

**2020 Legislature - Operating Budget  
Transaction Compare - Governor Structure  
Between 21Adj Base and 21Gov**

**Numbers and Language  
Differences  
Agencies: Labor**

**Agency: Department of Labor and Workforce Development**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Commissioner and Administrative Services</b>													
<b>Commissioner's Office</b>													
Reduce Authority to Realize Anticipated Legal Expense Savings	21Gov	Dec	-35.0	0.0	0.0	-35.0	0.0	0.0	0.0	0.0	0	0	0
Reduce authority to realize anticipated legal expense savings resulting from the resolution of ongoing litigation related to the business enterprise program.													
1004 Gen Fund (UGF)			-35.0										
<b>* Allocation Difference *</b>			-35.0	0.0	0.0	-35.0	0.0	0.0	0.0	0.0	0	0	0
<b>Management Services</b>													
Delete Administrative Assistant I (07-1204) and Authority No Longer Needed	21Gov	Dec	-45.0	-45.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Delete a full-time Administrative Assistant I (07-1204), range 12, located in Anchorage, and related authority that is no longer needed due to streamlining procurement document routing, paper management, and document filing. The remaining staff are sufficient to address the other minimal administrative and reception duties of the position.													
1004 Gen Fund (UGF)			-45.0										
<b>* Allocation Difference *</b>			-45.0	-45.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
<b>Data Processing</b>													
Reduce Data Processing Project Authority	21Gov	Dec	-45.0	0.0	0.0	-45.0	0.0	0.0	0.0	0.0	0	0	0
Reduce authority for department-wide information technology support and hardware acquisition. Data Processing will shift focus to projects that are allowable under federal and other funding sources.													
1004 Gen Fund (UGF)			-45.0										
<b>* Allocation Difference *</b>			-45.0	0.0	0.0	-45.0	0.0	0.0	0.0	0.0	0	0	0
<b>Labor Market Information</b>													
MH Trust: Workforce - Alaska Health Workforce Profile	21Gov	Inc0TI	25.0	24.0	0.0	1.0	0.0	0.0	0.0	0.0	0	0	0
The Alaska Department of Labor and Workforce Development, Labor Market Information (LMI) component will serve as the lead agency in supporting Alaska Mental Health Trust (Trust) efforts to advance health workforce data systems in Alaska, and to develop tools and analyses to better understand and monitor workforce issues relevant to Trust beneficiaries. Developing this capacity within LMI will provide a continuous picture of Alaska's health care workforce, and support identification of priority areas for intervention.													
To produce regular and current workforce data analysis and reports, the Trust will fund dedicated staff time within LMI. Instead of relying on a single point in time survey and other static data, LMI will investigate new data sources and develop a plan to make timely data on health care occupations readily available to interested parties on an ongoing basis.													
1092 MHTAAR (Other)			25.0										
Eliminate Training Clearinghouse Service	21Gov	Dec	-45.0	0.0	0.0	-45.0	0.0	0.0	0.0	0.0	0	0	0
Eliminate the Training Clearing House service. Labor Market Information (LMI) currently maintains the Alaska Training Clearinghouse online at <a href="http://live.laborstats.alaska.gov/atc/occs.cfm">http://live.laborstats.alaska.gov/atc/occs.cfm</a> . Most information in the Clearinghouse is publicly available on the internet, and LMI does not have a statutory or regulatory requirement to collect or provide this data.													
1004 Gen Fund (UGF)			-45.0										

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<b>Commissioner and Administrative Services (continued)</b>													
<b>Labor Market Information (continued)</b>													
Delete Office Assistant II (07-5834) and Authority No Longer Needed	21Gov	Dec	-40.0	-40.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Delete a full-time Office Assistant II (07-5834), range 10, located in Juneau, that is no longer needed due to business process efficiencies. Duties previously performed by this position are assigned to the remaining administrative position. The position is funded by multiple funding sources, including federal receipts and inter-agency receipts collected from other agencies via reimbursable services agreements. Only the unrestricted general funds associated with this position are deleted; remaining authority will be retained to accept funding to conduct additional research.													
1004 Gen Fund (UGF)			-40.0										
<b>* Allocation Difference *</b>			-60.0	-16.0	0.0	-44.0	0.0	0.0	0.0	0.0	-1	0	0
<b>** Appropriation Difference **</b>			-185.0	-61.0	0.0	-124.0	0.0	0.0	0.0	0.0	-2	0	0

