



**SB217/HB267**  
**Employer Contributions**

**Alaska Workforce Investment  
Board Meeting**

**February 24, 2026**

**Presented by: Commissioner Muñoz, Dirk  
Craft, and Paloma Harbour**



**ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT**  
Cathy Muñoz, Commissioner



# ALASKA'S WORKFORCE FUTURE ALASKA'S



MARCH 2025

## Goals:

- Enhance career awareness and pathways
- Develop a skilled and qualified workforce
- Retain Alaskans and attract new Alaskans
- Foster regional workforce development
- Improve infrastructure and access to support services
- Ensure sustainability and continuity of workforce-development efforts

# Topline needs from industry and regions

Needs	Convening attendees suggestions
Help recruiting and retaining workers	<ul style="list-style-type: none"> <li>• Recruitment campaign to bring workers to Alaska</li> <li>• Lower barriers to professional licensing, speed up timelines</li> <li>• Eliminate out of state tuition, require post-training residency</li> <li>• Guarantee employer spots in training programs (AVTECH, etc.)</li> <li>• Alert employers about training cohorts that are soon to graduate</li> <li>• Help employers do outreach in rural Alaska</li> </ul>
Help promoting industry to the next generation	<ul style="list-style-type: none"> <li>• Provide more work-based learning opportunities</li> <li>• Provide reliable industry-school liaisons</li> <li>• Support industry in creating school-friendly content (e.g. Alaska Resource Education)</li> <li>• Provide more reliable information about career pathways to schools</li> <li>• Give teachers opportunities to learn through externships</li> </ul>
Expand apprenticeship system	<ul style="list-style-type: none"> <li>• Require apprentices on state and municipal construction projects</li> <li>• Expand the apprenticeship model to new industries (e.g. healthcare, government)</li> </ul>

# Statewide Outlook for Jobs in 2026, by Industry

					JOBS FORECAST		
	Monthly avg, 2024 <sup>1</sup>	Monthly avg, 2025 <sup>1</sup>	Change, 2024-25	Percent change	Monthly avg, 2026	Change, 2025-26	Percent change
<b>Total Nonfarm Employment<sup>2</sup></b>	<b>333,900</b>	<b>337,800</b>	<b>3,900</b>	<b>1.2%</b>	<b>340,800</b>	<b>3,000</b>	<b>0.9%</b>
Total Private	254,300	258,300	4,000	1.6%	261,700	3,400	1.3%
Mining and Logging	12,500	13,400	900	7.2%	14,400	1,000	7.5%
Oil and Gas	8,300	9,000	700	8.4%	10,000	1,000	11.1%
Construction	18,500	19,500	1,000	5.4%	20,200	700	3.6%
Manufacturing	11,900	11,900	0	0%	11,800	-100	-0.8%
Trade, Transportation, and Utilities	66,400	67,000	600	0.9%	67,500	500	0.7%
Wholesale Trade	6,500	6,500	0	0%	6,500	0	0%
Retail Trade	34,900	34,700	-200	-0.6%	34,600	-100	-0.3%
Transportation, Warehousing, and Utilities	25,000	25,800	800	3.2%	26,400	600	2.3%
Information	4,400	4,300	-100	-2.3%	4,300	0	0%
Financial Activities	10,800	10,800	0	0%	10,800	0	0%
Professional and Business Services	28,800	29,000	200	0.7%	29,200	200	0.7%
Educational (private) and Health Services	53,000	54,600	1,600	3.0%	55,700	1,100	2.0%
Health Care	41,700	43,200	1,500	3.6%	44,300	1,100	2.5%
Leisure and Hospitality	35,900	35,800	-100	-0.3%	35,700	-100	-0.3%
Other Services	12,100	12,000	-100	-0.8%	12,100	100	0.8%
Total Government	79,700	79,500	-200	-0.3%	79,100	-400	-0.5%
Federal, except military	15,500	15,200	-300	-1.9%	14,800	-400	-2.6%
State, incl. University of Alaska	23,900	24,200	300	1.3%	24,300	100	0.4%
Local and tribal, incl. public schools	40,300	40,100	-200	-0.5%	40,000	-100	-0.2%

