jobs.

- **In the fishing industry**, local hire can mean preference for Alaska fishermen in obtaining permits and licenses, in getting loans, in getting preference over foreigners to fish stocks (groundfish), in getting foreigners out of the Alaska fishery (Americanization issue), and preference for Alaska shorebased fish processing over non-resident floating processors.

- **In the timber industry**, local hire means local processing of timber, or prohibiting shipment of 'round logs' from the state. The logs must have primary processing before export.

- **In labor unions**, members tend to see union membership as 'more local,' while non-union workers are viewed as more likely to be non-resident. In other

Continued on page 4

Local hire, Alaska resident hire, Alaska preference, Alaska for Alaskans, bid preference, loan preference, residency forgiveness . . . all equate with political motherhood, apple pie, sugar and spice and everything nice. They have the appearance of 'things good and just.' These are the issues of the political 'white knight,' fully decked out on his white horse in shining battle armor, lance raised, and with battle flags flying.

What we're talking about here is a 'gut level' issue. The issue is simply stated, has emotional appeal, and also generally has merit. The fact that once beyond the rhetoric, the issue is exceeding complex is quite another question. The 'gut level' feeling that goes with these issues is perhaps best expressed in the familiar term 'local hire,' which might be further translated into an all encompassing term — 'Alaskanization.'

Business:

3

by Sohio Alaska Petroleum of its employees. Opinions not necessarily reflect the inquiries should go to Bob PC Government Affairs,

tightening, oil price decline 14th Alaska Legislature

Alaska State Legislature

Advisory Council Members
Senator Bennett, Chairman
Senator Kerttula
Senator Abood
Senator Sackett



Pouch V
State Capitol
Juneau, Alaska 99811
Phone: (907) 465-3114

SENATE ADVISORY COUNCIL

MEMORANDUM

TO: Senator Sturgulewski
FROM: Carol R. Berryhill *CRB*
Research Assistant
DATE: September 9, 1985
RE: Local Hire in Other States

Per your request, I contacted the National Conference of State Legislatures (NCSL) regarding local hire law in other states. The attached document is the only document they located in the area of preferential hiring. It is a report prepared by the State of Minnesota; however, there is a fifty state survey at the end of it. If you wish a copy of any of the statutes cited in the survey, please contact me.

NCSL is going to continue monitoring local hire issues in other states, specifically in the oil & gas industry. As I receive material from them or find something that may be of interest to you, I will forward a copy.

Attachment:

AUG 8 1985

HOUSE RESEARCH

06530

Research Report

State Domestic Preference Laws

This report analyzes state laws that require state agencies to give preference to home-state businesses in the awarding of state construction or purchasing contracts.

Emily Shapiro, Legislative Analyst

October 1983

Table of Contents

	<u>Page</u>
INTRODUCTION	
DOMESTIC PREFERENCE LAWS.....	1
DEFINITIONS.....	1
PRO AND CON ARGUMENTS.....	2
THE BUY MINNESOTA LAW.....	3
OTHER STATE DOMESTIC PREFERENCE LAWS.....	5
TABLE I.....	7

INTRODUCTION

In 1983, the Minnesota Legislature enacted a number of laws aimed at encouraging economic growth and job creation in the state. Among these was a law requiring state agencies to give preference to resident contractors in the awarding of state construction contracts, and to Minnesota and American manufacturers in the procuring of goods and materials.

Following the 1983 session, the House Research Department undertook a research project to develop information on domestic preference laws in Minnesota and in other states. Specifically, the project involved a review of the available literature and public policy arguments on the subject of domestic preference laws, and a survey and analysis of the provisions of domestic preference laws in the various states.

The results of this research project are presented in this Research Report in three parts.

- o The first part identifies and describes different types of domestic preference laws, and summarizes the basic public policy arguments for and against the enactment of such laws.
- o The second part discusses in detail the provisions of the Buy Minnesota law.
- o The last part consists of a table summarizing the provisions of domestic preference laws in other states, together with an analysis of the type and frequency of preference schemes employed in other states.

I. DOMESTIC PREFERENCE LAWS: DEFINITIONS AND RATIONALES

A. Definitions

A domestic preference law is a law which either requires or encourages state agencies to purchase goods from or enter into public works contracts with residents of the home state.

The preference is accomplished in various ways, depending upon the particular scheme adopted by the state. The following list defines the most common types of state preference laws:

"First among equals" general preference law: A law which requires the state agency to give preference to any in-state supplier whose bid is the same or substantially the same as that of any out-of-state supplier. Under such a statutory scheme, the domestic supplier is, in effect, "first among equals" to receive state contract awards.

Percentage differential preference law: A law which requires the state agency to award a contract to a domestic supplier whose bid, though higher than that of a nonresident supplier, is within a certain range permitted by law--typically 5%. Such "percentage differential" preference laws give domestic suppliers an explicit financial advantage over nonresident suppliers.

Domestic labor preference law: A law which requires state agencies awarding public works or construction contracts to give preference to businesses that are either located in the state or that promise to employ mainly domestic laborers on the project. These "domestic labor" laws range from those which merely require that domestic firms be given a preference to those that allow only the use of domestic laborers on state construction and public works projects.

Retaliatory preference law: A law which requires state agencies to give domestic suppliers preference when they bid against suppliers from states that have domestic preference laws. The amount of preference given by the retaliatory law is identical to that of the state against which the retaliation is directed. Thus, a retaliatory preference law is activated only by the existence of a preference law elsewhere and only when a supplier who enjoys the protection of a preference law at home seeks to do state business in the retaliating state.

Specific commodity preference law: A law which requires state agencies to give preference to purchasing specific domestic commodities that constitute an important part of the state's economy, such as agricultural or forestry products or indigenous minerals.

B. Pro and Con Arguments

The following policy arguments are commonly made in support of the enactment of domestic preference laws:

- o State government, when acting as a market participant, has an obligation to favor its own citizens in order to further the state's general welfare.
- o Even if it costs more money to enter into a contract with a domestic business instead of an out-of-state business, this short-term loss will be more than offset by long-term gains in the state's improved economy and employment rate, resulting in more dollars added to the state's tax base and fewer dollars spent for unemployment compensation and welfare programs.
- o Domestic preference laws serve to correct the competitive disadvantage that local small businesses suffer at the hands of large national and international businesses and, therefore, enhance rather than hinder the free enterprise system.

In contrast, opponents of domestic preference laws commonly argue that such laws should not be enacted for the following reasons:

- o Domestic preference laws prevent suppliers from bidding on an equal basis, thereby inhibiting competition and limiting the ability of the state and its taxpayers to procure the best possible goods and services for the lowest possible price.
- o Domestic preference laws, by themselves, do not have a measurable long-term impact on the state's economy; only a nation-wide economic recovery can truly bolster the state's economy by helping to create jobs, increase tax revenues and reduce unemployment and welfare costs.
- o The enactment of a domestic preference law by one state causes other states to retaliate by passing their own protectionist legislation, resulting in the restriction of interstate trade, reduced markets for goods and services and, ultimately, lost profits for domestic businesses. Protectionist legislation, therefore, not only makes little economic sense; it makes little political sense in a nation founded on principles of economic cooperation and free trade.

II. LAWS 1983, CHAPTER 336: THE "BUY MINNESOTA" LAW

In 1983, the Minnesota Legislature enacted Laws 1983, chapter 336, known colloquially as the "Buy Minnesota" law. Chapter 336 may be characterized both as a "percentage differential" and a "domestic labor" preference law, because it uses both of these statutory schemes simultaneously to achieve its objective.

Specifically, chapter 336 consists of two main sections: the first deals with state construction and public works projects and the second with state procurement of products and materials.

- o Section 1 requires state agencies to award to Minnesota residents all construction and public works contracts for which competitive bidding is not required by law. Generally, these contracts consist of projects costing \$5,000 or less. If competitive bids are required by law, the state agency must give Minnesota residents a 10% preference; that is, the contract must be awarded to a Minnesota resident unless the resident's bid exceeds the bid of a nonresident by more than 10%. Furthermore, successful resident bidders must employ domestic labor wherever possible, and may not subcontract more than 20% of the work covered by the contract to nonresident subcontractors. To qualify as a resident under the Buy Minnesota law, an individual, partnership or association must have resided in this state for at least one year immediately prior to bidding on the state contract. A corporate bidder must have been incorporated in Minnesota and either been in existence for at least a year or have its principal place of business in this state.

- o Section 2 of Chapter 336 requires state agencies who award procurement contracts to give products and materials that are manufactured in Minnesota or in the United States a 10% preference. In other words, the state agency must purchase Minnesota or American-made products and materials even if their price is up to 10% higher than that of foreign-made products or materials of similar quality.

Because the provisions of Chapter 336 were considered by the legislature to be experimental, a two year "sunset" provision was included in the bill. Therefore, unless the legislature acts to extend the provisions of the "Buy Minnesota" law prior to its "sunset" date, the law will be repealed on June 30, 1985.

III. OTHER STATE DOMESTIC PREFERENCE LAWS

In order to determine the number and scope of domestic preference laws in the remainder of the country, the House Research Department conducted a survey of state statutes in all 50 states and the District of Columbia.

The survey revealed that of the 51 jurisdictions surveyed, 41, about 80%, have one or more of the five domestic preference schemes described in Part 1 of this report. The table beginning on page 7 describes in greater detail the domestic preference schemes adopted by these 41 states.

The breakdown of domestic preference schemes by type is as follows:

"First among equals"	20
Percentage differential	14
Retaliatory preference	12
Domestic labor	22
Specific commodities	11

While no state has adopted all five preference schemes, more than half of them (25), including Minnesota, utilize two or more of the schemes at once to realize their domestic preference objectives.

Of the 12 states which have retaliatory preference laws, three also have percentage differential preferences, seven prefer their own domestic laborers, six have "first among equals" preference laws, and one gives preference to specific domestic commodities. It would appear, therefore, that a state which retaliates against another on account of the other state's domestic preference law may not simply be reacting defensively, but, rather, may itself be using the same type of system to protect its own domestic products and labor.

This research shows that domestic preference laws of one variety or another are fairly common nationwide. Domestic preference laws appear to be well-established state policy. However, from a practical standpoint, the domestic preference laws adopted in many of the states are largely symbolic. For example, many states have only a "first among equals" preference law; meaning that domestic residents or laborers only receive a preference when all aspects of their bids or employment, including price and quality, are equal to nonresident bids.

Additionally, in a number of states, the term "resident" is loosely defined to include anyone who has a place of business in the state. In such states, any business which sells goods or services there on a regular basis would qualify as a resident, even if its employees and facilities are located elsewhere. It is difficult, therefore, to compare such states' preference laws to those of other states, where the definition of "resident" is very narrow.