**Workers' Compensation**

**Second Injury Fund**

LFD Adjust to Restore Fiscal Note OTI Ch. 91 SLA 2018 (HB79) to Match the Governor's Bill	21Gov	Inc	400.0	0.0	0.0	0.0	0.0	0.0	400.0	0.0	0	0	0
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LFD Comment: When HB79 was passed in SLA2018, the Second Injury Fund provided a fiscal note stating that the fund could reduce expenditure authority for grants and benefits over 5 years until the expenditure authority was zeroed. After further review, it is clear that the fiscal note did not take into consideration that 95% of SIF claims are for permanent total disability, meaning the claim will be paid for the life of the claimant. It will likely take decades for the fund liabilities to be fully absolved, and the division will require expenditure authority to make payments.

In FY2019, the fund paid \$2,256.2 in benefits, and expended \$223.8 in support costs for a total of \$2,480.1 in expenditures. Expenditure authority for FY2020 is \$2,568.3. Any further expenditure authority reductions as a result of the fiscal note will be impede the Fund's ability to pay benefits on the existing claims.

OMB: The Omnibus Workers' Compensation legislation, Ch91 SLA2018 (HB79), made a number of changes to the Workers' Compensation Act. One of the changes sunset the second injury fund (AS 23.30.040). The fund will continue to accept new claims until October 1, 2020, for injuries that occurred on or before August 31, 2018. Claims will be paid and will decline over time until the fund's liability is exhausted. It will likely take decades for the fund to pay these ongoing claim obligations, as 95 percent of these claims are categorized as permanent total disability (PTD) benefits. PTD benefits are paid until disability ends or until death.

1031 Sec Injury (DGF)			400.0										
<b>* Allocation Difference *</b>			400.0	0.0	0.0	0.0	0.0	0.0	400.0	0.0	0	0	0
<b>** Appropriation Difference **</b>			400.0	0.0	0.0	0.0	0.0	0.0	400.0	0.0	0	0	0

**Labor Standards and Safety**

**Wage and Hour Administration**

Replace UGF with GF/PR to Correct Categorization of Certified Payroll Filing Fees	21Gov	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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Replace unrestricted general funds with general fund program receipt authority to correctly collect and expend certified payroll filing fee revenue as general fund program receipts. The Wage and Hour Administration

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<b>Labor Standards and Safety (continued)</b>													
<b>Wage and Hour Administration (continued)</b>													
Replace UGF with GF/PR to Correct													
Categorization of Certified Payroll Filing Fees													
(continued)													
component collects certified payroll fees from contractors in Alaska under AS 36.05.045. Historically, the department has collected these fees and deposited them directly into the general fund, then requested unrestricted general fund appropriations. These receipts meet the definition of program receipts under AS 37.05.146(a).													
			1004 Gen Fund (UGF)	-1,400.0									
			1005 GF/Prgm (DGF)	1,400.0									
	21Gov	Dec	Reduce Authority to Realize Administrative Support Realignment Savings	-124.4	-83.5	0.0	-40.9	0.0	0.0	0.0	-1	0	0
Reduce authority to realize administrative support realignment savings in the Fairbanks Wage and Hour office, and delete a vacant full-time Office Assistant II (07-4007), range 10, located in Fairbanks.													
			1004 Gen Fund (UGF)	-124.4									
			<b>* Allocation Difference *</b>	<b>-124.4</b>	<b>-83.5</b>	<b>0.0</b>	<b>-40.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-1</b>	<b>0</b>	<b>0</b>
<b>Occupational Safety and Health</b>													
	21Gov	Dec	Reduce Authority to Align with Anticipated Expenditures	-3.0	0.0	0.0	-3.0	0.0	0.0	0.0	0	0	0
Reduce authority to align with anticipated expenditures based on prior year actuals. The Occupational Safety and Health lapsed sufficient funds in previous years to support this reduction. This change will also reduce the number of accounting structures and individual budgets that must be monitored throughout the year.													
			1004 Gen Fund (UGF)	-3.0									
			<b>* Allocation Difference *</b>	<b>-3.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
			<b>** Appropriation Difference **</b>	<b>-127.4</b>	<b>-83.5</b>	<b>0.0</b>	<b>-43.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-1</b>	<b>0</b>	<b>0</b>
<b>Employment and Training Services</b>													
<b>Unemployment Insurance</b>													
	21Gov	Dec	Delete Long-term Vacant Positions and Authority No Longer Needed	-173.2	-173.2	0.0	0.0	0.0	0.0	0.0	-2	0	0
Delete positions that have been vacant for more than one year and related authority that are no longer needed due to a reduced workload.													
The following positions are deleted:													
Full-time Accounting Technician II (07-5011), range 14, located in Juneau													
Full-time Employment Security Analyst (07-5480), range 17, located in Juneau													
			1002 Fed Rcpts (Fed)	-173.2									
			<b>* Allocation Difference *</b>	<b>-173.2</b>	<b>-173.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-2</b>	<b>0</b>	<b>0</b>
			<b>** Appropriation Difference **</b>	<b>-173.2</b>	<b>-173.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-2</b>	<b>0</b>	<b>0</b>

