

**HOUSE CS FOR CS FOR SENATE BILL NO. 252(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-SECOND LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered: 5/13/02**

**Referred: Today's Calendar**

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act renaming the Alaska Human Resource Investment Council as the Alaska**  
2   **Workforce Investment Board and relating to its membership; relating to repayment on**  
3   **promissory notes for work-related items paid for by grant programs; extending the**  
4   **termination date of the state training and employment program; relating to employment**  
5   **and training activities; and providing for an effective date."**

6   **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7    \* **Section 1.** AS 14.35.020(b) is amended to read:

8                   (b) When required by any of the Acts described in AS 14.35.010, the board  
9           shall

10                           (1) prepare, submit, and supervise the administration of the plans for  
11           vocational education;

12                           (2) select a state director of vocational education;

13                           (3) establish the minimum qualifications for teachers, supervisors, or

1 directors;

2 (4) determine the prorated basis on which money shall be available for  
3 the salary and necessary travel expenses of the state director of vocational education;

4 (5) consider the advice of the **Alaska Workforce Investment Board**  
5 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] established by  
6 AS 23.15.550 regarding employment training needs and advise that **board**  
7 [COUNCIL] in the development of vocational education programs.

8 \* **Sec. 2.** AS 14.42.015(a) is amended to read:

9 (a) There is in the Department of Education and Early Development the  
10 Alaska Commission on Postsecondary Education consisting of

11 (1) two members of the Board of Regents of the University of Alaska  
12 designated by the members of that body;

13 (2) one person representing private higher education in the state  
14 selected jointly by the Boards of Trustees of Alaska Pacific University and Sheldon  
15 Jackson College from among their membership;

16 (3) one person representing the Department of Education and Early  
17 Development selected by the state Board of Education and Early Development;

18 (4) four persons broadly and equitably representative of the general  
19 public appointed by the governor;

20 (5) one member of the **Alaska Workforce Investment Board**  
21 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] established by  
22 AS 23.15.550 designated by the members of that body;

23 (6) one person from the members of the local community college  
24 advisory councils appointed by the governor;

25 (7) two members from the legislature, one of whom shall be appointed  
26 by the president of the senate and one by the speaker of the house of representatives;

27 (8) one person appointed in accordance with (e) of this section who is  
28 a full-time student as defined in AS 14.43.160;

29 (9) one administrator appointed by the governor from a proprietary  
30 institution of postsecondary education that has an authorization to operate in the state  
31 issued under AS 14.48.

1 \* **Sec. 3.** AS 23.15.550 is amended to read:

2 **Sec. 23.15.550. Alaska Workforce Investment Board [ALASKA HUMAN**  
 3 **RESOURCE INVESTMENT COUNCIL].** (a) The **Alaska Workforce**  
 4 **Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] is  
 5 established in the department. The **board** [COUNCIL] consists of the following  
 6 voting members, not to exceed 26:

7 (1) the lieutenant governor or the lieutenant governor's designee;

8 (2) the commissioners of community and economic development,  
 9 education and early development, health and social services, and labor and workforce  
 10 development, or each respective commissioner's designee;

11 (3) one representative from the University of Alaska;

12 (4) four additional representatives of education, with one from local  
 13 public education, one from secondary vocational education, one from a postsecondary  
 14 vocational education institution, and one from adult basic education;

15 (5) four representatives of business and industry, with at least one  
 16 representative from the **local workforce investment boards** [PRIVATE INDUSTRY  
 17 COUNCILS] appointed under **29 U.S.C. 2832** [29 U.S.C. 1512 AND SUBJECT TO  
 18 RECONSTITUTION UNDER 29 U.S.C. 1515];

19 (6) four representatives of organized labor that the governor shall  
 20 appoint from lists of nominees submitted by recognized state labor organizations; the  
 21 governor may reject a list submitted under this paragraph and request that another list  
 22 be submitted;

23 (7) at least one representative from an organization representing  
 24 employment and training needs of Alaska Natives;

25 (8) at least one representative of a **community-based** [COMMUNITY  
 26 BASED] service organization;

27 (9) at least one representative who has personal or professional  
 28 experience with developmental disabilities; and

29 (10) at least one and up to five additional members of the private  
 30 sector to ensure a private sector majority and regional and local representation on the  
 31 **board** [COUNCIL].