<sup>1</sup>Preliminary and adjusted estimates. <sup>2</sup>Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

# Top jobs where nonresidents earn high average quarterly wages\*

	Workers	Nonres	% nonres	Nonres wage/qtr
Personal Financial Advisors	142	10	7.0	\$109,198
Petroleum Engineers	467	117	25.1	\$71,735
Architectural and Engineering Managers	278	41	14.7	\$61,651
Physicians, All Other	558	173	31.0	\$59,862
<b>Miners, Except Drillers and Machine Operators</b>	<b>173</b>	<b>106</b>	<b>61.3</b>	<b>\$56,281</b>
Family Medicine Physicians	547	184	33.6	\$53,405
Airline Pilots, Copilots, and Flight Engineers	2,719	1,438	52.9	\$51,200
Petroleum Pump System Operators, Refinery Operators, and Gaugers	599	173	28.9	\$45,159
Nurse Anesthetists	116	21	18.1	\$43,857
First-Line Supervisors of Construction Trades and Extraction Workers	1,112	366	32.9	\$41,386
<b>Electrical and Electronic Engineering Technologists and Technicians</b>	<b>198</b>	<b>66</b>	<b>33.3</b>	<b>\$40,536</b>
Service Unit Operators, Oil and Gas	1,654	778	47.0	\$37,900
Dentists, General	251	59	23.5	\$37,859
<b>Electrical and Electronics Repairers, Commercial and Industrial Equipment</b>	<b>165</b>	<b>54</b>	<b>32.7</b>	<b>\$37,742</b>
Rotary Drill Operators, Oil and Gas	136	67	49.3	\$36,847
Extraction Workers, All Other	329	181	55.0	\$36,833
Computer Programmers	173	58	33.5	\$36,802
Plant and System Operators, All Other	194	36	18.6	\$36,762
Project Management Specialists	580	90	15.5	\$35,875
Engineers, All Other	1,070	251	23.5	\$35,807
Construction Managers	1,182	271	22.9	\$35,602
Management Analysts	319	45	14.1	\$34,901
First Line Supervisors of Transportation Workers, All Other	131	19	14.5	\$34,503
<b>Transportation Workers, All Other</b>	<b>2,298</b>	<b>492</b>	<b>21.4</b>	<b>\$34,211</b>
General Internal Medicine Physicians	169	73	43.2	\$33,965
Construction and Building Inspectors	312	158	50.6	\$33,514
Mechanical Engineering Technologists and Technicians	124	40	32.3	\$33,212
<b>Electrical Power-Line Installers and Repairers</b>	<b>356</b>	<b>53</b>	<b>14.9</b>	<b>\$33,158</b>
Mechanical Engineers	267	55	20.6	\$32,600
Electrical Engineers	247	37	15.0	\$32,528
Nurse Practitioners	593	122	20.6	\$32,476
Engineering Technologists and Technicians, Except Drafters, All Other	516	99	19.2	\$32,281
Medical and Health Services Managers	1,051	91	8.7	\$32,239
<b>Inspectors, Testers, Sorters, Samplers, and Weighers</b>	<b>581</b>	<b>285</b>	<b>49.1</b>	<b>\$32,118</b>
Pharmacists	501	97	19.4	\$31,590
General and Operations Managers	4,064	588	14.5	\$30,887
Cost Estimators	165	26	15.8	\$30,605
Veterinarians	215	38	17.7	\$30,578
<b>Electricians</b>	<b>2,231</b>	<b>618</b>	<b>27.7</b>	<b>\$30,547</b>
First-Line Supervisors of Mechanics, Installers, and Repairers	539	80	14.8	\$30,352
Mining and Geological Engineers, Including Mining Safety Engineers	279	148	53.0	\$29,947
Mine Milling Workers	179	40	22.3	\$29,924
<b>Underground Mining Machine Operators, All Other</b>	<b>398</b>	<b>211</b>	<b>53.0</b>	<b>\$29,831</b>
Marketing Managers	319	50	15.7	\$29,780
Health and Safety Engineers, Except Mining Safety Engineers and Inspectors	194	76	39.2	\$29,674
Water and Wastewater Treatment Plant and System Operators	282	68	24.1	\$29,278
<b>Mobile Heavy Equipment Mechanics, Except Engines</b>	<b>1,304</b>	<b>537</b>	<b>41.2</b>	<b>\$29,205</b>
Managers, All Other	2,592	497	19.2	\$29,098
Lawyers	482	63	13.1	\$28,875
<b>Industrial Machinery Mechanics</b>	<b>324</b>	<b>151</b>	<b>46.6</b>	<b>\$28,872</b>