STATE DOMESTIC PREFERENCE LAWS

	GENERAL	% DIFFERENTIAL	RETALIATION	LABOR	SPECIFIC COMMODITIES
ALABAMA	Preference to state vendors of commodities produced in-state (§§41-16-27; 41-16-57)				
ALASKA	Preference to state producer/dealers (§36.20.010)	5% preference over non-resident (§37.05.230)		95% domestic employment (§30.10.010)	Domestic forestry products preferred in public projects 36.15.010
ARIZONA		5% preference for materials produced/mfgd. in-state (§34-242)			
ARKANSAS		5% preference on bids for purchases (§14-293) 2-3% preference for building contractors (§14-614) 3% preference allowed in county purchases (§17-1605)			
CALIFORNIA	Preference to supplies mfgd. in-state (Gov. 4331)	5% preference (Gov. 4334)			
COLORADO	Domestic preference (§8-18-101)			80% domestic employment (§8-17-101)	
CONNECTICUT				Preference to state laborers (§31-52a)	

STATE DOMESTIC PREFERENCE LAWS

	GENERAL	% DIFFERENTIAL	RETALIATION	LABOR	SPECIFIC COMMODITIES
DELAWARE				Preference to state labor on public works contracts (§29-6913)	
FLORIDA	Preference to domestic industries in public building contracts (§255.04) Preference to commodities mfgd. in-state (§287.082)				Domestic lumber & timber preferred (§255.20)
GEORGIA	Preference to domestic materials, supplies, equipment & agricultural products (§50-5-61: 40-19-54)				Domestic forestry products preferred in construction contracts (§50-5-63: 91-1101)
HAWAII		3-10% preference depending on how much of product's value is attributable to domestic labor (§103-43)		Mechanic/laborer on public work must be state citizen (§103-57)	
IDAHO			Retaliatory preference for state contractors on public works (§67-2348)	95% domestic employment (§44-1001)	
ILLINOIS			Retaliatory preference for resident bidders (127 §132.6)	Preference for state residents on public works projects (48 §269 et seq.)	

IOWA	Preference for products grown and coal produced in Iowa (\$73.1)		Domestic labor preferred in construction of public works (\$73.3)	Coal (\$73.1)
KANSAS	Preference to in-state bidders (\$75-3740)		Retaliation permitted (\$75-3740(a))	
KENTUCKY				
LOUISIANA	Preference for supplies, materials or equipment produced/offered by LA citizens (\$38:2184) Preference to firms doing business in LA (\$38:2253)	5% preference for products produced, grown or harvested in LA (\$38:2251)	Retaliation permitted (\$38:2225) excludes contracts for construction, maintenance or repair of highways and streets (\$39:1595.1)	
MAINE		Preference for in-state producers of food 1980-5% diff. 1981-4% diff. 1982-3% diff. (\$7.202)	Domestic labor preferred on public works (\$26.1301)	Food (\$7.202)
MARYLAND			2% retaliatory preference permitted (21§8-301)	
MASSACHUSETTS	Preference for supplies & materials mfgd./sold in MA (Ch.7 §22(17))		Preference to citizens in public works employment (\$149.26)	

STATE DOMESTIC PREFERENCE LAWS

	GENERAL	% DIFFERENTIAL	RETALIATION	LABOR	SPECIFIC COMMODITIES
MICHIGAN				Contractor must employ minimum 50% residents on state building contracts (§18:13)	
MINNESOTA		10% differential for Minnesota and American products (§16.0721); 10% differential for Minnesota residents in award of construction contracts (§16.072) repealed on 7/1/85	Retaliatory preference to resident bidders on public contracts (16.365)	Domestic labor must be used wherever possible; 80% of subcontractors must be Minnesota residents; repealed on 7/1/85 (§16.072)	
MISSISSIPPI	State products must be used in public works projects (§31-5-23) Preference for state commodities (§31-7-15) and resident contractors (§31-7-47)		Retaliatory preference to resident contractors in public works (31-7-47)	Resident labor used on public works projects (§31-5-17)	Paint, varnish & lacquer containing tung oil, ester gum or modified resin, & turpentine produced in-state to be used on public works projects (§31-5-23)
MISSOURI	Preference given to domestic products purchased by the state (§34.070); Cities & towns (§71.140); Counties (§50.750); and Townships (§65.400).			Preference to domestic labor in construction/ repair of public buildings (§8.280)	Preference for domestic coal (§34.808) and products of domestic mines, quarries & forests (§8.280)

MONTANA	3% preference given to domestic commodities in state procurement (§18-1-102(2))	Preference for domestic labor in public works projects (§18-2-403)
NEBRASKA	Retaliatory preference for resident bidders (§73-101.01)	
NEVADA	Preference given first to resident bidders; second, to domestic products and third, to resident dealers (§333.300)	Citizens given preference for employment on public works projects (§338.130)
NEW HAMPSHIRE		
NEW JERSEY		
NEW MEXICO	5% preference for resident businesses and mfgs. in purchasing (§13-1-21)	Preference for state contractors in construction/repair of public buildings; must subcontract to domestic residents whenever practicable (§13-4-1)
NEW YORK		

STATE DOMESTIC PREFERENCE LAWS

	GENERAL	% DIFFERENTIAL	RETALIATION	LABOR	SPECIFIC COMMODITIES
NORTH CAROLINA	Preference for state products, citizens, and articles mfgd. by state agencies (§143-59)				
NORTH DAKOTA	Material produced in-state given preference for use in public buildings (§48-02-10)		Retaliatory preference to state bidders/sellers in purchasing (§44-08-01)	Preference for domestic labor (§43-07-20)	
OHIO					
OKLAHOMA	Preference for state labor & materials in construction/repair of state institutions (61§10)	5% domestic preference (61§103.1)	Retaliatory preference to domestic contractors on public works (61 §103.1)	Preference for State contractors (61§103.1)	
OREGON	Goods/services mfgd/produced in-state preferred in public contracts (§279.021)				
PENNSYLVANIA					
RHODE ISLAND	Domestic foodstuffs preferred when purchased by state institutions (§37-2-5)				

SOUTH CAROLINA	State products preferred; 2% preference for procurements under \$2.5 million; 1% preference for procurements over \$2.5 million (§11-35-1520)	
SOUTH DAKOTA	Retaliatory preference in contracts for public works, improvements or purchases. (§5-19-3)	Contractor cannot subcontract more than 20% of work to non-resident subcontractor (§5-19-5) Domestic labor preferred (§5-19-6)
TENN.		Preference to in-state meat producers (§12-3-121 & 122; §12-2-809 & 810)
TEXAS		
UTAH		
VERMONT		Agricultural products given preference if grown/produced in-state (6§4601)
VIRGINIA	Preference for domestic products & firms in case of tie bid (§11-47(A))	Retaliatory preference allowed for resident contractors (§11-47(B))

STATE DOMESTIC PREFERENCE LAWS

	GENERAL	% DIFFERENTIAL	RETALIATION	LABOR	SPECIFIC COMMODITIES
WASHINGTON				Public works: 95% domestic labor required if 40 or fewer persons employed; 90% if more than 40 persons employed (§39,16.005)	
WASHINGTON D.C.					
WEST VIRGINIA		2% preference for resident vendors in purchase of commodities (§5A-3-44)			Domestic aluminum, glass, & steel products must be used in public works contracts to \$50,000; 20% to 30% differential permitted (§5-19-2)
WISCONSIN	Preference for materials, supplies, equipment & contractual services of state producers, distributors, suppliers & retailers (§16.75)				
WYOMING	Preference for state labor & materials generally (§9-8-304)	5% preference allowed for resident construction contract bids (§9-8-305) State commodities prices (§9-8-305) and domestic materials used in public works projects (§9-8-307)		Resident laborers must be employed on public works projects whenever possible; not more than 20% of subcontractors may be nonresidents (§9-8-303; 304)	

STATE OF ALASKA

HUMAN RIGHTS COMMISSION

MAR 24 1986
BILL STEFFIELD, GOVERNOR

March 20, 1986

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JUNEAU, ALASKA 99811
PHONE: (907) 465-3560

The Honorable Arliss Sturgulewski, Member
Alaska State Senate
P. O. Box V
Juneau, AK 99811

Dear Senator Sturfulewski:

The attached Alaska State Commission for Human Rights Resolution No. 86-02 was adopted by the Commission at its Annual Meeting on March 14, 1986, in Juneau, Alaska.

Because of your concern for Alaskans who are economically deprived due to high rates of unemployment in certain areas of the state, I am furnishing you with a copy of this Resolution. Resolution 86-02 outlines the position of the Human Rights Commission on Sponsor Substitute for House Bill 466.

If the Commission can be of any assistance to you in your efforts to alleviate the problems of economically deprived Alaskans, please let me know.

Sincerely,



Morgan P. Solomon
Vice-Chairperson

MPS/sc

Attachment

ALASKA STATE COMMISSION FOR HUMAN RIGHTS

RESOLUTION NO. 86-02

WHEREAS, the Alaska State Commission for Human Rights has been entrusted with the responsibility to consider complaints of discrimination, to study discrimination problems in this State, and to assess Alaska's progress toward equal employment opportunity; and

WHEREAS, many of the complaints made to the Commission have been complaints about discrimination in employment; and

WHEREAS, in carrying out its responsibilities the Commission has become aware of the problems that minority Alaskans and Alaskans who live in economically distressed areas have had in finding jobs; and

WHEREAS, these problems are severe and will become worse if the Alaskan economy's present slowdown continues; and

WHEREAS, governmental protection for Alaska residents' employment opportunities raises complex legal questions, which have led to a court decision striking down Alaska's resident employment preference laws; and

WHEREAS, if the problems that minority Alaskans and Alaskans who live in economically distressed areas are to be solved, Alaska needs a new local hire law; and

WHEREAS, Sponsor Substitute for House Bill No. 466, now pending in the Alaska Legislature, would provide special preferences for qualified residents of underemployed areas, economically distressed areas, and for economically disadvantaged minority residents of Alaska; and

WHEREAS, there is not discrimination in Sponsor Substitute for House Bill No. 466, and nothing which undercuts the principle of equal employment opportunity;

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA STATE COMMISSION FOR HUMAN RIGHTS:

That the Commission endorses the approach to Alaska resident employment preference contained in Sponsor Substitute for House Bill No. 466; and

That the Commission urges the Alaska Legislature to pass a resident employment preference bill before the end of this session and urges the Governor of Alaska to sign and enforce it, so that the employment problems faced by minority Alaskans and Alaskans who live in economically distressed areas will receive the governmental attention they require.

DATED at Juneau, Alaska, this 14th day of March 1986



Morgan P. Solomon, Vice-Chairperson



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

February 1, 1985

MEMORANDUM

TO: Representative Andre Marrou

FROM: Jay Livey
Legislative Analyst *JL*

RE: Definition of Statewide Residency Requirements
Research Request 85-137

You asked that we research the feasibility of Alaska adopting a uniform definition of residency; one that could be used for all State programs and in all instances. While establishing a single standard is possible, it could have a significant impact on several State programs.

The authority for establishing residency requirements is generally found in either statute or the constitution. Statutes and their implementing regulations contain residency requirements that pertain to local government officials and legislatively established programs, while constitutionally established residency requirements apply to the offices of the governor, and lieutenant governor and to legislators (7, 7 and 3 years, respectively).

Alaska Statute 01.10.055 states that a person establishes residency in Alaska by "being physically present in the State with the intent to remain in the State indefinitely and to make a home in the State." The statute goes on to say that the person demonstrates a desire to remain in the State by "maintaining a principal place of abode in the State for at least 30 days or for a longer period, if a longer period is required by law or regulation." Therefore, the requirement that is typically known as the residency requirement is not technically to establish residence, but to establish the intent to remain in the state. The courts have recognized physical presence as one legitimate test to determine this intent.

