

## **SSHB 105 State Training and Employment Program**

### **Sectional**

**Section 1.** Expands the statutory responsibilities of the Alaska Workforce Investment Board to include performing the duties assigned to it for the management of the State Training and Employment Program in AS 23.15.620 – 23.15.660.

**Section 2.** Removes language from AS 23.15.580(f) describing people to be served under the STEP and inserts reference to AS 23.15.620 – 23.15.660 which expands guidelines for people to receive training and persons to provide training under the STEP program.

**Section 3.** AS 23.15.620 is repealed and reenacted to change the description to describe the goals and objectives of the STEP program as defined by the group of entities directed to review STEP by the legislature last year in House Bill 226. The goals and objectives include:

1. Enhance quality of in-state job training and employment assistance.
2. Make in-state job training and employment assistance more accessible to employers, employees, and future employees.
3. Combine resources of program with resources available outside of the program.

Section 3 also defines who qualifies to apply for a STEP grant as a person who provides training and employment services, including a registered apprenticeship program under the National Apprenticeship Act.

**Section 4.** Eliminates reference to AS 23.15.640 (Services for eligible people; repayment) and AS 23.15.651 (Duties of Alaska Workforce Investment Board; eligible entities), both of which are being repealed because of policy recommended by the entities in the rewriting of the STEP statutes.

This section deletes language requiring a person to be served to be likely to be displaced “within the next six months”. If a person is “liable to be displaced” the person could qualify for training.

It also adds two additional groups of people to be served through STEP:

1. Certain recipients of unemployment insurance benefits.
2. People who have a child support order.

**Section 5.** This is a new section of law recommended by the group of entities giving direction the Department of Labor and the Alaska Workforce Investment Board by redefining the duties and powers of the department and the board.

1. Adopt regulations after being reviewed by the department **and the board.**
2. Distribute through grants the purchase of services and contracts.
3. Enter into interagency agreements with other state agencies for training and employment assistance, including the University of Alaska.
4. Conduct an annual review of workforce demand and prioritize grant funding strategies.
5. The **Board** will assist the department in evaluating grant proposals and awarding grants.

**Section 6.** Outlines the eligibility of grantees and how the grants are to be used:

**AS 23.15.641** Grantees can be a government agency, a private business, an employer, or a nonprofit entity offering vocational training or employment assistance services that can demonstrate they have an acceptable accounting system who can provide industry specific training, on-the-job training, or institutional or classroom job training.

This new section of law also allows grant recipients to use grant monies for tools, clothing, relocation expenses, and other costs essential in training program participants to obtain or retain a job.

**AS 23.15.643** A program participant must be a resident of the state, needs training to improve ability to obtain or retain a job, and has worked at a job contributing to Alaska's unemployment benefits program within the last five years.

**Section 7.** Implements program accountability and an appeals process.

**AS 23.15.652** The department can expend no more than 20% of the amount appropriated for the program annually for administration of the program. The department and grantees must comply with all federal and state laws. The department shall prepare an annual report of the program to be presented to the Alaska Workforce Investment Board and notify the legislature of the release of the report.

**AS 23.15.654** Provides that a person denied a grant by the Department of Labor has 60 days to file an appeal with the Alaska Workforce Investment Board. The Board has 60 days to render a decision on the appeal and their decision is final unless the appeal is then filed in Superior Court.

**Section 8.** The following statutes are repealed:

**AS 23.15.640** The first portion of this statute is reenacted in Section 6 of this bill. The second section repealed required program participants to repay the

department for grant monies used to purchase clothing and tools. Under this repeal program participants will no longer have to reimburse the department.

**AS 23.15.645** Repeals duties and powers of the department reenacted in Section 5.

**AS 23.15.651** Repeals duties of Alaska Workforce Investment Board which are reenacted in Section 1,2, 3, 5 and 7.

**Section 9.** Repeals repeal provisions for the STEP in four past pieces of legislation relating to STEP.

**Section 10.** This bill has an immediate effective date clause.