



HB 235: Technical Vocational Education Program (TVEP) Re-Authorization

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TVEP Program History

- Established under AS 23.15.830
- Created in 2000 to provide non-competitive grant assistance to education entities in Alaska that delivered specific vocational/technical training.
- In 2014, the Legislature increased the amount of funds diverted to TVEP from 0.15% of unemployment insurance to 0.16%.



Types of Training TVEP Recipients Offer

- Aviation
- Fisheries
- Construction
- Renewable Energy
- Mining
- Information Technology
- Transportation
- Health Care
- Other Vocational Training

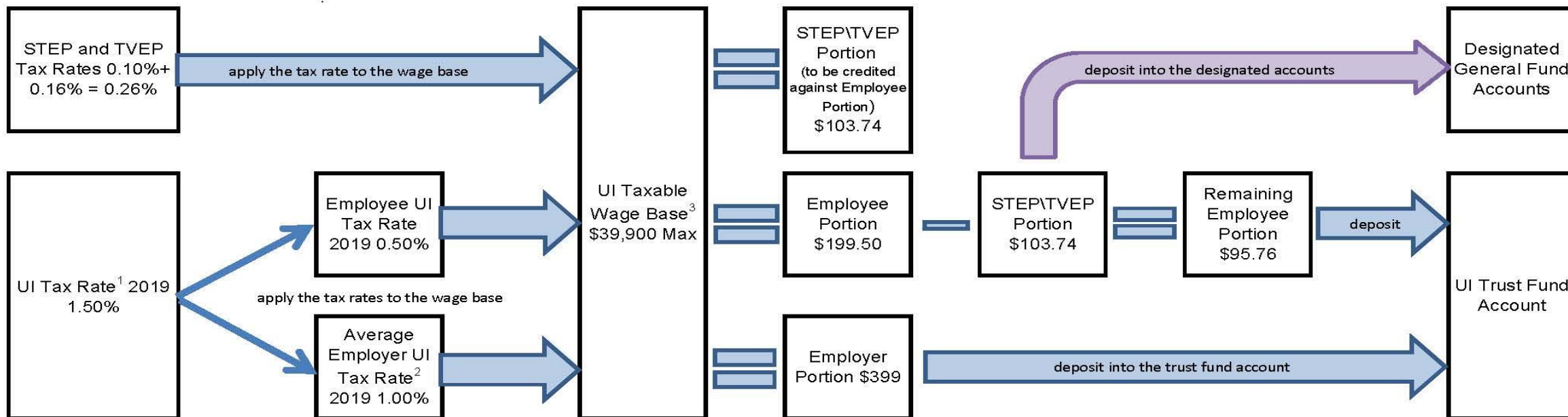


How TVEP Funding Gets Distributed

State of Alaska Tax Flow Chart:

Unemployment Insurance (UI) State Training and Employment Program (STEP) Technical and Vocational Education Program (TVEP)

The STEP and TVEP tax rates are set in statute (AS 23.15.630 and AS 23.15.835 respectively) and are applied to the annual UI taxable wage base. The amount of STEP and TVEP revenue is not affected by the UI tax rate. For further information please contact Lennon Weller (465-4507). The calculations provided below are per employee, assume the maximum wage for 2019, and are based on the 2019 UI tax rate.



1) The UI tax rate is calculated each year to ensure solvency of the trust fund account and cover benefit payments.

2) The exact employer tax rate varies by employer. The rate provided above is the average employer UI tax rate (Rate Classes 10 & 11). For more information please reference the UI Tax Calculation Cookbook (http://labor.alaska.gov/research/uiprog/Tax_Cookbook.pdf).

3) The UI maximum taxable wage base per employee is calculated each year as 75% of the average annual wage in Alaska (AS 23.20.175).

TVEP Recipients Over Time

In 2000:

University of Alaska: 52%

Kotzebue Training Center: 16%

Alaska Vocational Technical Center: 32%

In 2001:

University of Alaska: 63%

Kotzebue Training Center: 11%

Alaska Vocational Technical Center: 22%

Galena Project Education Training Center: 4%

In 2004:

University of Alaska: 55%

Kotzebue Training Center: 11%

Alaska Vocational Technical Center: 22%

Galena Project Education Training Center: 4%

Southwest Alaska Vocational Education Center: 4%

Yuut Elitnaurviat, Inc., People's Learning Center: 4%

TVEP Recipients Over Time Cont.