However, the proof of intent to remain in the state imposes a burden on citizens if it denies or postpones certain rights while intent is tested. The United States Supreme Court has ruled that some programs are so basic or the rights involved are so fundamental that the State may impose only the shortest residential period necessary to determine intent. This is the rationale used by the courts to declare 30-day residency requirements to be the maximum allowed for voting registration and the receipt of welfare benefits and medical care.

Representative Marrou
February 1, 1985
Page Two

Therefore, state residency requirements for some State programs or activities must be established as no longer than 30 days. If all other programs and activities that require residency conform to a single standard, the standard would have to be limited to 30 days. The State currently requires a minimum of one year's residency to qualify for in-state hunting and fishing licenses, longevity bonuses, and several loan programs. The permanent fund dividend program has a 6-month residency requirement. It is difficult to predict the exact impact of a shorter residency requirement on the State loan programs, but it seems likely that if more people are eligible to apply, there will be more demand for loans. Two programs that would be dramatically affected by reducing their current residency requirements are the student loan program and the permanent fund dividend program.

Currently, the student loan program has a two year residency requirement that has been successfully defended in court. According to Kerry Romesburg, Executive Director of the Commission on Postsecondary Education, a 30-day residency requirement would completely overwhelm the program. Students could come to Alaska in the summer for a month, apply for a loan, go home and the loan proceeds would be sent directly to their school. According to Mr. Romesburg, because the Alaska student loan program is more generous than most other loans that are available programs, out-of-state students would be motivated to take advantage of the program.

Mr. Romesburg also notes that although the court upheld the two-year residency requirement for student loans, it rejected other tests of intent to stay that were proposed by the State. Therefore, Mr. Romesburg points out that it would be difficult for the State to devise other tests (such as Alaska voting registration or drivers license) to screen applicants based on their intent to stay in the state.

The permanent fund dividend program requires applicants to live in the state for six months prior to submission of the application. In addition, the fund requires information such as voter registration, drivers license and property ownership to corroborate applicants' intent to stay in the state. However, representatives of the permanent fund dividend program maintain that these indications of intent to stay would not necessarily prohibit an individual from staying in the state 30 days, filing an application, leaving the State and receiving the check at an Alaska address. Sherry Pence, of the permanent fund dividend program, noted that it would be very difficult for the program to prohibit people that do not intend to stay in the state from receiving a check.

There are other programs in the state that would not be affected as dramatically as the two discussed above, generally because they would not be as heavily used by the public. We have concentrated on the

Representative Marrou
February 1, 1985
Page Three

student loan program and permanent fund dividend program because they seem to have the potential for experiencing the greatest impact.

It should be noted that we have not addressed the constitutional residency requirements for the offices of the governor, lieutenant governor and legislators. Reducing these requirements would have to be accomplished through constitutional change.

I hope that this information is helpful. If you require additional research, please contact us.

JL

STATE OF ALASKA

DEPARTMENT OF LABOR

Research and Analysis

BILL SHEFFIELD, GOVERNOR

BOX 25501
JUNEAU, ALASKA 99802-5501
PHONE: 465-4500

September 18, 1985

Mr. Frank Homan
Office of Senator Sturgulewski
Pouch V
Juneau, Alaska 99811

Dear Mr. Homan:

Attached per your request are: 1) our response to the 18 legislative findings of House Bill 294, and 2) six pages of tables which show the results of our preliminary computer matches done in March.

The computer matching, by social security number, of unemployment insurance wage items with Alaska Permanent Fund Dividend recipients permitted insight into the relationships of nonresident hire by industry, an area never before available. An explanation of the matching is contained in attachment 2 of our response to the HB-294 legislative findings.

More extensive computer matching, incorporating additional files and analysis, will be done this fall. A complete report is scheduled to be available near the beginning of the next legislative session.

The lead article in the attached August issue of the ALASKA ECONOMIC TRENDS discusses resident hire issues and provides additional information. A copy of our publication directory has also been included in case you wish to be added to any of our mailing lists.

I have forwarded your request to be placed on the distribution list for the weekly resident hire progress report to our Commissioner's office. They will also send you the previous reports.

Sincerely,



Chuck Caldwell, Chief
Research and Analysis

Enclosures:

LEGISLATIVE FINDINGS

ATTACHMENTS

COMMENTS

Alaska Department of Labor
 Research & Analysis
 P.O. Box 25501
 Juneau, Alaska 99802-5501

(1) because of its unique climate and its distance from contiguous states, the state has historically suffered from unique social, seasonal, geographic, and economic conditions that result in an unstable economy;

1

The degree of economic instability is documented here. Determination as to which factors were most significant in causing this instability will require additional study.

Comparing total nonagricultural wage and salary employment between Alaska and the U.S. shows a much higher seasonal fluctuation in Alaska (as indicated by both the monthly percentages of the respective annual averages, and the standard deviation of that relationship).

Longer term economic instability is not as evident in the 1970-1984 data. This is probably because of the stabilizing effects of relatively high per capita State expenditures in the past several years.

(2) the unstable economy is a hardship on the residents of the state and is aggravated by the large numbers of seasonal and transient nonresident workers;

1. 2

The legislative members are probably in the best position to comment on the hardships experienced by their constituents.

Recently the Alaska Dept. of Labor, Research and Analysis section did a computer cross match of the social security numbers of individuals who worked at any time in 1984 (under the coverage of Unemployment Insurance), with the social security numbers of Permanent Fund dividend recipients.

This is the first time Alaska has had objective data to infer nonresident employment patterns. More work is planned to further analyze the relationships between residency and the receipt or nonreceipt of a Permanent Fund dividend.

(3) the rate of unemployment among residents of the state is one of the highest in the nation;

3. 4

Alaska's unemployment rate relative rank varies from year to year. In 1984 Alaska's annual average unemployment rate was tied for the fifth highest in the country; in 1983 it was sixteenth. Since our current time series began in 1976 Alaska's annual average unemployment rate has always been above that of the total nation.

(4) the state has one of the highest ratios of nonresident to resident workers in the nation;

2. 5, 6, 7

The recent computer match (see attachment 2) indicates that Alaska has a high percentage of nonresident workers. Unfortunately no similar data exists for other states. Comparing the nonagricultural wage and salary employment by place of residence (from the 1980 census) to its closest equivalent by place of work does indicate that Alaska has a higher than average level of nonresident employment.

Alaska ranks second in the percentage of benefits paid to workers who collect outside the state (interstate benefits).

LEGISLATIVE FINDINGS

ATTACHMENTS

COMMENTS

- Future possibilities for research into this question are possibly working cooperatively with the U.S. Bureau of Labor Statistics.
- (5) the state has a compelling interest in reducing the level of unemployment among its residents; 7 In addition to the individual's economic and social hardship attributed to unemployment there were \$83,807,759 in benefits paid to unemployed workers, which were funded by Alaska's UI employer and employee taxes. Reducing the level of unemployment would correspondingly reduce the expenditure level.
- (6) the construction industry in the state accounts for a substantial percentage of the available employment; 8, 9 Alaska's construction employment consistently accounts for a larger percentage of its total employment than the national average for the same time period.
- (7) construction workers receive a greater percentage of all unemployment benefits paid by the state than is typical of other states; 10 Alaska's construction workers receive a large portion of total Unemployment Insurance benefit payments (as indicated in attachment 10). Unfortunately similar data is not published in a single source for other states. This data can be acquired directly from most states at a later time.
- (8) historically, the rate of unemployment in the construction industry in the state is higher than the rate of unemployment in other industries in the state; 11,12 Alaska's unemployment rate by industry has only been available since October 1982 (1981 data), and then only for the annual average. In all three years it has been available construction's unemployment rate has been the highest of any Alaska industry for which the U.S. Bureau of Labor Statistics has had sufficient sample to publish.
- (9) it is appropriate for the state to consider the welfare of its residents when it funds construction activity; none This is a policy, not an economic issue.
- (10) it is in the public interest for the state to allocate public funds for capital projects in order to reduce unemployment among its resident construction workers; none Economic impacts of spending alternatives can be made (such as the article by Scott Goldsmith of the Institute of Social and Economic Research in September 1984), but determination of what is in the public interest remains a policy issue.

LEGISLATIVE FINDINGS

ATTACHMENTS

COMMENTS

(11) in-migration of nonresident construction workers contributes to or causes the high unemployment rate among resident construction workers because nonresident workers compete with residents for the limited number of available construction jobs;

2

The recent computer match of Permanent Fund dividend recipients to workers covered by Unemployment Insurance in 1984 supports this finding, but additional computer matching and analysis is necessary to:

a) cross check duration in the state, as indicated by the quarters in which workers either worked or claimed UI benefits, to receipt or nonreceipt of a Permanent Fund dividend; and

b) match UI claims for both interstate (see Finding 44 by Judge Johnstone in the Francis, v. Robison case) and intrastate claimants against the file of Permanent Fund dividend recipients.

(12) nonresident workers displace a substantial number of qualified, available, and unemployed Alaska workers on jobs on state funded public works projects;

2

The Research and Analysis section of the Alaska Dept. of Labor does not yet tabulate state funded public works data separately from all other construction. However, when other units of this department have enforced the residency requirements of Title 36 employers are nearly always able to find unemployed, qualified residents. James N. Francis was replaced by a resident when his employer reacted to Department of Labor enforcement.

Inferring from the entire construction industry's high percentage of nonrecipients (of Permanent Fund dividends) this seems likely. Additional research to isolate state funded construction would be useful in any future defense of Title 36 residency provisions.

(13) the state has a special interest in seeing that the benefits of state construction spending accrue to its residents;

none

Again determination of the state's interest is a policy issue.

Economic theory does indicate that money spent locally has a multiplier effect as a portion is respent in subsequent iterations. Nonresident construction workers probably spend less locally than residents would.

(14) the natural resources of land owned by the state belong to the citizens of the state;

none

This is a legal and/or policy issue.

(15) Alaskans have chosen to use the majority of the royalties derived from the state's natural resources to fund state government;

none

This data is not collected by our department. Defer verification to the Office of Management and Budget.

LEGISLATIVE FINDINGS

ATTACHMENTS

COMMENTS

(16) the vast majority of the state's revenue is derived from these royalties rather than from other forms of taxation;

none

Data from the Department of Revenue indicates that this has been true since 1976.

(17) because the state has no personal income tax or sales tax, nonresident workers use services provided by the state but do not contribute fairly to the costs of those services;

none

The logic of the next finding supports this finding.

(18) Alaskans, more than the residents of other states, suffer economically when nonresidents displace qualified residents since resident workers contribute local taxes as well as their share of the royalties from natural resources.

none

The economic suffering of Alaskans, displaced by nonresidents, is more than that of the residents of other states, primarily because of the higher cost of living in this state.

The Bureau of Labor Statistics Urban Family Budget for 1981 (the last year that it was estimated), indicated that the lower and intermediate budgets for a four-person family were the highest of any city surveyed (150% and 126% of the national average respectively).