\*Includes only occupations with at least 100 workers. Private sector only. The average private-sector quarterly wage in 2024 was \$16,486.

# Industry Recognized Training Certification



# State Training and Employment Program (STEP)

AS 23.15.620-AS 23.15.860

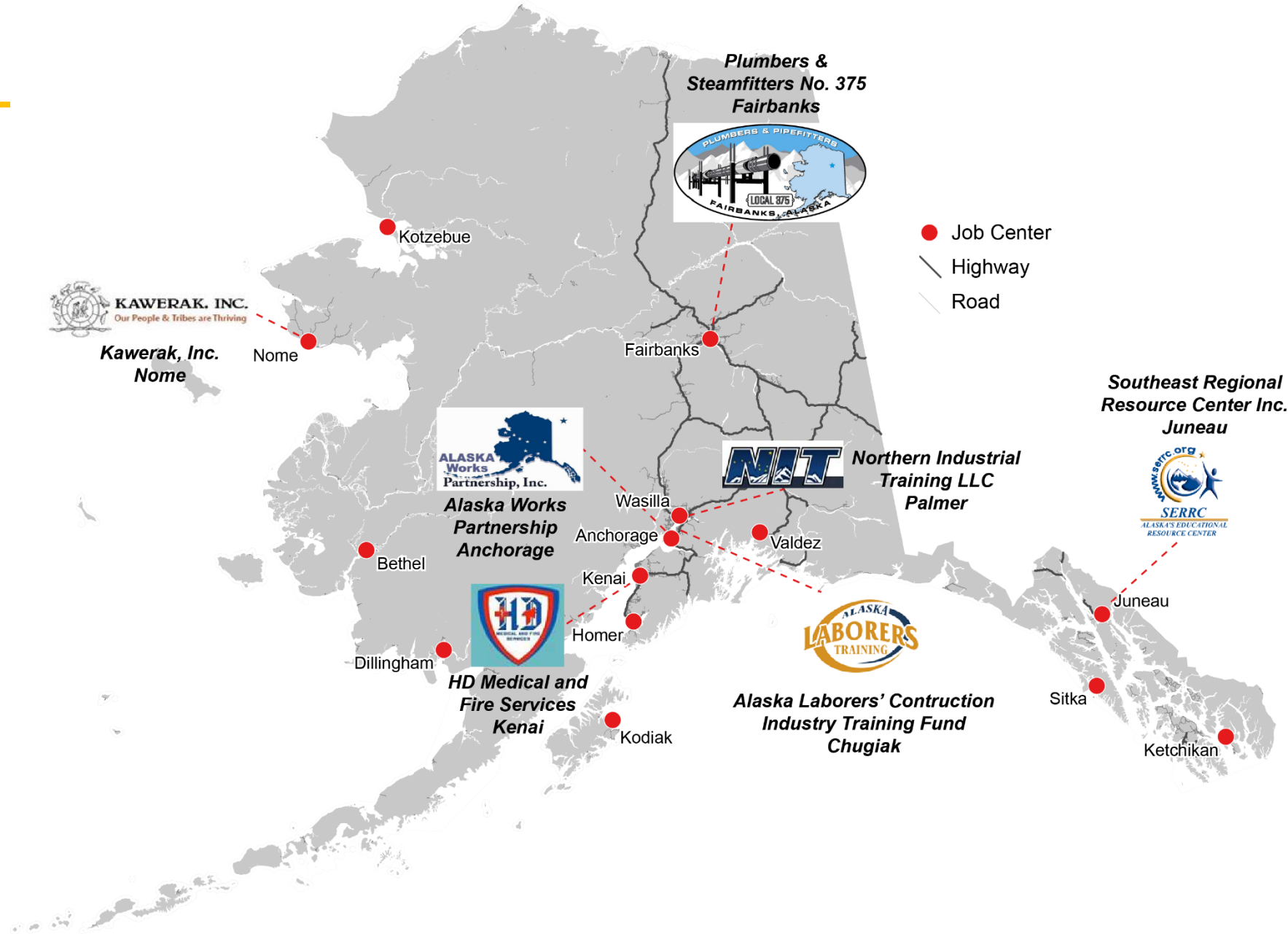
- STEP is a program to provide grants to eligible entities that provide training and employment assistance services to enhance the quality of in-state training and employment assistance and make it more easily available to employers, employees, and future employees.
- In FY2026, the Alaska Workforce Investment Board (AWIB) received a total of \$11.2 million in applications for the \$7 million authorized for STEP grants.
- The Alaska Job Center Network is expected to exhaust its funding for training grants to individuals by March, with a quarter still to go in the fiscal year.