(b) Additional nonvoting members may be appointed to the **board** [COUNCIL] from government or nongovernment entities.

(c) A member of the **board** [COUNCIL] under (a) of this section may appoint a designee to serve in place of the member [NAMED IN (a) OF THIS SECTION].

The member shall appoint the designee in writing.

\* **Sec. 4.** AS 23.15.555 is amended to read:

**Sec. 23.15.555. Appointment and term of members.** (a) Members of the **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] other than those listed in AS 23.15.550(a)(1) and (2) are appointed by the governor and serve at the pleasure of the governor. The governor may appoint one person to fill two or more of the places listed in AS 23.15.550(a) if the person is qualified in all of the areas the person represents. A member appointed to fill more than one place under this subsection is entitled to only one vote and may appoint only one designee to replace the member in the event the member is unable to attend a meeting.

(b) The voting members of the **board** [COUNCIL] other than those listed in AS 23.15.550(a)(1) and (2) serve for staggered four-year terms and may serve until a successor is appointed. An appointment to fill a vacancy shall be made in the same manner as the original appointment and for the balance of the unexpired term.

(c) The governor shall ensure that individuals appointed to the **board** [COUNCIL] have sufficient expertise to effectively carry out the duties of the **board** [COUNCIL]. Expertise of the **board** [COUNCIL] includes, where appropriate, knowledge of the long-term needs of individuals preparing to enter the work force; the needs of local, state, and regional labor markets; and the methods for evaluating the effectiveness of vocational training programs in serving varying populations.

\* **Sec. 5.** AS 23.15.560 is amended to read:

**Sec. 23.15.560. Compensation.** Members of the **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] listed in or appointed under AS 23.15.550(a), including a designee of a member attending in place of the member, serve without compensation but are entitled to per diem and travel expenses authorized by law for boards and commissions under

AS 39.20.180. Nonvoting members of the **board** [COUNCIL] appointed under AS 23.15.550(b) serve without compensation and are not entitled to per diem and travel expenses. A commissioner appointed under AS 23.15.550(a)(2) or the commissioner's designee is entitled to per diem and travel expenses as a state employee.

\* **Sec. 6.** AS 23.15.565 is amended to read:

**Sec. 23.15.565. Officers.** The **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall elect a chair and a vice-chair from among the members listed in or appointed under AS 23.15.550(a)(5). The chair and vice-chair serve in their positions at the pleasure of the **board** [COUNCIL].

\* **Sec. 7.** AS 23.15.570 is amended to read:

**Sec. 23.15.570. Meetings, quorum, and committees.** (a) The **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall meet not more than three times in a calendar year at the call of the chair to conduct its business. A majority of the members listed in or appointed to the **board** [COUNCIL] under AS 23.15.550(a) constitutes a quorum.

(b) The **board** [COUNCIL] shall establish an executive committee and four permanent standing committees as described in (c) - (g) of this section. The chair of a permanent standing committee must be from the private sector. The **board** [COUNCIL] may establish additional standing committees and special committees or subcommittees, not necessarily consisting of **board** [COUNCIL] members, to advise and assist the **board** [COUNCIL] in carrying out its functions assigned by federal or state statute. The permanent standing committees are

- (1) the assessment and evaluation committee;
- (2) the policy and planning committee;
- (3) the employment and placement committee; and
- (4) the workforce readiness committee.

(c) The executive committee consists of the chair and vice-chair of the **board** [COUNCIL], the immediate past chair of the **board** [COUNCIL], and the chairs of the four standing committees described in (d) - (g) of this section. The executive

1 committee has the duties and may exercise the powers of the council between  
2 meetings of the **board** [COUNCIL]. The executive committee shall

3 (1) report to the **board** [COUNCIL] in a timely fashion on actions  
4 taken on behalf of the **board** [COUNCIL]; and

5 (2) supervise the affairs of the **board** [COUNCIL] between regular  
6 meetings of the **board** [COUNCIL].