Updated on
31-Mar-85

Employment in Thousands

	Alaska Total	% of Annual Average	% Annual Growth	U.S. Total	% of Annual Average	% Annual Growth
JAN1970	02.3	08.4		70,104	98.9	
FEB	03.3	09.5		70,208	99.1	
MAR	05.9	92.3		70,658	99.7	
APRIL	08.5	95.1		70,972	100.1	
MAY	93.9	100.9		70,995	100.2	
JUNE	101.9	109.5		71,636	101.1	
JULY	104.9	112.7		70,873	100.0	
AUGUST	104.6	112.4		70,775	99.9	
SEPT	99.4	106.8		71,134	100.4	
OCTOBER	93.9	100.9		70,899	100.0	
NOVEMBER	89.9	96.6		70,059	100.0	
DECEMBER	88.2	94.8		71,436	100.8	
Annual Av.	93.1	100.0	NA	70,079	100.0	NA
JAN1971	86.4	88.4		69,799	98.0	
FEB	86.6	88.6		69,720	97.9	
MAR	87.7	89.7		70,004	98.4	
APRIL	91.0	93.1		70,672	99.2	
MAY	96.4	98.6		71,165	99.9	
JUNE	103.4	105.7		71,879	100.9	
JULY	109.6	112.1		71,066	99.8	
AUGUST	109.0	111.5		71,173	99.9	
SEPT	106.3	108.7		71,809	100.8	
OCTOBER	102.1	104.4		72,056	101.2	
NOVEMBER	98.9	101.1		72,357	101.6	
DECEMBER	96.0	98.2		72,755	102.2	
Annual Av.	97.8	100.0	5.1	71,211	100.0	0.5
JAN1972	91.1	88.0		71,359	96.9	
FEB	91.7	88.6		71,546	97.1	
MAR	93.2	90.1		72,138	97.9	
APRIL	96.9	93.6		72,770	98.8	
MAY	102.2	98.8		73,402	99.6	
JUNE	108.7	105.0		74,383	101.0	
JULY	115.5	111.6		73,377	99.6	
AUGUST	115.7	111.8		73,929	100.3	
SEPT	110.7	107.0		74,491	101.1	
OCTOBER	107.5	103.9		75,169	102.0	
NOVEMBER	105.5	101.9		75,581	102.6	
DECEMBER	103.1	99.6		75,955	103.1	
Annual Av.	103.5	100.0	5.8	73,675	100.0	3.5
JAN1973	98.6	89.7		74,491	97.0	
FEB	98.9	90.0		74,869	97.5	
MAR	101.3	92.1		75,422	98.2	
APRIL	104.5	95.1		76,008	99.0	
MAY	109.4	99.5		76,591	99.7	
JUNE	114.0	103.7		77,508	100.9	
JULY	120.4	109.5		76,560	99.7	
AUGUST	122.6	111.5		76,971	100.2	
SEPT	118.8	108.1		77,562	101.0	
OCTOBER	114.0	103.7		78,185	101.0	
NOVEMBER	109.7	99.8		78,587	102.3	
DECEMBER	107.1	97.4		78,715	102.5	
Annual Av.	109.9	100.0	6.2	76,790	100.0	4.2

Updated on
31-Mar-85

Employment in Thousands

	Alaska Total	% of Annual Average	% Annual Growth	U.S. Total	% of Annual Average	% Annual Growth
JAN1974	102.6	80.3		76,922	98.3	
FEB	104.7	81.9		77,039	98.4	
MAR	108.5	84.9		77,362	98.8	
APRIL	117.8	92.2		77,911	99.5	
MAY	126.5	99.0		78,513	100.3	
JUNE	133.5	104.4		79,210	101.2	
JULY	139.7	109.3		78,311	100.1	
AUGUST	144.7	113.2		78,459	100.2	
SEPT	144.0	112.6		78,959	100.9	
OCTOBER	139.8	109.4		79,258	101.3	
NOVEMBER	136.9	107.1		78,937	100.9	
DECEMBER	135.3	105.8		78,205	100.0	
Annual Av.	127.8	100.0	16.3	78,265	100.0	1.9
JAN1975	130.3	80.5		76,066	98.9	
FEB	136.0	84.0		75,641	98.4	
MAR	143.0	88.3		75,686	98.4	
APRIL	155.0	95.8		76,018	98.9	
MAY	161.9	100.0		76,649	99.7	
JUNE	169.1	104.5		77,143	100.3	
JULY	173.9	107.4		76,466	99.4	
AUGUST	182.0	112.4		76,993	100.1	
SEPT	181.2	111.9		77,602	100.9	
OCTOBER	177.2	109.5		78,158	101.6	
NOVEMBER	169.5	104.7		78,312	101.8	
DECEMBER	163.4	100.9		78,000	101.4	
Annual Av.	161.9	100.0	26.6	76,055	100.0	-1.8
JAN1976	149.9	87.3		77,252	97.3	
FEB	155.7	90.7		77,482	97.6	
MAR	162.7	94.8		78,092	98.4	
APRIL	169.1	98.5		78,919	99.4	
MAY	177.5	103.4		79,414	100.0	
JUNE	184.4	107.4		80,043	100.8	
JULY	190.2	110.8		79,272	99.9	
AUGUST	194.1	113.0		79,537	100.2	
SEPT	189.2	110.2		80,244	101.1	
OCTOBER	171.2	99.7		80,479	101.4	
NOVEMBER	162.3	94.5		80,839	101.8	
DECEMBER	154.2	89.8		81,016	102.1	
Annual Av.	171.7	100.0	6.1	79,382	100.0	3.2
JAN1977	151.2	92.6		79,427	96.3	
FEB	153.8	94.2		79,636	96.6	
MAR	157.5	96.4		80,493	97.6	
APRIL	162.5	99.5		81,418	98.7	
MAY	167.2	102.4		82,252	99.7	
JUNE	173.3	106.1		83,210	100.9	
JULY	171.0	104.7		82,551	100.1	
AUGUST	171.1	104.9		82,845	100.5	
SEPT	171.3	104.9		83,798	101.6	
OCTOBER	165.3	101.2		84,298	102.2	
NOVEMBER	159.6	97.7		84,744	102.8	
DECEMBER	156.0	95.5		84,980	103.0	
Annual Av.	163.3	100.0	-4.9	82,471	100.0	3.9

Updated on
31-Mar-85

Employment in Thousands

	Alaska Total	% of Annual Average	% Annual Growth	U.S. Total	% of Annual Average	% Annual Growth
JAN1978	151.9	92.9		83,318	96.1	
FEB	153.4	93.8		83,614	96.4	
MAR	155.9	95.4		84,607	97.6	
APRIL	159.6	97.6		85,910	99.1	
MAY	165.3	101.1		86,715	100.0	
JUNE	170.8	104.5		87,701	101.2	
JULY	169.5	103.7		86,872	100.2	
AUGUST	173.9	106.4		87,174	100.5	
SEPT	173.8	106.3		87,801	101.3	
OCTOBER	167.1	102.2		88,417	102.0	
NOVEMBER	162.1	99.2		88,965	102.6	
DECEMBER	158.3	96.8		89,272	103.0	
Annual Av.	163.5	100.0	0.1	86,697	100.0	5.1
JAN1979	154.0	92.3		87,514	97.4	
FEB	154.6	92.6		87,751	97.7	
MAR	158.4	94.9		88,654	98.7	
APRIL	162.4	97.3		89,193	99.3	
MAY	169.1	101.3		90,012	100.2	
JUNE	174.4	104.5		90,857	101.2	
JULY	178.8	107.1		89,869	100.1	
AUGUST	179.8	107.7		89,969	100.2	
SEPT	176.6	105.8		90,521	100.8	
OCTOBER	170.1	101.9		91,000	101.3	
NOVEMBER	164.5	98.5		91,204	101.5	
DECEMBER	160.5	96.1		91,335	101.7	
Annual Av.	166.9	100.0	2.1	89,823	100.0	3.6
JAN1980	153.5	90.6		89,553	99.1	
FEB	156.2	92.2		89,691	99.2	
MAR	159.3	94.0		90,253	99.8	
APRIL	166.6	98.3		90,603	100.2	
MAY	172.9	102.1		90,623	100.2	
JUNE	176.3	104.1		90,778	100.4	
JULY	181.1	106.3		89,436	98.9	
AUGUST	182.6	107.8		89,723	99.2	
SEPT	178.2	105.2		90,390	100.0	
OCTOBER	174.0	102.7		90,985	100.6	
NOVEMBER	168.5	99.5		91,329	101.0	
DECEMBER	163.9	96.7		91,513	101.2	
Annual Av.	169.4	100.0	1.5	90,406	100.0	0.6
JAN1981	162.6	87.4		89,688	98.4	
FEB	166.0	89.2		89,833	98.5	
MAR	171.1	91.9		90,371	99.1	
APRIL	180.1	96.8		91,027	99.9	
MAY	185.4	99.6		91,514	100.4	
JUNE	191.6	102.9		92,158	101.1	
JULY	204.2	109.7		91,237	100.1	
AUGUST	203.2	109.2		91,238	100.1	
SEPT	200.5	107.7		91,739	100.6	
OCTOBER	194.7	104.6		91,913	100.8	
NOVEMBER	188.8	101.4		91,745	100.6	
DECEMBER	185.2	99.5		91,414	100.3	
Annual Av.	186.1	100.0	9.9	91,156	100.0	0.8

Updated on
31-Mar-85

	Employment in Thousands					
	Alaska Total	% of Annual Average	% Annual Growth	U.S. Total	% of Annual Average	% Annual Growth
JAN1982	177.1	88.4		89,104	99.6	
FEB	181.2	90.4		89,273	99.7	
MAR	185.0	92.3		89,566	100.0	
APRIL	193.5	96.6		89,878	100.3	
MAY	198.9	99.3		90,361	100.9	
JUNE	207.3	103.5		90,554	101.1	
JULY	219.4	109.5		89,221	99.6	
AUGUST	220.7	110.1		89,091	99.5	
SEPT	217.7	108.7		89,516	99.9	
OCTOBER	207.2	103.4		89,484	99.9	
NOVEMBER	199.6	99.6		89,381	99.8	
DECEMBER	196.8	98.2		89,203	99.7	
Annual Av.	200.4	100.0	7.7	89,566	100.0	-1.7
JAN1983	190.5	88.9		87,590	97.2	
FEB	194.0	90.5		87,598	97.2	
MAR	198.3	92.5		88,208	97.9	
APRIL	206.0	96.1		89,064	98.8	
MAY	213.2	99.5		89,921	99.8	
JUNE	222.8	104.0		90,738	100.7	
JULY	232.3	108.4		90,112	100.0	
AUGUST	234.2	109.3		89,842	99.7	
SEPT	232.0	108.3		91,485	101.5	
OCTOBER	221.4	103.3		92,049	102.1	
NOVEMBER	215.7	100.7		92,406	102.5	
DECEMBER	211.1	98.5		92,645	102.8	
Annual Av.	214.3	100.0	6.9	90,138	100.0	0.6
JAN1984	203.7	90.5		91,065	96.7	
FEB	206.9	92.0		91,612	97.3	
MAR	211.9	94.2		92,234	98.0	
APRIL	217.7	96.0		93,229	99.0	
MAY	226.7	100.0		94,164	100.0	
JUNE	233.5	103.8		95,003	100.9	
JULY	241.2	107.2		94,239	100.1	
AUGUST	243.5	108.2		94,500	100.4	
SEPT	239.8	106.6		95,358	101.3	
OCTOBER	230.8	102.6		95,902	101.9	
NOVEMBER	224.2	99.6		96,260	102.2	
DECEMBER	220.1	97.8		96,308	102.3	
Annual Av.	225.0	100.0	5.0	94,156	100.0	4.5
JAN1985	215.3	NA	NA	94,575	NA	NA
1970-1984 Standard Deviation	42.2	7.5	7.2	7,777	1.5	2.2
1970-1984 Average	157.0	NA	6.7	82,767	NA	2.1
Standard Deviation Divided by Average	0.269	NA	1.073	0.094	NA	1.048

Description of Computer Match (March 1985)

Social Security numbers (SSN's) from all persons who received a 1984 Permanent Fund check were matched against the SSN's of anyone who worked for wages under the coverage of Alaska's Unemployment Insurance (UI) system at any time in 1984.