# State Training and Employment Program (STEP) AWIB Funds

- FY2026 Budget provides \$7.1 million of STEP funding to eligible grantees for employment and training services.
- FY2024: grantees trained and supported 3,348 Alaskans through STEP funding.
- FY2025: 3,733 Alaskans supported with STEP through grantees.



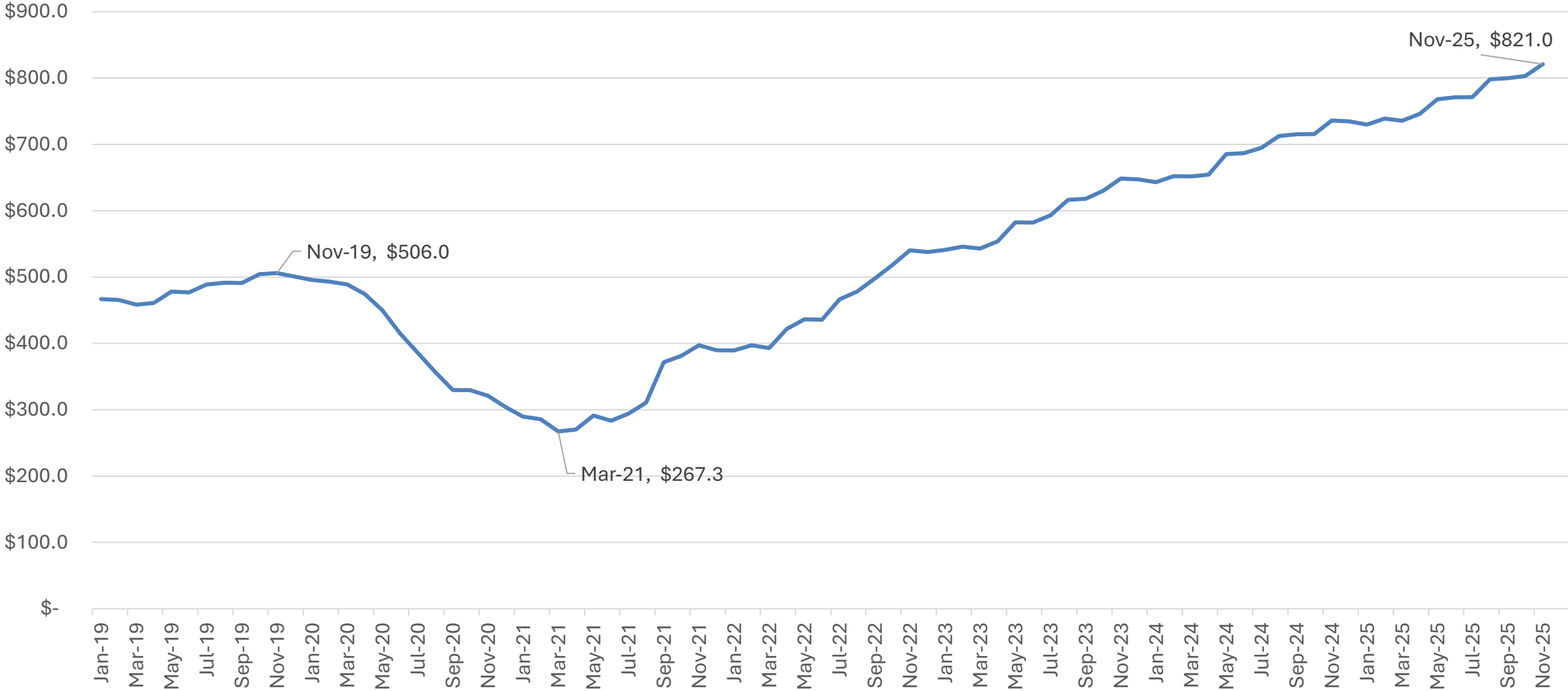


# State Training and Employment Program Competitive Awards

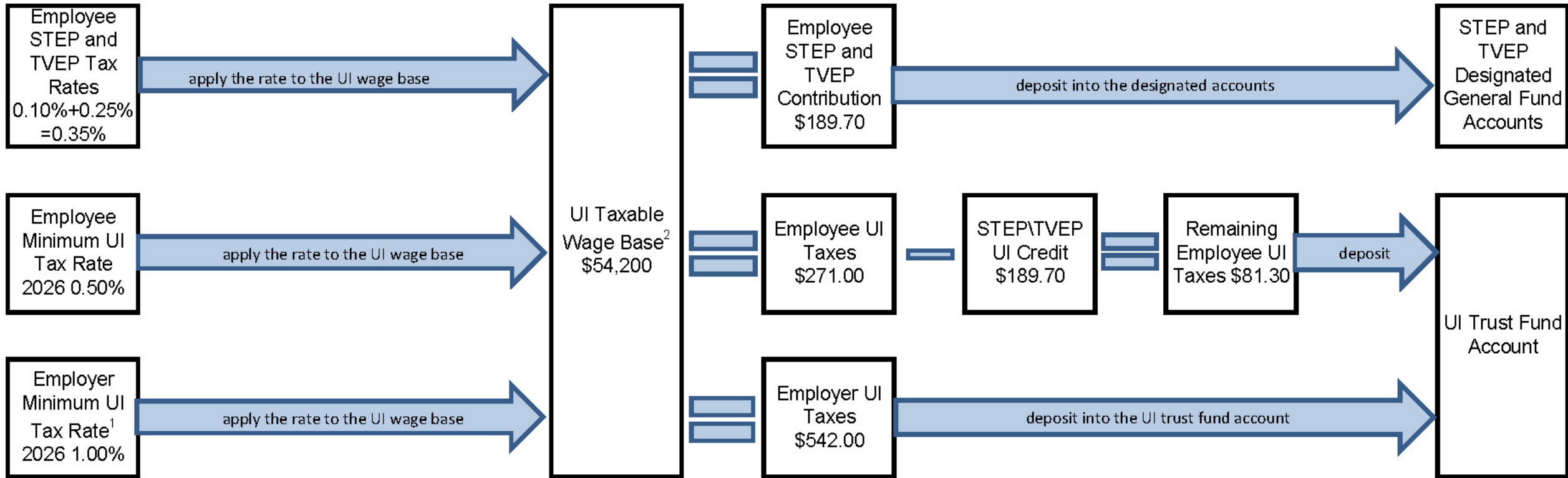
- Organizations eligible to apply for STEP funding under AS 23.15.641 include:
  - Private sector employers
  - Non-profit organizations
  - Regional training centers
  - Adult education and training providers
  - Sponsors of federally registered apprenticeship programs
  - Local and state government agencies
- Grant applications released the beginning February, due the end of March, and reviewed/approved by May 31.
- Priority given to applications that demonstrate strong organizational capacity, align with industry workforce needs, result in recognized credentials, and provide clear employment and wage growth outcomes.
- Budget proposals must be well-justified, cost-effective, and within funding limits. Additional consideration given to applicants contributing matching funds.

