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Press Release

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Services to Alaskans at Risk in Potential State Government Shutdown

JUNEAU, Alaska— Layoff notices were mailed last week to all Department of Labor and Workforce Development employees. Layoffs will occur on July 1, 2017 if the Alaska Legislature causes a shutdown of state government by failing to pass a budget.

"Shutting down the department could limit Alaskans' access to services that help them find good jobs, protect them from unsafe working conditions, and provide them with economic stability when they are unemployed, injured, or disabled," said Labor Commissioner Heidi Drygas. "The legislature must pass a fully funded budget so we can continue providing these important services Alaskans rely on."

The failure to pass a budget would have significant impacts on the department's ability to perform important responsibilities, including resolution of labor disputes and elections, workers' compensation adjudications and appeals, and resolution of wage and hour violations. A closure could also result in a lack of employment and training grants and services that help Alaskans get good jobs, and assist disabled Alaskans in securing employment. It could also require closure of the Alaska Vocational Technical Center (AVTEC) – the state's post-secondary career and technical education school located in Seward. A shutdown could also impact mechanical inspections that protect public safety and worksite inspections that ensure safe working conditions.

State employees facing layoff are encouraged to engage in the Unemployment Insurance (UI) process early. State employees may apply for UI at https://my.alaska.gov/. The processing and payment of UI claims may be delayed.

This year's preparations for a government shutdown are different than in 2015, when the legislature had passed a partially funded budget. This year, money has not been appropriated for any government services. As a government shutdown in Alaska is unprecedented, Department of Law is examining what money could be spent to continue vital state services if the legislature has not fulfilled its constitutional obligation to pass a budget.