To qualify for a Permanent Fund dividend people had to reside in Alaska during the period from October 1, 1983 till March 31, 1984.

Alaska's UI system maintains wage records for nearly all employment, with the major exceptions being: federal, most fish harvesting, and the self-employed.

The initial computer match was tabulated for employees, and wages by industry and by area.

The match does not provide a perfect definition of residency since people who intend to stay in Alaska have arrived since the October 1, 1983 cutoff to qualify for the Permanent Fund dividend.

An analysis of Federal Internal Revenue System migration data indicated that 12.9% of Alaskans who filed Federal income tax returns for 1983 were not residents of the state in 1982. That compares to a rate of 14.1% the previous year. Extrapolating those two migration rates to cover the 15 month period of October 1983-December 1984 yields a range of about 16-18%.

Additionally some people, who would qualify, do not choose to file for the Permanent Fund dividend. I speculate that this amounts to no more than 2% of the eligible population. Combining the two factors of migration and failure to file for the Permanent Fund dividend yields a base line residency adjustment of just under 20%. Unfortunately IRS migration data is not available by industry and people can be assumed to migrate to some industries at more or less than this adjustment.

Summary of Results

Overall 36% of the unduplicated count of U.I. covered employees did not receive a Permanent Fund dividend check. The 1984 U.I. covered wages were nearly \$1.3 billion. Adjusting for residency and for people who did not choose to file for the dividend would result in nonresident wages of approximately \$575 million. A later computer match in July (pending our receipt of general funds associated with HB 295) can be expected to show somewhat higher wage totals due to late reporting of delinquent firms.

Industries showing a rate of "nonrecipients" (of the Permanent Fund dividend) significantly in excess of 20%, for the "Total 1984", can be expected to have a correspondingly high level of nonresident employment. In Alaska these industries are:

- 1) Food Processing (75%)
- 2) Eating and Drinking Places (51%)
- 3) Mining other than oil and gas (48%) [especially for metals]
- 4) Logging and Lumber (48%)
- 5) Construction (45%)
- 6) Hotels (44%)
- 7) Business Services (44%)

The composition of the industrial mix seems to have been a major factor (this will be more extensively tested in future months). Southeast's had a relatively low percentage of nonrecipients (of the Permanent Fund who received UI covered wages) because it has a high percentage of government workers, and that industry is predominately resident. Alaska's six economic regions had the following percentages of nonrecipients:

- 1) Southwest (47%)
- 2) Gulf Coast (42%)
- 3) Northern (38%)
- 4) Anchorage-Matsu (35%)
- 5) Interior (34%)
- 6) Southeast (30%)

Nonrecipients had an average annual wage less than half that of the recipients. This is probably due to working in fewer quarters of the year (this can be tested).

Future computer matches, funded by HB 295, would be designed to accurately answer questions raised in a legal review of resident hire case.

Table 2. Employment status of the civilian noninstitutional population 16 years of age and over by State, 1983-84 annual averages

(Numbers in thousands)

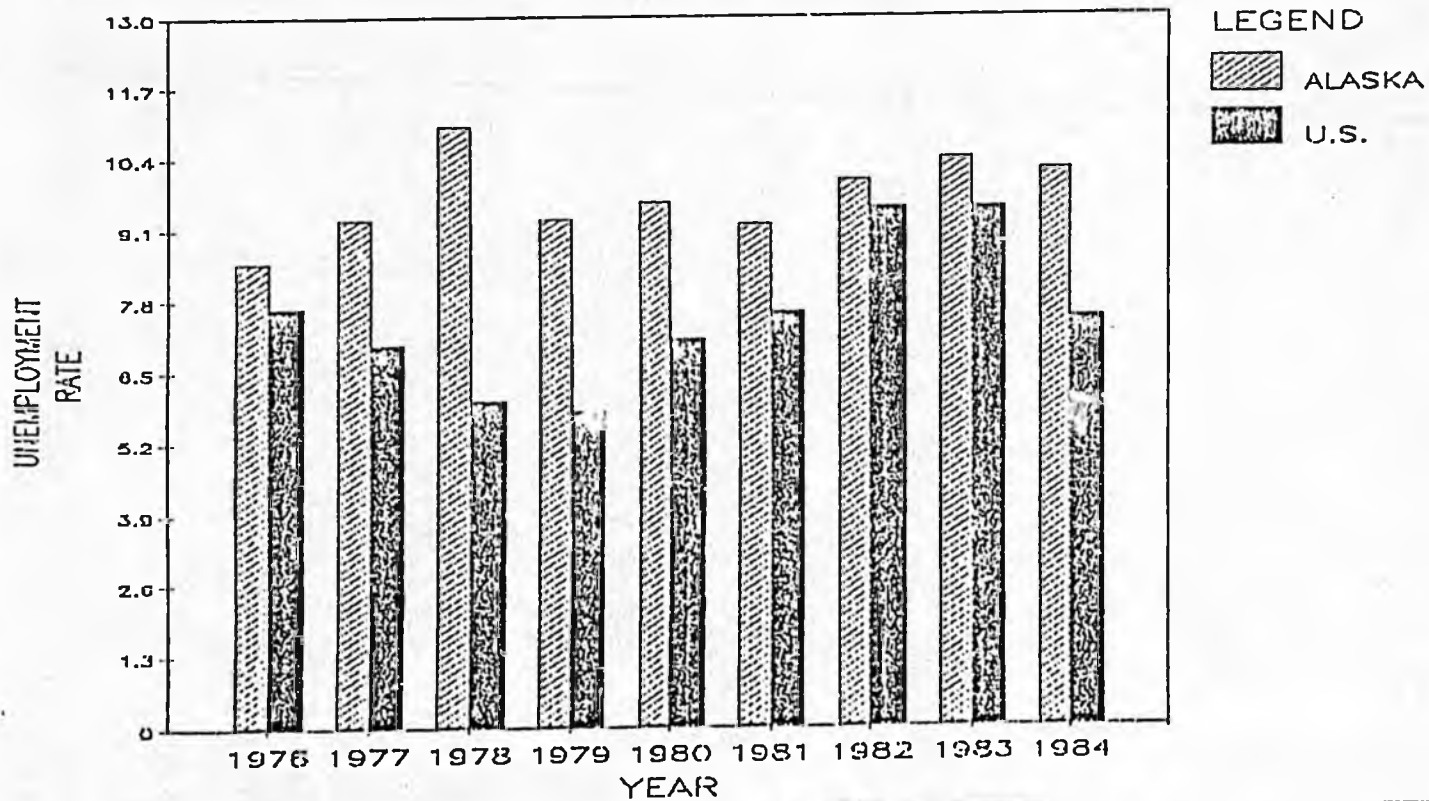
State	Population		Civilian labor force		Employed		Unemployed		Unemployment rate		Error range for 1984 ^{1/}
	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984	
	Alabama.....	2,911	2,942	1,758	1,794	1,518	1,594	240	200	13.7	
Alaska.....	320	333	234	245	210	220	24	25	10.3	10.0	9.0--11.0
Arizona.....	2,189	2,255	1,386	1,433	1,240	1,361	126	71	9.1	5.0	2.7--6.7
Arkansas.....	1,718	1,740	1,028	1,045	924	951	104	93	10.1	9.0	7.5--10.9
California.....	18,707	18,999	12,269	12,503	11,084	11,532	1,185	972	9.7	7.8	7.5--10.1
Colorado.....	2,314	2,345	1,668	1,707	1,558	1,610	111	96	6.6	5.6	4.0--6.3
Connecticut.....	2,432	2,453	1,612	1,672	1,515	1,551	97	77	6.0	4.6	4.0--5.2
Delaware.....	454	462	296	308	273	289	24	19	5.1	6.2	5.4--5.6
District of Columbia.....	483	481	320	320	282	291	37	29	11.7	9.0	8.1--10.0
Florida.....	8,391	9,598	4,932	5,099	4,508	4,777	424	322	8.6	6.3	5.8--6.8
Georgia.....	4,159	4,238	2,685	2,760	2,484	2,594	201	166	7.5	6.0	5.7--6.7
Hawaii.....	707	722	472	473	442	446	30	27	6.5	5.6	4.0--6.3
Idaho.....	690	702	459	464	413	431	45	33	9.8	7.2	6.7--10.1
Illinois.....	8,578	8,613	5,594	5,604	4,954	5,003	640	511	11.4	9.1	8.4--10.4
Indiana.....	4,057	4,088	2,578	2,627	2,292	2,400	286	226	11.1	9.6	7.0--10.7
Iowa.....	2,140	2,169	1,421	1,417	1,305	1,310	116	100	8.1	7.0	6.1--7.0
Kansas.....	1,784	1,797	1,186	1,197	1,114	1,135	72	52	6.1	5.2	4.4--6.0
Kentucky.....	2,721	2,735	1,701	1,717	1,502	1,556	199	160	11.7	9.3	8.3--10.7
Louisiana.....	3,163	3,179	1,913	1,940	1,688	1,745	225	194	11.8	10.0	9.7--10.9
Maine.....	954	967	537	552	499	518	49	34	6.0	6.1	5.7--6.9
Maryland.....	3,248	3,290	2,203	2,244	2,051	2,123	152	121	6.9	5.4	4.3--6.0
Massachusetts.....	4,473	4,517	2,978	3,051	2,773	2,906	205	145	6.9	4.9	4.4--5.2
Michigan.....	6,721	6,762	4,287	4,359	3,679	3,871	609	488	14.2	11.2	10.6--11.2
Minnesota.....	3,086	3,108	2,176	2,229	1,999	2,088	177	141	8.2	6.2	5.4--7.0
Mississippi.....	1,826	1,840	1,044	1,074	929	959	114	116	12.6	10.9	9.8--10.0
Missouri.....	3,729	3,766	2,347	2,379	2,115	2,207	232	172	9.0	7.2	6.4--7.0
Montana.....	597	603	396	405	361	376	35	30	5.8	7.4	6.4--9.0
Nebraska.....	1,174	1,183	797	798	744	763	45	35	5.7	4.4	3.7--5.2
Nevada.....	671	685	486	496	438	457	48	39	9.8	7.8	6.0--10.7
New Hampshire.....	721	737	500	520	473	498	27	22	5.4	4.7	3.7--5.9
New Jersey.....	5,779	5,840	3,673	3,729	3,395	3,502	278	234	7.8	6.2	5.7--6.7
New Mexico.....	992	1,012	609	628	547	582	62	47	10.1	7.5	6.4--6.4
New York.....	13,547	13,633	9,051	9,089	7,363	7,505	688	584	8.6	7.2	6.5--7.4
North Carolina.....	4,490	4,573	2,935	3,033	2,674	2,829	261	205	9.9	6.7	5.0--7.4
North Dakota.....	487	499	319	327	301	311	18	17	5.6	5.1	4.3--5.9
Ohio.....	8,075	8,056	5,100	5,099	4,479	4,619	621	491	12.7	9.4	9.0--10.0
Oklahoma.....	2,415	2,413	1,552	1,548	1,412	1,439	140	109	9.0	7.0	6.7--7.7
Oregon.....	2,099	2,026	1,341	1,336	1,196	1,210	145	125	10.8	9.4	8.9--10.3
Pennsylvania.....	9,178	9,211	5,505	5,487	4,856	4,988	650	490	11.8	9.1	8.4--10.6
Rhode Island.....	736	742	475	490	435	464	39	26	8.3	5.3	4.4--6.0
South Carolina.....	2,341	2,377	1,470	1,480	1,323	1,374	148	105	10.0	7.1	6.3--7.0
South Dakota.....	504	510	334	346	316	331	18	15	5.4	4.7	3.4--5.0
Tennessee.....	3,506	3,546	2,181	2,223	1,971	2,033	210	190	11.5	9.6	7.7--10.4
Texas.....	11,277	11,443	7,637	7,853	7,027	7,297	610	446	8.0	5.9	5.3--6.7
Utah.....	1,049	1,075	694	721	670	674	64	47	9.2	6.5	5.4--7.4
Vermont.....	397	396	245	269	247	255	18	16	6.0	5.2	4.5--5.9
Virginia.....	4,082	4,158	2,722	2,841	2,557	2,688	165	143	6.1	5.0	4.2--5.2
Washington.....	3,187	3,230	2,068	2,054	1,878	1,859	221	194	11.2	9.5	8.5--10.5
West Virginia.....	1,471	1,470	771	769	637	653	139	116	19.0	15.0	13.0--16.1
Wisconsin.....	3,541	3,542	2,426	2,394	2,172	2,218	253	176	10.4	7.3	6.4--8.7
Wyoming.....	353	369	263	254	241	238	22	16	8.4	6.2	5.4--7.1
Puerto Rico ^{2/}	2,251	2,273	942	958	722	759	220	198	23.4	20.7	(3)