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<b>Vocational Rehabilitation</b>													
<b>Client Services</b>													
Close Kodiak Field Office and Eliminate Two Positions	21Gov	Dec	-84.3	-66.3	0.0	-18.0	0.0	0.0	0.0	0.0	-2	0	0
Close the Kodiak vocational rehabilitation field office and delete the two positions within the office. There are currently no local clients receiving services in the Kodiak area. Future clients in Kodiak will receive services remotely.													
The following positions are deleted:													
Full-time Vocational Rehabilitation Assistant I (05-2142), range 10, located in Kodiak													
Full-time Vocational Rehabilitation Counselor II (05-2008), range 17, located in Kodiak													
1003 GF/Match (UGF)			-84.3										
<b>* Allocation Difference *</b>			-84.3	-66.3	0.0	-18.0	0.0	0.0	0.0	0.0	-2	0	0
<b>** Appropriation Difference **</b>			-84.3	-66.3	0.0	-18.0	0.0	0.0	0.0	0.0	-2	0	0
<b>Alaska Vocational Technical Center</b>													
<b>Alaska Vocational Technical Center</b>													
Add Authority to Reflect Tuition and Fee Increases	21Gov	Inc	250.0	0.0	0.0	0.0	250.0	0.0	0.0	0.0	0	0	0
Add authority to collect and expend revenue from tuition and fee increases at the Alaska Vocational Technical Center (AVTEC). AVTEC is pursuing revenue generation opportunities to keep charges aligned with increasing instructional costs while still remaining more affordable than comparable post-secondary training providers in Alaska.													
AVTEC is increasing tuition rates by four percent and fees for student consumables and services related technical instruction where expenditures are not currently fully supported by fee collection.													
1005 GF/Prgm (DGF)			250.0										
Add Authority for Contract Training in Response to Industry	21Gov	Inc	234.1	0.0	0.0	234.1	0.0	0.0	0.0	0.0	0	0	0
Add authority to collect and expend revenue from industry in support of contract training costs. This is necessary to allow the Alaska Vocational Technical Center to continue working with industry to provide focused, timely training to further develop Alaska's workforce, and to expend receipts collected from those non-state entities to conduct contracted trainings and support program operations.													
1108 Stat Desig (Other)			234.1										
Delete Positions No Longer Needed after Restructure	21Gov	Dec	-226.7	-190.0	0.0	-11.3	-25.4	0.0	0.0	0.0	-2	0	0
Delete positions that are no longer needed due to restructuring. If additional training capacity is needed in the future the Alaska Vocational Technical Center will use adjunct/temporary instructional staff.													
The following positions are deleted:													
Full-time Maritime Instructional Aide (05-8715), range 15, located in Seward													
Full-time AVTEC Instructor (07-4572), range 0, located in Seward													
1004 Gen Fund (UGF)			-226.7										
<b>* Allocation Difference *</b>			257.4	-190.0	0.0	222.8	224.6	0.0	0.0	0.0	-2	0	0
<b>** Appropriation Difference **</b>			257.4	-190.0	0.0	222.8	224.6	0.0	0.0	0.0	-2	0	0

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*** Agency Difference ***		87.5	-574.0	0.0	36.9	224.6	0.0	400.0	0.0	-9	0	0
**** All Agencies Difference ****		87.5	-574.0	0.0	36.9	224.6	0.0	400.0	0.0	-9	0	0

## Column Definitions

**21Adj Base (FY21 Adjusted Base)** - FY20 Management Plan less one-time items, plus FY21 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY21 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

**21Gov (FY21 Governor Request 12/15)** - Includes FY21 Adjusted Base plus the Governor's operating budget bill requests for increases (increments), decreases (decrements), fund source changes, and language transactions submitted by the Governor on December 15, 2019.