7 (d) The assessment and evaluation committee shall

8 (1) assess and evaluate programs, initiatives, and the delivery of  
9 services to help to ensure equitable distribution of quality education, training, and  
10 employment services statewide, especially to rural areas and to programs serving  
11 economically disadvantaged citizens;

12 (2) call for and monitor the workforce development system for  
13 increased accountability in performance and continuous quality improvement along  
14 the goals and strategies of the **board's** [COUNCIL'S] overall statewide strategic plan  
15 for workforce development;

16 (3) use evaluation and performance measures to gauge customer  
17 satisfaction within the workforce development system; and

18 (4) perform other duties assigned by the **board** [COUNCIL].

19 (e) The policy and planning committee shall

20 (1) build policies regarding day-to-day operations and long-term  
21 responsibilities of the **board** [COUNCIL];

22 (2) work to increase awareness of the **board** [COUNCIL] and its  
23 mission throughout the state;

24 (3) work with all other committees on a statewide strategic plan for  
25 workforce development; and

26 (4) perform other duties assigned by the **board** [COUNCIL].

27 (f) The employment and placement committee shall

28 (1) ensure the statewide strategic plan for workforce development  
29 addresses

30 (A) customer needs at the local level;

31 (B) moving welfare recipients into the workforce;

(C) promoting the hiring of state residents in jobs that have traditionally been filled by out-of-state workers;

(D) tailoring employment and training programs to suit state business, industry, and economic development needs;

(2) monitor the coordination of service delivery to promote efficiency and to prevent overlap of services among programs; and

(3) perform other duties assigned by the **board** [COUNCIL].

(g) The workforce readiness committee shall

(1) provide oversight for training, education, and employment programs to ensure the programs are delivering education and training that is relevant to local market needs and the career goals of state residents;

(2) build partnerships between employers and quality workforce training programs;

(3) work to connect the state public and private education systems with business, government, and labor to ensure that state residents are receiving workforce readiness skills throughout the education process; and

(4) perform other duties assigned by the **board** [COUNCIL].

\* **Sec. 8.** AS 23.15.575 is amended to read:

**Sec. 23.15.575. Board [COUNCIL] as state planning entity.** The **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall act as the lead state planning and coordinating entity for state human resource programs administered under

(1) **29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998)** [29 U.S.C. 1501 - 1792B (JOB TRAINING PARTNERSHIP ACT)];

(2) 20 U.S.C. 2301 - 2471 (Carl D. Perkins Vocational and Applied Technology Education Act);

(3) [20 U.S.C. 1201 - 1213D (ADULT EDUCATION ACT);

(4)] 29 U.S.C. 49 - 49l-1 (Wagner - Peyser Act);

**(4) federal law for work programs** [(5) 42 U.S.C. 681 - 687 (JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM)] for needy families with children under the Social Security Act;

1                    (5) [(6)] the employment program established under 7 U.S.C.  
2                    2015(d)(4) (Food Stamp Act of 1977);

3                    (6) [(7)] all federal programs designated as successors to the programs  
4                    listed in (1) - (5) [(1) - (6)] of this section; and

5                    (7) [(8)] all state laws involving employment training, vocational  
6                    education, **and** workforce development [, AND COMMUNITY SERVICE].

7                    \* **Sec. 9.** AS 23.15.580 is amended to read:

8                    **Sec. 23.15.580. Functions of the board [COUNCIL].** (a) As the lead state  
9                    planning and coordinating entity, the **Alaska Workforce Investment Board**  
10                    [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] has responsibility, to  
11                    the extent authorized by federal and state law, for planning and coordinating federal,  
12                    state, and local efforts in human resource programs in this state related to employment  
13                    training, including the work activities of the Alaska temporary assistance program  
14                    under AS 47.27.

