

Proposed regulations relating to board and lodging on public construction projects, 8 AAC 30

Questions and Answers

What promulgated this change?

Contractors and employee organizations have asked for clearly defined requirements to follow when employing workers on these remote projects. In addition, the department has received numerous complaints from employees whose employers refused to provide board and lodging or per diem when the employee was required to remain far from home, often in remote and expensive locations, for the employer's benefit.

How much is the per diem being proposed?

The proposed regulation does not set a per diem rate. The current per diem rate is published in Pamphlet 600 and is \$75/day.

What fiscal impact will this have?

This regulation is not anticipated to have any measurable fiscal impact. Contractors are not expected to change practices or increase bid costs due to the board and lodging requirements proposed in these regulations. The board and lodging requirements are currently met or exceeded by most contractors. Contractors pay per diem in lieu of board and lodging on a fraction of remote public construction projects, and sometimes pay well above the minimum rate of \$75/day to laborers, mechanics, and field surveyors. The proposed regulation does not set a per diem rate, so there is no measurable fiscal impact.

I am curious as to how the State of Alaska D.O.L. will determine the appropriate per diem rates for various areas around Alaska, and if they will also change depending on the time of year. As a Piledriver I have spent many months on the road working during the summer months and have found that personally I'm unable to find a place to stay and afford meals on \$75 a day in most of the areas I have worked in, specifically during the summer months when the tour season and construction projects are in full swing. I'm very pleased to see changes to the current rates, and look forward to any feedback you can provide.

The proposed regulation does not address the methods the Department may use to make a per diem determination. The proposed regulation states that if the Department determines the established industrial practice for a work classification is to pay per diem instead of providing board and lodging, the Department will publish its determinations in the pamphlet Laborers' and Mechanics' Minimum Rates of Pay, which is revised on April 1 and September 1 of each year. Implementation plans will be provided when the regulation goes into effect.