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**ALASKA DEPARTMENT OF LABOR**
**& WORKFORCE DEVELOPMENT**
**Greg O'Claray, Commissioner**

Sept. 1, 2006                                                                                                              No. 07-07

## For Immediate Release

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## DOLWD Issues First Contractor Licensing Civil Fines

(Juneau) – The Division of Labor Standards and Safety in the Alaska Department of
Labor & Workforce Development has issued the first contractor licensing civil fines
under the new law from House Bill 81, which was signed into effect by Governor Frank
H. Murkowski on June 21.  In July, the Division issued a $1,000 civil fine to an
unlicensed contractor operating in the Sterling and Soldotna areas, and two more
contractors were cited in August.

Under the new law, first time violations of Alaska's contractor licensing laws (AS
08.18.011 or AS 08.18.025) result in a $1,000 civil fine and subsequent violations are
subject to a $1,500 civil fine.  The existing criminal penalties remain in effect and will be
applied to significant violations.

"This new law gives us a tool to deal with individuals who ignore the law," said Labor &
Workforce Development Commissioner Greg O'Claray.

Contractor licensing laws are designed primarily to protect consumers.  Critical elements
of the contractor licensing process require an applicant to provide proof that they have
liability insurance, a bond to cover problems with their work and workers' compensation
insurance if they have employees.

"We hope this enforcement effort sends a clear warning to individuals who work in
violation of contractor licensing requirements," said Labor Standards and Safety Director
Grey Mitchell.  "It's simply unfair to reputable businesses that provide the necessary
bonding and insurance to protect their customers to allow unlawful competitors to
continue operating without penalty."

If you have questions or would like to report suspected unlicensed contracting activity,
please contact Paul Ortega at 269-4917 (e-mail paul_ortega@labor.state.ak.us) or Al
Nagel at 269-4925 (e-mail al_nagel@labor.state.ak.us).

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