

MEMORANDUM
DEPARTMENT OF LABOR
AND WORKFORCE DEVELOPMENT

STATE OF ALASKA
Labor Standards & Safety Division

TO: Regional Supervising Investigators
Juneau, Anchorage, Fairbanks
Wage & Hour Administration

DATE: May 10, 2013

FILE NO: WHPL #197(A4)

PHONE: 465-4855

FROM: Grey Mitchell
Director

SUBJECT: Per Diem Requirements

Any previously issued versions of this policy are void. The *Laborers' and Mechanics' Minimum Rates of Pay*, (Pamphlet 600) contains a per diem rate for certain crafts and the Commissioner amended the per diem determination in the most recent pamphlet to change the initial coverage point of measurement from the post office to the international airport. This per diem rate creates an allowable alternative to existing room and board guidelines, but only under the following conditions:

Employer Provided Camp or Suitable Accommodations.

Unless otherwise approved by the Commissioner, the employer shall ensure that a worker who is employed on a project that is 65 road miles or more from the international airport in either Fairbanks, Juneau or Anchorage or is inaccessible by road in a 2-wheel drive vehicle and who is not a domiciled resident of the locality of the project shall receive meals and lodging. Lodging shall be in accordance with all applicable state and federal laws. In cases where the project site is not road accessible, but the employee can reasonably get to the project worksite from their permanent residence within one hour, the Commissioner may waive these requirements for that employee upon a written request from the employer.

The term "domiciled resident" means a person living within 65 road miles of the project, or in the case of a highway project, the mid-point of the project, for at least 12 consecutive months prior to the award of the project. However, if the employer or person provides sufficient evidence to convince the department that a person has established a permanent residence and an intent to remain indefinitely within the distance to be considered a "domiciled resident," the employer shall not be required to provide meals and lodging or pay per diem.

Where the employer provides or furnishes board, lodging or any other facility, the cost or amount thereof shall not be considered or included as part of the required prevailing wage basic hourly rate and cannot be applied to meet other fringe benefit requirements. The taxability of employer provided board and lodging shall be determined by the appropriate taxation enforcement authority.

Per Diem.

Employers are encouraged to use commercial facilities and lodges, however, when such facilities are not available, per diem in lieu of meals and lodging must be paid at the basic rate of \$75.00 per day, or part thereof, the worker is employed on the project. Per diem shall not be allowed on highway projects West of Livengood on the Elliot Highway, at Mile 0 of the Dalton Highway to

the North Slope of Alaska, North of Mile 20 on the Taylor Highway, East of Chicken, Alaska on the Top of the World Highway and South of Tetlin Junction to the Alaska-Canada border.

In the event that a contractor provides lodging facilities, but no meals, the department will accept payment of \$36 per day for meals to meet the per diem requirements.

These standards for room and board and per diem only apply to the crafts as identified in pamphlet 600, *Laborers' and Mechanics' Minimum Rates of Pay*. Other crafts working on public construction projects shall be provided room and board at remote sites based on existing policy guidelines.