



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Labor and Workforce Development

ADMINISTRATIVE SERVICES  
Management Services

PO Box 111149  
Juneau, Alaska 99811  
Main: 907.465.2700

March 17, 2021

The Honorable Adam Wool  
Chair, House Labor & Workforce Development Finance Sub-Committee  
State Capitol Room 501  
Juneau, AK 99801

Dear Representative Wool:

Thank you for the opportunity to provide an in-depth look at TVEP and Alaska's population over time. This letter is in response to several questions raised by the committee during the hearing on Wednesday, March 10, 2021.

*The department is proposing a deletion of a full time Research Analyst. For context, please provide the number of Research Analysts in 2014 versus 2022 (Representative Fields).*

In FY2014, there were 12 total Research Analyst positions ranging from Research Analyst I to Research Analyst III. In the FY2022 Governor Budget proposal, there will be nine total Research Analysts if the proposed deletion is accepted by the legislature.

*The department is proposing a deletion of two administrative positions (PCNs 07-4034 and 07-4533) in Labor Standards & Safety. Are these the same position(s) that were proposed for deletion last year (Representative Fields)?*

Last year, the department proposed the deletion of an Administrative Assistant (07-4007) located in Fairbanks. The Legislature provided intent language that the position be retained to allow Labor Standards & Safety the ability to provide more support to inspectors in the Fairbanks area as needed.

The two positions that are proposed for deletion in FY2022 are located in Anchorage.

Please provide a list of deductions that can be taken from an Unemployment Insurance payment (Representative Wool).

Unemployment Insurance (UI) payments are not the same as a standard paycheck and therefore, standard payroll deductions do not apply. The UI recipient can elect to have funds withheld for federal income taxes. Additionally, the department can withhold funds for previous overpayments or for child support obligations.

Corrections and Clarifications

During the hearing, there were several questions that were answered at the table that would benefit from correction or clarification. They are as follows:

- It was stated that the department was transferring two permanent full time (PFT) positions to the Department of Administration (DOA) for consolidation efforts. The department is transferring three PFTs as a part of the procurement consolidation in the FY2022 Governor scenario, and two PFTs as part of the human resources consolidation in the FY2022 Governor Amended scenario, for a total of five transferred positions.
- The number of high school students who participate in vocational training funded by TVEP is known and is listed on page two of the TVEP Program Report. The data is included below for easy reference:

SFY 2020 TVEP Allocations	% of TVEP Allocation	Grant Amount	# of Adults Served	# of High School Students Served	Total # of Participants
Alaska Vocational Technical Center (AVTEC)	17%	\$2,124,000	1,184	67	1,251
Alaska Technical Center	9%	\$1,123,800	307	256	563
Amundsen Educational Center	2%	\$249,700	11	10	21
Galena Interior Learning Academy	4%	\$499,500	0	233	233
Ilisagvik College	5%	\$624,400	821	13	834
Northwestern Alaska Career and Technical Center (NACTEC)	3%	\$374,600	31	107	138
Partners for Progress in Delta, Inc.	3%	\$374,600	604	294	898
Southwest Alaska Vocational and Education Center (SAVEC)	3%	\$374,600	182	2	184
Yuut Elitnaurviat	9%	\$1,123,800	740	74	814
University of Alaska	45%	\$5,619,300	3,574	746	4,320

- It was stated that the TVEP distribution amount is calculated in June. For legislative purposes it is typically calculated in December and included as part of the Governor Amended scenario. Internally, the TVEP revenue projection is updated once a quarter.

TVEP distribution amounts are based on a projection by our actuary, as they are paid out in the year in which they are collected. In prior years, the job market was more stable so that allowed the department to calculate a distribution amount in December with funds available beginning the following July. However, because of COVID, the original projected distribution amount for FY2021 could not be realized and will require an adjustment in the FY2021 Supplemental bill. We will likely have an amended amount in the FY2022 Supplemental request as well.

- It was stated that TVEP funds available in FY2022 will likely be higher than FY2021 due to a rebound in jobs. While it is true that the revenue into the fund is projected to be higher in FY2022 than FY2021, that does not translate into a higher distribution for grant recipients.

The TVEP fund typically benefits from a carryforward amount each year as unspent allocations remain with the fund and not the grant recipient. However, due to the timing involved with the reauthorization of the TVEP program, we will not know any carryforward amounts from FY2021 until our fiscal closeout in August. As a result, the initial distribution amount for FY2022 is calculated to be lower than what was distributed in FY2021. The final distribution amount in FY2021 is \$12,794.2, and the proposed distribution amount in FY2022 is \$11,584.8.

That said, the department will revisit the TVEP distribution during the FY2022 Supplemental process next year and will pass on any additional funds to grantees that may carry forward from FY2021.

Please let me know if there are any additional questions that you or the committee may have.

Sincerely,



Mr. Dan DeBartolo  
Administrative Services Director