# Unemployment Insurance Trust Fund (UITF) Balance

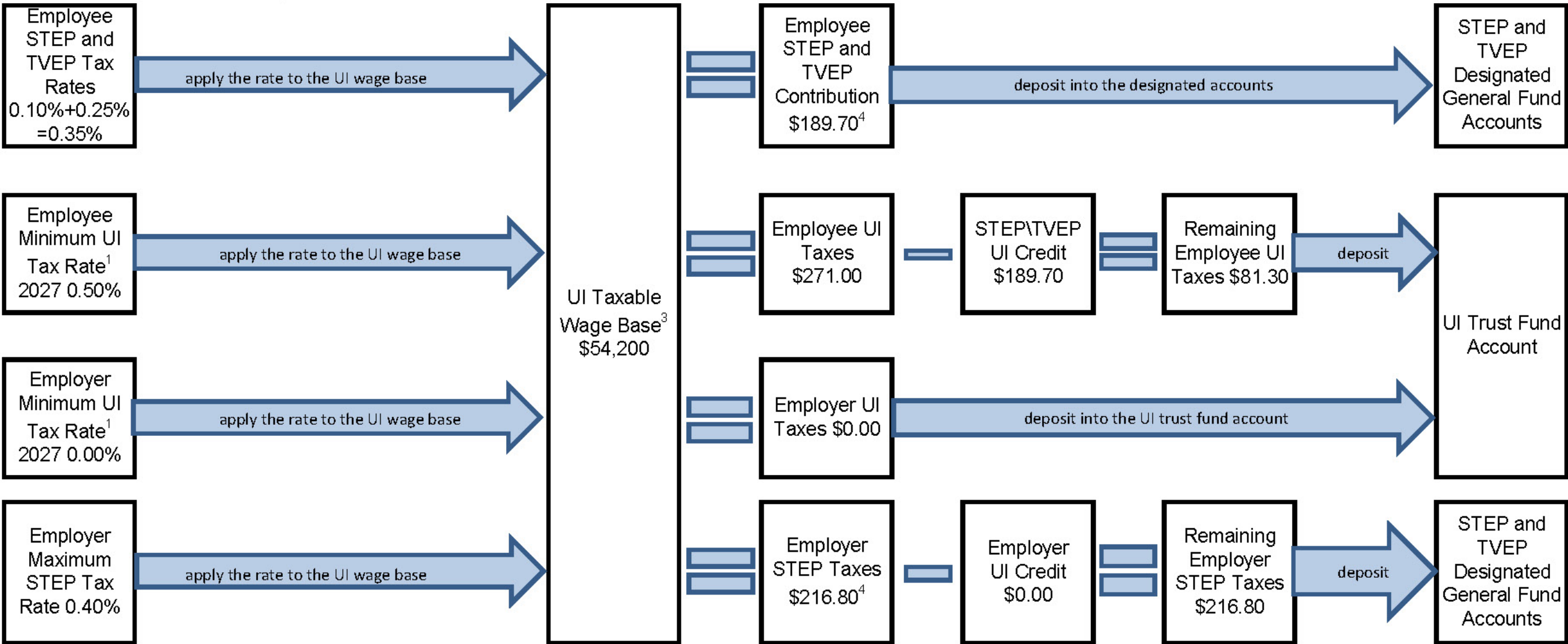
Historical UITF Balance (Millions)



# Current UI & STEP Tax Flow Chart



# SB217/HB267 UI & STEP Tax Flow Chart



CY2027 STEP Revenue Projection = \$55.6 million and UI Revenue Projection = \$22.2 million