^{1/} Error ranges are shown at the 90-percent confidence level.

^{2/} Not available.

^{3/} The source of this data is the Employment Security Agency of Puerto Rico.

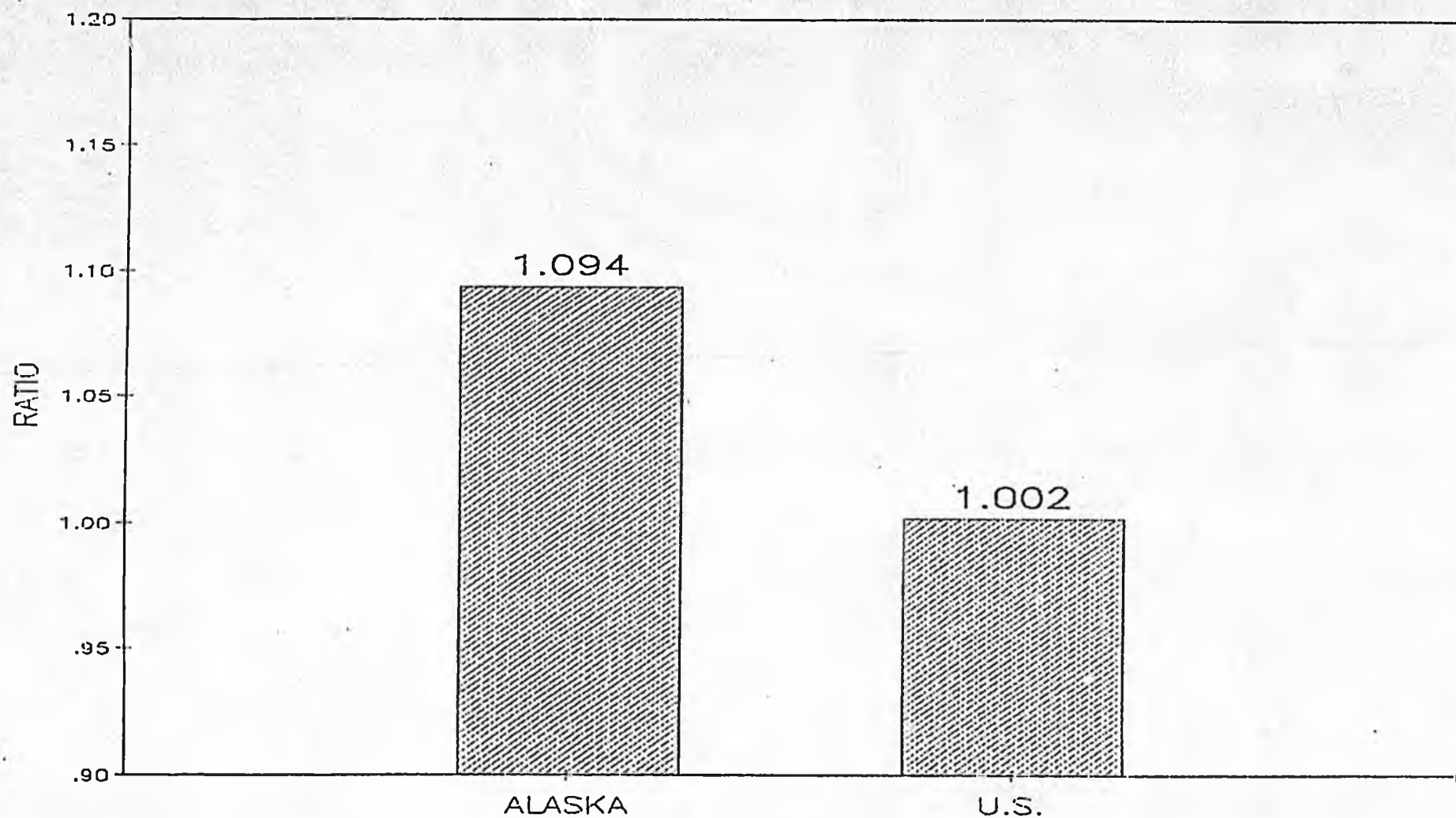
UNEMPLOYMENT RATE ALASKA AND U.S. 1976-1984



ALASKA AND U.S. WAGE AND SALARY EMPLOYMENT
 FROM THE APRIL 1980 U.S. CENSUS VS. THAT REPORTED
 BY THE U.S. BUREAU OF LABOR STATISTICS
 AND THE ALASKA DEPARTMENT OF LABOR

Updated on 30-Mar-85	ALASKA	U.S.
U.S. CENSUS APRIL, 1980:	ALASKA	U.S.
NONAG. WAGE & SALARY EMPLOYMENT BY PLACE OF RESIDENCE	152,279	90,462,005
BLS & AK. DEPT OF LABOR APRIL, 1980		
NONAG. WAGE & SALARY EMPLOYMENT BY PLACE OF WORK	166,600	90,603,000
RATIO OF NONAG. WAGE & SALARY EMPLOYMENT BY PLACE OF WORK RELATIVE TO PLACE OF RESIDENCE	1.094	1.002

Ratio of Nonag. Wage & Salary
Employment by Place of Work
Relative to Place of Residence