In 2008:

University of Alaska: 45%

Kotzebue Training Center- Alaska Technical Center: 9%

Alaska Vocational Technical Center: 17%

Galena Project Education Training Center: 4%

Southwest Alaska Vocational Education Center: 3%

Yuut Elitnaurviat, Inc., People's Learning Center: 9%

Delta Career Advancement Center, Partners for Progress Delta, Inc.: 3%

Amundsen Educational Center: 2%

Northwestern Alaska Career and Technical Center: 3%

University of Alaska Southeast: 5%



Current TVEP Recipients

In 2014 and again in 2017:

Statewide: University of Alaska: 45%

Kotzebue: Alaska Technical Center: 9%

Seward: Alaska Vocational Technical Center: 17%

Galena: Galena Project Education Training Center: 4%

Dillingham: Southwest Alaska Vocational Education Center: 3%

Bethel: Yuut Elitnaurviat, Inc., People's Learning Center: 9%

Delta: Partners for Progress Delta, Inc.: 3%

Kenai: Amundsen Educational Center: 2%

Nome: Northwestern Alaska Career and Technical Center: 3%

Utqiagvik: Illisagvik College: 5% (Added in 2014)



TVEP Distributions Original Bill

Department of Labor and Workforce Development

FY2020 Technical and Vocational Education Program (TVEP) Distribution

Updated: February 5, 2020

Entity	Percent	FY2018 Actual Expenditures	FY2019 Actual Expenditures	FY2020 Planned Distribution	FY2021 Proposed Distribution	Change from Prior Year
University of Alaska	45%	\$ 5,386.6	\$ 4,926.4	\$ 5,619.3	\$ 6,225.2	\$ 605.9
Galena Interior Learning Academy	4%	\$ 478.8	\$ 437.9	\$ 499.5	\$ 553.4	\$ 53.9
Alaska Technical Center	9%	\$ 1,001.6	\$ 927.8	\$ 1,123.8	\$ 1,245.0	\$ 121.2
Southwest Alaska Vocational and Education Center	3%	\$ 359.1	\$ 328.4	\$ 374.6	\$ 415.0	\$ 40.4
Yuut Elitnaurviat, Inc. People's Learning Center	9%	\$ 1,077.3	\$ 985.3	\$ 1,123.8	\$ 1,245.0	\$ 121.2
Northwestern Alaska Career and Technical Center	3%	\$ 359.1	\$ 328.4	\$ 374.6	\$ 415.0	\$ 40.4
Partners for Progress in Delta, Inc.	3%	\$ 359.1	\$ 328.4	\$ 374.6	\$ 415.0	\$ 40.4
Amundsen Educational Center	2%	\$ 239.4	\$ 218.9	\$ 249.7	\$ 276.7	\$ 27.0
Ilisagvik College	5%	\$ 598.5	\$ 547.4	\$ 624.4	\$ 691.7	\$ 67.3
Alaska Vocational Technical Center	17%	\$ 2,034.0	\$ 1,861.1	\$ 2,124.2	\$ 2,351.7	\$ 227.5
Total	100%	\$ 11,893.5	\$ 10,890.0	\$ 12,488.5	\$ 13,833.8	\$ 1,345.3

TVEP Distributions Version M

	Cuurent Statute		Scenario of TVEP rate .18%				Change to Share Allocation
Tax Wage Est. SFY 2020 TVEP rate (%) Est. funds available	\$8,394,732,243 .16% total take \$13,431,572		\$8,394,732,243 .18% total take \$15,110,518				
Institution, Location	Share	\$	New Share	% Point Difference	\$	\$ Increase	
University of Alaska, Statewide	45%	\$6,044,207	45%	0.000%	\$6,799,733	\$755,526	100% of current share allocation
Galena Interior Learning Academy, Galena	4%	\$537,263	3.860%	-0.140%	\$583,266	\$46,003	96.5% of current share allocation
Alaska Technical Center, Kotzebue	9%	\$1,208,841	8.685%	-0.315%	\$1,312,348	\$103,507	96.5% of current share allocation
Alaska Vocational Technical Center, Seward	17%	\$2,283,367	16.405%	-0.595%	\$2,478,880	\$195,513	96.5% of current share allocation
Northwestern Alaska Career and Technical Center, Nome	3%	\$402,947	2.895%	-0.105%	\$437,449	\$34,502	96.5% of current share allocation
Southwest Alaska Vocational and Education Center, King Salmon	3%	\$402,947	2.895%	-0.105%	\$437,449	\$34,502	96.5% of current share allocation
Yuut Elitnaurviat Inc. People's Learning Center, Bethel	9%	\$1,208,841	8.685%	-0.315%	\$1,312,348	\$103,507	96.5% of current share allocation
Partners for Progress In Delta, Inc., Delta Junction	3%	\$402,947	2.895%	-0.105%	\$437,449	\$34,502	96.5% of current share allocation
Amundsen Educational Center, Soldotna	2%	\$268,631	1.930%	-0.070%	\$291,633	\$23,002	96.5% of current share allocation
Ilisagvik Educational Center, Utqiagvik	5%	\$671,579	4.825%	-0.175%	\$729,082	\$57,504	96.5% of current share allocation
Kodiak Seafood and Marine Science Center, Kodiak	0%	\$0	1.925%	1.925%	\$290,877	\$290,877	New Allocation
Total	100.000%	\$13,431,572	100.000%		\$15,110,518	\$1,678,946	



Questions?