# SB217/HB267 - Projections Through Calendar Year 2040

HB267 Employer Contributions Changes												
Calendar Year (CY)	Employer STEP Revenue (NEW)	Employee STEP Revenue (No Change)	STEP Total Revenue	Employer UI Revenue	Employee UI Revenue (No Change)	UI Total Revenue	Reserve Ratio	Average Employer UI Tax Rate	Average Employee UI Tax Rate	Average Employer Total Tax Rate	Average Employee Total Tax Rate	UI Trust Fund Beginning Balance
2027	\$44,259,676.67	\$11,497,045.22	\$55,756,721.89	\$4,927,491.41	\$17,245,567.83	\$22,173,059.24	5.31%	0.00%	0.15%	0.40%	0.50%	\$927,971,943.67
2028	\$47,056,242.21	\$11,854,581.61	\$58,910,823.82	\$4,012,520.09	\$17,781,872.42	\$21,794,392.51	5.36%	0.00%	0.15%	0.40%	0.50%	\$980,090,999.12
2029	\$48,494,404.95	\$12,206,934.61	\$60,701,339.56	\$4,500,002.13	\$18,310,401.92	\$22,810,404.05	5.14%	0.00%	0.15%	0.40%	0.50%	\$968,267,129.56
2030	\$49,916,322.65	\$12,555,818.53	\$62,472,141.18	\$4,143,844.84	\$18,833,727.79	\$22,977,572.63	4.93%	0.00%	0.15%	0.40%	0.50%	\$956,685,671.82
2031	\$51,269,797.55	\$12,902,368.40	\$64,172,165.95	\$4,585,626.65	\$19,353,552.60	\$23,939,179.25	4.73%	0.00%	0.15%	0.40%	0.50%	\$945,300,244.68
2032	\$52,648,226.02	\$13,247,348.98	\$65,895,575.00	\$4,605,793.85	\$19,871,023.47	\$24,476,817.32	4.55%	0.00%	0.15%	0.40%	0.50%	\$934,327,137.87
2033	\$53,449,965.00	\$13,591,275.80	\$67,041,240.80	\$4,576,007.95	\$20,386,913.71	\$24,962,921.66	4.39%	0.00%	0.15%	0.40%	0.50%	\$923,925,774.21
2034	\$54,026,139.67	\$13,934,495.95	\$67,960,635.62	\$4,662,748.21	\$20,901,743.92	\$25,564,492.13	4.23%	0.00%	0.15%	0.40%	0.50%	\$913,631,797.13
2035	\$55,392,595.04	\$14,277,242.74	\$69,669,837.78	\$4,829,532.00	\$21,415,864.12	\$26,245,396.12	4.08%	0.00%	0.15%	0.40%	0.50%	\$903,774,254.22
2036	\$56,751,227.86	\$14,619,672.78	\$71,370,900.64	\$5,014,377.23	\$21,929,509.17	\$26,943,886.40	3.94%	0.00%	0.15%	0.40%	0.50%	\$894,427,929.52
2037	\$58,107,255.78	\$14,961,890.96	\$73,069,146.74	\$5,151,240.00	\$22,442,836.44	\$27,594,076.44	3.81%	0.00%	0.15%	0.40%	0.50%	\$885,619,151.99
2038	\$59,465,990.49	\$15,303,967.37	\$74,769,957.86	\$5,222,427.72	\$22,955,951.05	\$28,178,378.77	3.69%	0.00%	0.15%	0.40%	0.50%	\$877,339,979.36
2039	\$60,022,143.76	\$15,645,948.73	\$75,668,092.49	\$7,525,592.96	\$23,468,923.10	\$30,994,516.06	3.58%	0.00%	0.15%	0.40%	0.50%	\$869,550,060.55
2040	\$60,829,022.97	\$15,987,866.08	\$76,816,889.05	\$15,550,305.84	\$23,981,799.12	\$39,532,104.96	3.48%	0.03%	0.15%	0.40%	0.50%	\$863,926,040.09

# Preparing Alaskans for the Jobs of Today – and Tomorrow

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## **AWIB Grants Unit Update: 02/24/2026**

### **Q3 Fiscal & Performance Overview**

As of Q3, expenditure pacing across programs reflects Alaska's seasonal training model. Many employer-aligned and field-based trainings, particularly in construction, heavy equipment, maritime, and infrastructure, occur during spring and early summer. Winter conditions limit outdoor instruction, rural travel, and employer-based training, which often results in slower burn rates during Q1 and Q2. Spending typically accelerates in Q3 and Q4.

Risk levels in the spreadsheet reflect burn variance relative to the Q3 benchmark (75%) and should be interpreted within this seasonal context. The Grants Unit continues monitoring both under-spending and accelerated burn to ensure funds are deployed strategically and in compliance with statutory and grant requirements.