Updated on
30-Mar-85

Calendar Year 1983

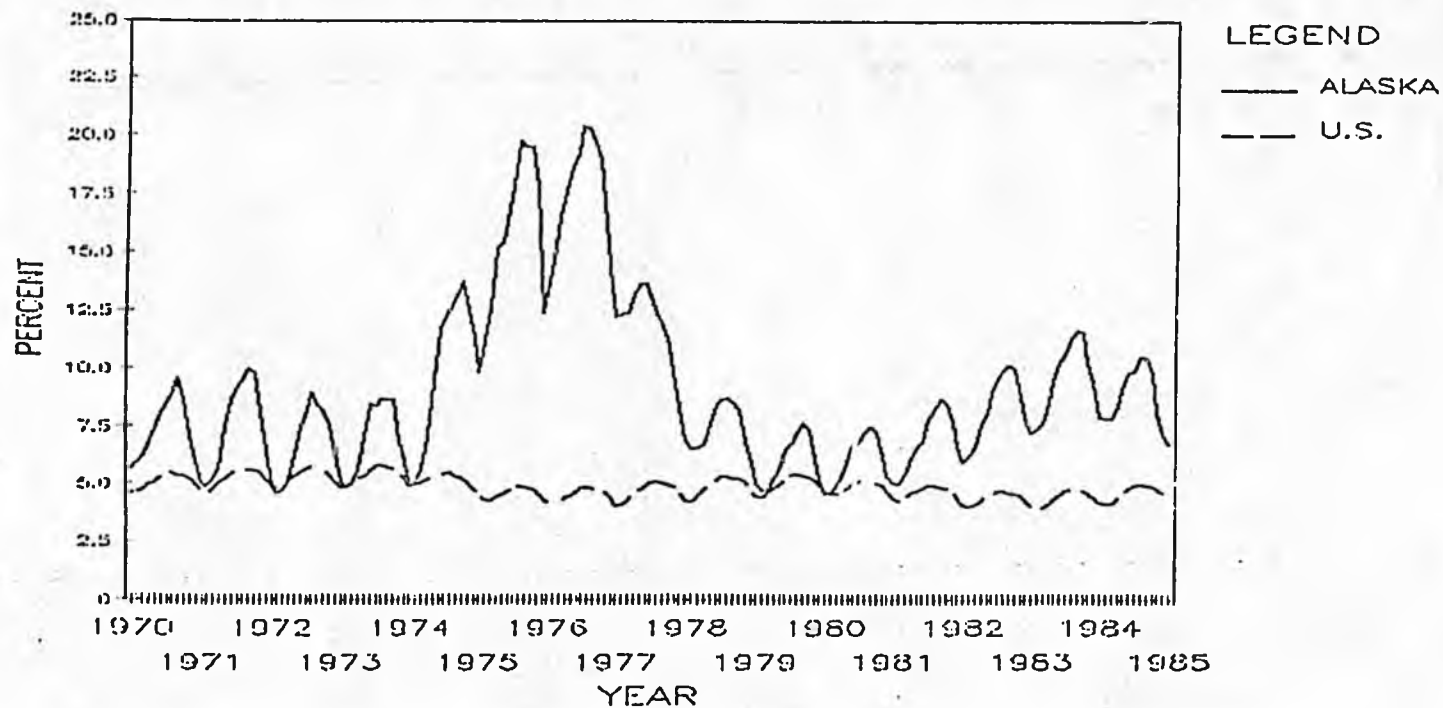
7

State UI	Interstate Benefits Paid	Total Benefits Paid	Percent of Total	Rank
U.S.	943,427,951	19,548,703,799	4.60%	1
WYOMING	19,498,761	68,333,966	22.20%	2
ALASKA	20,592,928	83,807,759	19.72%	3
SOUTH DAKOTA	2,694,440	15,788,313	14.58%	4
D.C.	13,539,575	83,387,077	13.97%	5
NEVADA	14,873,363	92,778,595	13.82%	6
DELAWARE	4,841,505	30,502,456	13.70%	7
NORTH DAKOTA	6,837,440	55,485,776	10.97%	8
KANSAS	19,829,760	165,894,893	10.68%	9
LOUISIANA	69,506,835	622,681,127	10.04%	10
OKLAHOMA	23,006,733	218,543,432	9.55%	11
VIRGIN ISLANDS	824,397	8,128,992	9.21%	12
NEW MEXICO	7,284,654	79,699,465	8.37%	13
TEXAS	82,887,259	937,790,221	8.12%	14
NEBRASKA	5,464,118	63,827,068	7.89%	15
COLORADO	20,157,543	236,172,013	7.86%	16
NEW HAMPSHIRE	3,201,569	38,406,240	7.69%	17
OREGON	21,405,556	265,293,635	7.47%	18
ARIZONA	10,233,812	129,028,525	7.35%	19
MISSISSIPPI	10,277,059	134,332,974	7.11%	20
VIRGINIA	12,200,996	173,661,041	6.57%	21
UTAH	7,000,374	102,967,351	6.37%	22
HAWAII	4,309,570	66,019,524	6.13%	23
FLORIDA	18,970,467	305,324,725	5.85%	24
CONNECTICUT	13,617,279	237,386,951	5.43%	25
MISSOURI	13,220,711	233,905,596	5.35%	26
WASHINGTON	28,100,077	497,962,473	5.34%	27
VERMONT	2,117,700	39,278,366	5.12%	28
MARYLAND	13,998,717	261,744,496	5.08%	29
IDAHO	3,783,694	74,453,339	4.84%	30
MONTANA	3,202,794	63,459,236	4.80%	31
ARKANSA	5,787,795	118,207,766	4.67%	32
NEW JERSEY	34,184,300	700,577,898	4.65%	33
MAINE	3,123,419	70,036,164	4.27%	34
RHODE ISLAND	3,647,876	88,821,754	3.94%	35
TENNESSEE	9,941,265	242,747,578	3.93%	36
NEW YORK	47,811,975	1,180,802,619	3.89%	37
GEORGIA	9,248,137	238,135,832	3.74%	38
WEST VIRGINIA	10,312,990	273,983,920	3.63%	39
ILLINOIS	53,881,464	1,464,727,415	3.55%	40
KENTUCKY	9,410,343	264,558,118	3.43%	41
NORTH CAROLINA	10,690,245	310,772,492	3.33%	42
PENNSYLVANIA	59,052,023	1,730,607,475	3.30%	43
OHIO	34,917,072	1,034,085,733	3.27%	44
MASSACHUSETTS	15,231,459	455,923,505	3.23%	45
INDIANA	9,536,576	289,485,696	3.19%	46
SOUTH CAROLINA	4,792,288	156,656,770	2.97%	47
CALIFORNIA	94,910,727	3,215,134,090	2.87%	48
IOWA	6,045,718	230,456,114	2.79%	49
MINNESOTA	9,572,816	333,905,143	2.79%	50
ALABAMA	4,048,717	191,947,044	2.47%	51
PUERTO RICO	1,545,019	65,818,773	2.29%	52
MICHIGAN	18,965,579	977,241,449	1.90%	53
WISCONSIN	7,593,624	520,124,026	1.44%	54

1994

24.22

CONSTRUCTION EMPLOYMENT AS A PERCENT
OF TOTAL EMPLOYMENT
ALASKA AND U.S.
1970-1985



Updated on
30-Mar-85

Employment in Thousands

	Alaska Total	Alaska Const.	U.S. Total	U.S. Const. AK	Const./ Total	Const./ U.S. Total
JAN1970	82.3	4.6	70,104	3,213	5.59%	4.58%
FEB	83.3	4.9	70,208	3,240	5.80%	4.61%
MAR	85.9	5.3	70,658	3,336	6.17%	4.72%
APRIL	88.5	5.9	70,972	3,483	6.67%	4.91%
MAY	83.9	6.9	70,995	3,556	7.35%	5.01%
JUNE	101.9	8.2	71,636	3,738	8.05%	5.22%
JULY	104.9	8.9	70,873	3,824	8.48%	5.40%
AUGUST	104.6	9.2	70,775	3,876	8.80%	5.48%
SEPT	99.4	9.5	71,134	3,783	9.56%	5.32%
OCTOBER	93.9	8.1	70,899	3,772	8.63%	5.32%
NOVEMBER	89.9	6.4	70,859	3,693	7.12%	5.21%
DECEMBER	88.2	5.2	71,436	3,547	5.90%	4.97%
JAN1971	86.4	4.3	69,799	3,227	4.98%	4.62%
FEB	86.6	4.2	69,720	3,159	4.85%	4.53%
MAR	87.7	4.5	70,004	3,308	5.13%	4.72%
APRIL	91.0	5.1	70,672	3,540	5.60%	5.01%
MAY	96.4	7.2	71,165	3,674	7.47%	5.16%
JUNE	103.4	8.9	71,879	3,865	8.61%	5.38%
JULY	109.6	10.1	71,066	3,959	9.22%	5.57%
AUGUST	109.0	10.3	71,173	4,012	9.45%	5.64%
SEPT	106.3	10.6	71,809	3,989	9.97%	5.56%
OCTOBER	102.1	10.0	71,056	4,021	9.79%	5.58%
NOVEMBER	98.9	8.0	72,357	3,965	8.09%	5.48%
DECEMBER	96.0	6.2	72,755	3,723	6.46%	5.12%
JAN1972	91.1	4.4	71,359	3,405	4.83%	4.88%
FEB	91.7	4.2	71,546	3,412	4.58%	4.77%
MAR	93.2	4.4	72,138	3,553	4.72%	4.93%
APRIL	96.9	5.0	72,770	3,723	5.16%	5.12%
MAY	102.2	6.4	73,402	3,883	6.26%	5.29%
JUNE	108.7	8.1	74,383	4,076	7.45%	5.48%
JULY	115.5	9.4	73,277	4,103	8.14%	5.59%
AUGUST	115.7	10.3	73,929	4,211	8.90%	5.70%
SEPT	110.7	9.3	74,491	4,175	8.40%	5.60%
OCTOBER	107.5	8.7	75,169	4,194	8.09%	5.58%
NOVEMBER	105.5	7.9	75,581	4,061	7.49%	5.37%
DECEMBER	103.1	6.5	75,955	3,794	6.30%	5.00%
JAN1973	98.6	5.0	74,491	3,564	5.07%	4.78%
FEB	98.9	4.8	74,869	3,601	4.85%	4.81%
MAR	101.3	5.1	75,422	3,718	5.03%	4.93%
APRIL	104.5	5.8	76,008	3,882	5.55%	5.11%
MAY	109.4	7.7	76,591	4,063	7.04%	5.30%
JUNE	114.0	9.6	77,508	4,295	8.42%	5.54%
JULY	120.4	10.0	76,568	4,394	8.31%	5.74%
AUGUST	122.6	10.6	76,971	4,458	8.65%	5.79%
SEPT	118.8	10.2	77,562	4,416	8.59%	5.69%
OCTOBER	114.0	9.8	78,185	4,389	8.60%	5.61%
NOVEMBER	109.7	7.5	78,507	4,286	6.84%	5.45%
DECEMBER	107.1	6.4	78,715	4,101	5.98%	5.21%

Updated on
30-Mar-85

Employment in Thousands

	Alaska	Alaska	U.S.	U.S.	Const./	Const./
	Total	Const.	Total	Const.	AK Total	U.S. Total
JAN1974	102.6	5.2	76,922	3,753	5.07%	4.89%
FEB	104.7	5.3	77,039	3,793	5.06%	4.92%
MAR	108.5	6.1	77,362	3,878	5.62%	5.01%
APRIL	117.8	8.3	77,911	3,993	7.05%	5.13%
MAY	126.5	11.9	78,513	4,122	9.41%	5.25%
JUNE	133.5	15.6	79,210	4,233	11.69%	5.34%
JULY	139.7	16.9	78,311	4,197	12.10%	5.35%
AUGUST	144.7	18.2	78,459	4,278	12.58%	5.45%
SEPT	144.0	18.8	78,959	4,195	13.06%	5.30%
OCTOBER	139.8	19.2	79,258	4,124	13.73%	5.20%
NOVEMBER	136.9	17.1	78,937	3,958	12.49%	5.01%
DECEMBER	135.3	15.3	78,295	3,722	11.31%	4.75%
JAN1975	130.3	12.8	76,066	3,392	9.82%	4.46%
FEB	136.0	15.2	75,641	3,239	11.18%	4.28%
MAR	143.0	18.0	75,686	3,235	12.59%	4.27%
APRIL	155.0	23.5	75,018	3,328	15.16%	4.38%
MAY	161.9	24.9	76,649	3,470	15.30%	4.53%
JUNE	169.1	28.5	77,143	3,601	16.85%	4.67%
JULY	173.9	30.9	76,466	3,651	17.77%	4.77%
AUGUST	182.0	35.9	76,993	3,759	19.73%	4.88%
SEPT	181.2	35.3	77,602	3,745	19.48%	4.83%
OCTOBER	177.2	34.5	78,158	3,733	19.47%	4.78%
NOVEMBER	169.5	30.1	78,312	3,648	17.76%	4.66%
DECEMBER	163.4	20.3	78,000	3,400	12.42%	4.36%
JAN1976	149.9	19.9	77,252	3,234	13.28%	4.19%
FEB	155.7	22.8	77,482	3,186	14.64%	4.11%
MAR	162.7	26.8	78,092	3,276	16.47%	4.20%
APRIL	169.1	29.8	78,919	3,453	17.52%	4.38%
MAY	177.5	33.0	79,414	3,569	19.77%	4.49%
JUNE	184.4	35.4	80,043	3,710	21.25%	4.64%
JULY	190.2	38.7	79,272	3,783	22.55%	4.77%
AUGUST	194.1	39.4	79,537	3,846	20.30%	4.84%
SEPT	189.2	37.2	80,244	3,802	19.66%	4.74%
OCTOBER	171.2	32.4	80,479	3,787	18.93%	4.71%
NOVEMBER	162.3	26.4	80,839	3,723	16.27%	4.61%
DECEMBER	154.2	20.9	81,016	3,538	13.55%	4.37%
JAN1977	151.2	18.0	79,427	3,192	12.24%	4.02%
FEB	153.0	18.9	79,636	3,248	12.29%	4.08%
MAR	157.5	19.5	80,493	3,430	12.38%	4.26%
APRIL	162.5	21.5	81,418	3,673	13.23%	4.51%
MAY	167.2	22.8	82,252	3,855	13.64%	4.69%
JUNE	173.3	23.6	83,210	4,051	13.62%	4.87%
JULY	171.0	22.4	82,551	4,151	13.10%	5.03%
AUGUST	171.4	21.2	82,845	4,211	12.37%	5.08%
SEPT	171.3	20.2	83,798	4,186	11.79%	5.00%
OCTOBER	165.3	18.1	84,298	4,173	10.95%	4.95%
NOVEMBER	159.6	14.9	84,744	4,101	9.34%	4.84%
DECEMBER	156.0	12.9	84,980	3,939	8.27%	4.64%

