



## ALASKA RESIDENT HIRE



### EMPLOYMENT PREFERENCE INFORMATION

By authority of A.S. 36.10.150 and 8 AAC 30.064, the Commissioner of Labor and Workforce Development has determined the State of Alaska to be a Zone of Underemployment. A Zone of Underemployment requires that Alaska residents who are eligible under AS 36.10.140 be given a minimum of 90 percent employment preference on public works contracts throughout the state in certain job classifications. **This hiring preference applies on a project-by-project, craft-by-craft or occupational basis and must be met each workweek by each contractor/subcontractor.**

The following classifications qualify for a minimum of 90 percent Alaska resident hire preference:

Bricklayers	Equipment Operators	Painters	Welders
Carpenters	Insulation Workers	Piledriver Occupations	
Cement Masons	Ironworkers	Plumbers and Pipefitters	
Culinary Workers	Laborers	Roofers	
Electricians	Mechanics	Truck Drivers	

This determination became effective July 1, 2005, and remains in effect until June 30, 2007.

The first person on a certified payroll in any classification is called the "first worker" and is not required to be an Alaskan resident. However, once the contractor adds any more workers in the classification, then all workers in the classification are counted, and the 90 percent is applied to compute the number of required Alaskans to be in compliance. To compute the number of Alaskan residents required in a workweek in a particular classification, multiply the number of workers in the classification by 90 percent. The result is then rounded down to the nearest whole number to determine the number of Alaskans that must be employed.

If a worker works in more than one classification during a week, the classification in which they spent the most time would be counted for employment preference purposes. If the time is split evenly between two classifications, the worker is counted in both classifications.

If you have difficulty meeting the 90 percent requirement, an approved waiver must be obtained before a non-Alaskan resident is hired who would put the contractor/subcontractor out of compliance (8 AAC 30.081 (e) (f)). The waiver process requires proof of an intensive search for qualified Alaskan workers. To apply for a waiver, contact the nearest Wage and Hour Office for instructions.

Here is an example to apply the 90 percent requirement to four boilermaker workers. Multiply four workers by 90% and drop the fraction (.90 X 4 = 3.6 - .6 = 3). The remaining number is the number of Alaskan resident boilermakers required to be in compliance in that particular classification for that week.

The penalties for being out of compliance are serious. AS 36.10.100 (a) states " A contractor who violates a provision of this chapter shall have deducted from amounts due to the contractor under the contract the prevailing wages which should have been paid to a displaced resident, and these amounts shall be retained by the contracting agency." If a contractor/subcontractor is found to be out of compliance, penalties accumulate until they come into compliance.

If you have difficulty determining whether a worker is an Alaska resident, you should contact the nearest Wage and Hour Office. Contact Wage and Hour in Anchorage at (907) 269-4900, in Fairbanks at (907) 451-2886, or in Juneau at (907) 465-4842.