### **Program Highlights**

#### **Alaska Construction Academy (ACA)**

FY24 exiters: 1,367 participants; 66.7% employed one year after exit; median wages \$20,897.

Q3 focus remains on enrollments and fiscal pacing, with increased apprenticeship and industry activity expected during the spring construction season.

#### **State Training and Employment Program (STEP)**

FY24 exiters: 3,335 participants; 82.6% employed one year after exit; median wages \$31,070.

Training aligns with employer hiring cycles and infrastructure ramp-up, with seasonal acceleration anticipated in Q3 and Q4.

#### **Technical Vocational Education Program (TVEP)**

FY24 exiters: 5,030 participants statewide; 3,164 employed one year after exit; weighted employment rate 62.9%. Median wages vary by provider. Delivery models differ by institution and industry alignment, influencing both pacing and outcomes.

### **WIOA Youth**

WIOA Youth operates under federal performance indicators tracked throughout the year, including measurable skill gains, credential attainment, employment, and earnings outcomes. Monitoring integrates fiscal pacing with live performance data, participant engagement, work-based learning activity, and data integrity review. Seasonal increases in activity are common during spring and summer months.

### **Risk Monitoring**

Risk classifications (**On Track, Monitor, Action Needed**) are based on burn variance relative to the 75% Q3 benchmark. For Youth, risk review also incorporates performance trends and data quality indicators.

### **Integrated Oversight**

This report combines fiscal analysis, participation data, statutory employment and wage outcomes, federal WIOA performance indicators, and provider-level TVEP transparency to provide a balanced view of both short-term fiscal health and long-term workforce outcomes.

### **Next Quarter Outlook**

Q4 is expected to reflect peak spring training activity across ACA, STEP, and many TVEP providers, as well as increased work-based learning under WIOA Youth. The Grants Unit will continue monitoring enrollment trends, burn acceleration, compliance, and performance outcomes and will provide a comprehensive update at the next quarterly meeting.



## LUNCH & LEARN

# ALASKA'S WORKFORCE DEVELOPMENT PLAN:

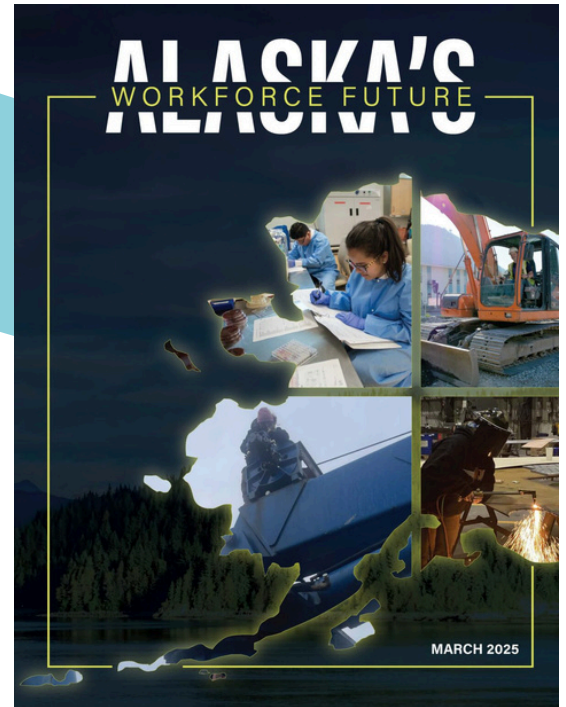
Updates and perspectives from  
Alaska's Industries and  
Workforce Professionals

February 25, 2026

12:00 PM

**Fahrenkamp/Butrovich Room 203/205**

**SPONSORED BY SENATOR KELLY MERRICK**



This informative session will provide an overview and update on Alaska's cross-industry workforce plan, "Alaska's Workforce Future" and feature industry voices alongside perspectives from training partners.

### **Panelists will include:**

Jose Owens, American Marine  
Stephan Nowers, Cruz Construction  
Mariko Selle, Alaska Workforce Alliance  
Zach Stenson, Pathfinder Solutions  
Paloma Harbor, DETS, ADOLWD  
Anna Latham, DCCED