Updated on
30-Mar-85

Employment in Thousands

	Alaska Total	Alaska Const.	U.S. Total	U.S. Const. AK	Const./ Total	Const./ U.S. Total
JAN1978	151.9	10.5	83,318	3,555	6.91%	4.27%
FEB	153.4	10.0	83,614	3,518	6.52%	4.21%
MAR	155.9	10.2	84,607	3,733	6.54%	4.41%
APRIL	159.6	10.7	85,910	4,068	6.70%	4.74%
MAY	165.3	12.6	86,715	4,229	7.62%	4.88%
JUNE	170.8	14.4	87,701	4,473	8.43%	5.10%
JULY	169.5	14.6	86,872	4,579	8.61%	5.27%
AUGUST	173.9	15.1	87,174	4,632	8.68%	5.31%
SEPT	173.8	14.8	87,801	4,578	8.52%	5.21%
OCTOBER	167.1	13.6	88,417	4,585	8.14%	5.19%
NOVEMBER	152.1	11.1	88,965	4,495	6.85%	5.05%
DECEMBER	158.3	9.3	89,272	4,302	5.87%	4.82%
JAN1979	154.0	7.7	87,514	3,888	5.00%	4.44%
FEB	154.6	7.2	87,751	3,835	4.66%	4.37%
MAR	158.4	7.5	88,654	4,093	4.73%	4.62%
APRIL	162.4	8.5	89,193	4,261	5.23%	4.78%
MAY	169.1	9.7	90,012	4,489	5.74%	4.99%
JUNE	174.4	11.3	90,857	4,691	6.48%	5.16%
JULY	178.8	12.0	89,869	4,791	6.71%	5.37%
AUGUST	179.8	12.9	89,969	4,836	7.17%	5.38%
SEPT	176.6	13.4	90,521	4,770	7.59%	5.27%
OCTOBER	170.1	12.4	91,000	4,754	7.29%	5.22%
NOVEMBER	164.5	10.0	91,204	4,655	6.08%	5.10%
DECEMBER	160.5	8.3	91,335	4,488	5.17%	4.91%
JAN1980	153.5	6.9	89,553	4,141	4.57%	4.62%
FEB	156.2	7.2	89,691	4,050	4.61%	4.52%
MAR	159.3	7.8	90,253	4,087	4.90%	4.53%
APRIL	156.6	9.0	90,603	4,204	5.10%	4.64%
MAY	172.9	10.7	90,623	4,348	6.19%	4.80%
JUNE	176.3	11.7	90,778	4,464	6.64%	4.92%
JULY	181.1	12.4	89,436	4,505	6.85%	5.04%
AUGUST	182.6	13.2	89,723	4,563	7.23%	5.09%
SEPT	178.2	13.3	90,390	4,538	7.46%	5.02%
OCTOBER	174.0	12.4	90,985	4,540	7.13%	4.99%
NOVEMBER	168.5	10.4	91,329	4,444	6.17%	4.87%
DECEMBER	163.9	8.7	91,513	4,270	5.31%	4.67%
JAN1981	162.6	8.1	89,588	3,885	4.98%	4.33%
FEB	166.0	8.2	89,877	3,795	4.94%	4.22%
MAR	171.1	9.2	90,371	3,934	5.38%	4.35%
APRIL	190.1	11.0	91,027	4,137	6.11%	4.54%
MAY	195.4	12.3	91,514	4,248	6.53%	4.64%
JUNE	191.6	13.1	92,158	4,366	6.84%	4.71%
JULY	204.2	15.9	91,237	4,437	7.79%	4.86%
AUGUST	203.2	15.6	91,238	4,451	8.17%	4.88%
SEPT	200.5	17.3	91,179	4,387	8.63%	4.78%
OCTOBER	194.7	16.4	91,513	4,359	8.42%	4.74%
NOVEMBER	188.8	14.5	91,745	4,237	7.68%	4.62%
DECEMBER	185.2	12.2	91,414	4,022	6.59%	4.40%

Updated on
30-Mar-85

Employment in Thousands

	Alaska		U.S.		Const./	Const./
	Total	Const.	Total	Const.	AK Total	U.S. Total
JAN1982	177.1	10.4	89,104	3,581	5.87%	4.02%
FEB	181.2	11.2	89,273	3,565	6.18%	3.99%
MAR	185.0	12.2	89,566	3,638	6.59%	4.06%
APRIL	193.5	14.6	89,878	3,794	7.55%	4.22%
MAY	198.9	16.0	90,361	3,987	8.04%	4.41%
JUNE	207.3	18.6	90,554	4,080	8.97%	4.51%
JULY	219.4	20.8	89,221	4,137	9.48%	4.64%
AUGUST	220.7	21.9	89,091	4,151	9.92%	4.66%
SEPT	217.7	22.1	89,516	4,100	10.15%	4.58%
OCTOBER	207.2	20.5	89,484	4,060	9.94%	4.54%
NOVEMBER	199.6	17.4	89,381	3,976	8.72%	4.45%
DECEMBER	196.8	15.5	89,283	3,791	7.88%	4.25%
JAN1983	190.5	13.7	87,590	3,539	7.19%	4.04%
FEB	194.0	14.3	87,598	3,397	7.37%	3.88%
MAR	198.3	15.1	88,208	3,469	7.61%	3.93%
APRIL	206.0	17.5	89,064	3,650	8.50%	4.10%
MAY	213.2	20.2	89,921	3,861	9.47%	4.29%
JUNE	222.8	22.8	90,738	4,065	10.23%	4.48%
JULY	232.3	24.7	90,112	4,185	10.63%	4.64%
AUGUST	234.2	26.4	89,842	4,269	11.27%	4.75%
SEPT	232.0	27.0	91,485	4,273	11.64%	4.67%
OCTOBER	221.4	25.6	92,049	4,285	11.56%	4.66%
NOVEMBER	215.7	22.1	92,406	4,231	10.25%	4.58%
DECEMBER	211.1	19.8	92,645	4,050	9.30%	4.37%
JAN1984	203.7	16.0	91,065	3,779	7.85%	4.15%
FEB	206.9	16.2	91,612	3,774	7.83%	4.12%
MAR	211.9	16.6	92,234	3,794	7.83%	4.11%
APRIL	217.7	18.2	93,229	4,059	8.36%	4.35%
MAY	226.7	20.6	94,164	4,299	9.09%	4.57%
JUNE	233.5	22.9	95,003	4,517	9.76%	4.75%
JULY	241.2	23.8	94,239	4,622	9.87%	4.90%
AUGUST	243.5	25.6	94,500	4,670	10.51%	4.94%
SEPT	239.8	25.1	95,358	4,654	10.47%	4.88%
OCTOBER	230.8	22.6	95,902	4,645	9.79%	4.84%
NOVEMBER	224.2	18.1	96,260	4,567	8.07%	4.74%
DECEMBER	220.1	15.7	96,308	4,412	7.13%	4.58%
JAN1985	215.3	14.4	94,575	4,124	6.69%	4.36%

Updated on
31-Mar-85

Regular U.I. Benefit Payments to Persons Attached to Construction, and Total

Year	Intrastate			Interstate			Total		
	Payments to Construction	Payments to Total	%	Payments to Construction	Payments to Total	%	Payments to Construction	Payments to Total	%
1,970	4,290,306	10,702,194	40.1	85,623	473,603	18.1	4,375,929	11,181,797	39.1
1,971	4,788,340	12,533,223	38.2	133,631	788,827	16.9	4,921,971	13,322,115	36.9
1,972	5,157,312	12,552,421	40.7	849,955	3,404,658	24.9	6,006,478	16,067,079	37.4
1,973	5,590,444	14,163,575	39.5	1,161,761	4,277,737	27.2	6,752,205	18,441,312	36.6
1,974	5,153,842	17,717,471	29.0	1,347,754	5,538,612	24.3	7,541,506	23,255,083	32.4
1,975	6,670,313	19,630,929	34.0	2,922,217	9,329,076	30.3	9,492,530	29,959,974	32.8
1,976	14,729,321	33,733,115	43.6	9,672,179	19,768,155	49.0	24,408,500	53,555,313	45.6
1,977	25,451,510	46,950,563	54.2	21,826,955	35,459,744	61.7	47,333,465	82,410,327	57.4
1,978	22,280,693	49,051,941	45.4	10,538,466	22,412,678	47.2	32,859,159	71,474,619	46.0
1,979	13,113,635	39,585,556	33.1	3,620,106	14,039,779	25.8	16,733,742	53,624,676	31.2
1,980	9,971,666	37,299,401	26.7	1,977,591	11,684,405	16.9	11,949,257	48,983,806	24.4
1,981	13,027,762	52,340,435	24.9	2,162,493	14,922,271	14.5	15,190,255	67,262,705	22.6
1,982	15,410,956	59,787,350	25.8	2,900,934	16,787,511	17.3	18,311,892	76,574,901	23.9
1,983	20,376,987	64,574,011	31.6	4,766,597	20,817,660	22.9	25,143,584	85,391,871	29.4

Updated on
31-Mar-85

Regular U. I. Benefit Payments to Persons Attached to Construction, and Total

Year	Intrastate			Interstate			Total		
	Payments to Construction	Payments to Total	%	Payments to Construction	Payments to Total	%	Payments to Construction	Payments to Total	%
1, 970	4, 290, 306	10, 703, 194	40.1	85, 823	473, 603	18.1	4, 375, 929	11, 181, 797	39.1
1, 971	4, 788, 340	12, 533, 220	38.2	133, 631	789, 807	16.9	4, 921, 971	13, 322, 115	36.9
1, 972	5, 157, 512	12, 882, 421	40.7	848, 955	3, 404, 858	24.9	6, 006, 478	16, 067, 079	37.4
1, 973	5, 590, 444	14, 163, 575	39.5	1, 161, 761	4, 277, 737	27.2	6, 752, 205	18, 441, 312	36.6
1, 974	6, 193, 842	17, 717, 471	35.0	1, 347, 754	5, 538, 812	24.3	7, 541, 506	23, 255, 083	32.4
1, 975	6, 670, 313	19, 630, 928	34.0	2, 822, 217	9, 328, 046	30.3	9, 492, 530	29, 959, 974	31.8
1, 976	14, 729, 321	33, 738, 115	43.6	9, 679, 179	19, 768, 195	49.0	24, 408, 500	53, 556, 313	45.6
1, 977	25, 451, 510	46, 950, 553	54.2	21, 886, 955	35, 459, 744	61.7	47, 338, 465	82, 410, 327	57.4
1, 978	22, 230, 693	49, 061, 941	45.4	10, 538, 466	22, 412, 678	47.2	32, 769, 159	71, 474, 619	46.0
1, 979	13, 113, 636	39, 585, 656	33.1	3, 620, 106	14, 038, 778	25.8	16, 733, 742	53, 624, 676	31.2
1, 980	9, 971, 666	37, 299, 401	25.7	1, 077, 591	11, 634, 405	16.9	11, 949, 257	48, 983, 806	24.4
1, 981	13, 027, 762	52, 340, 435	24.9	2, 162, 493	14, 922, 271	14.5	15, 190, 255	67, 262, 706	22.6
1, 982	15, 410, 958	59, 787, 350	25.8	2, 900, 934	16, 787, 511	17.3	18, 311, 892	76, 574, 901	23.9
1, 983	20, 376, 987	64, 574, 011	31.6	4, 766, 597	20, 817, 660	22.9	25, 143, 584	85, 391, 671	29.4