15                    (b) The **board** [COUNCIL] shall

16                    (1) facilitate the development of statewide policy for a coordinated and  
17                    effective employment training and education system in this state;

18                    (2) identify the human resource investment needs in the state and  
19                    develop a plan to meet those needs;

20                    (3) review the provision of services and the use of money and  
21                    resources by the human resource programs listed in AS 23.15.575;

22                    (4) assume the duties and functions of the state **boards** [COUNCILS]  
23                    described under the laws relating to the federal human resource programs listed in  
24                    AS 23.15.575;

25                    (5) advise the governor, state and local agencies, [AND] the University  
26                    of Alaska, **and other training entities** on the development of state and local standards  
27                    and measures relating to applicable human resource programs;

28                    (6) submit, to the governor and the legislature, a biennial strategic plan  
29                    to accomplish the goals developed to meet human resource investment needs;

30                    (7) monitor for the implementation and evaluate the effectiveness of  
31                    the strategic plan developed by the **board** [COUNCIL];



(8) adopt regulations that set standards for the percentage of **program expenses** [A GRANT] that may be used for administrative costs; the regulations must clearly identify and distinguish between **program** expenses that may be included in administrative costs and those that may not be included in administrative costs; the percentage allowed for administrative costs may not exceed the lesser of **20** [15] percent **of program expenses in the prior fiscal year** or the amount permitted under the requirements of a federal program, if applicable;

(9) report annually to the legislature, by the 30th day of the regular legislative session, on the performance and evaluation of training programs in the state subject to review under (f) of this section;

(10) identify ways for agencies operating programs subject to oversight by the **board** [COUNCIL] to share resources, instructors, and curricula through collaboration with other public and private entities to increase training opportunities and reduce costs; and

(11) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 23.15.550 - 23.15.585.

(c) The **board** [COUNCIL] may receive money designated for human resource programs and may disburse money, including grants, to human resource projects in accordance with AS 37.07 (Executive Budget Act). The **board** [COUNCIL] may enter into partnership agreements through appropriate administrative agencies with private industry training entities within the state in order to facilitate the coordination of training opportunities.

(d) The **board** [COUNCIL] shall provide oversight for the planning and coordination of employment-related education training programs operated by the state or operated under contract with the state that are described in (f) of this section. The **board** [COUNCIL] shall require a training program listed in (f) of this section to meet the requirements of this subsection. The **board** [COUNCIL] shall, by regulation, establish appropriate penalties for programs that fail to meet the requirements of this subsection. The **board** [COUNCIL] may recommend to the legislature changes to enhance the effectiveness of the training programs it oversees under this section. A training program described in (f) of this section funded with money appropriated by

1 the legislature must

2 (1) meet the standards adopted by the **board** [COUNCIL] concerning  
3 the percentage of a grant that may be spent on administrative costs;

4 (2) be operated by an institution that holds a valid authorization to  
5 operate issued under AS 14.48 by the Alaska Commission on Postsecondary  
6 Education if the program is a postsecondary educational program operated by a  
7 postsecondary educational institution subject to regulation under AS 14.48;

8 (3) provide to the Department of Labor and Workforce Development  
9 the information required by the department for the preparation of the statistical  
10 information necessary for the **board** [COUNCIL] to evaluate programs by the  
11 standards set out in (e) of this section.

12 (e) The **board** [COUNCIL] shall develop standards that encourage agencies to  
13 contract for training programs that **meet local demands and** maximize the **use of**  
14 **resources** [PROGRAM'S CLASS SIZE]. The **board** [COUNCIL] shall adopt  
15 standards for the evaluation of training programs listed in (f) of this section with  
16 regard to the following:

17 (1) the **percentage** [PERCENT] of former participants who have a job  
18 one year after leaving the training program;

19 (2) the median wage of former participants seven to 12 months after  
20 leaving the program;

21 (3) the **percentage** [PERCENT] of former participants who were  
22 employed after leaving the training program who received training under the program  
23 that was related to their jobs or somewhat related to their jobs seven to 12 months after  
24 leaving the training program;

25 (4) the **percentage** [PERCENT] of former participants of a training  
26 program who indicate that they were satisfied with or somewhat satisfied with the  
27 overall quality of the training program;

28 (5) the **percentage** [PERCENT] of employers who indicate that they  
29 were satisfied with the **services received through the workforce development**  
30 **system** [QUALITY OF THE WORK OF NEW EMPLOYEES WHO HAD  
31 RECENTLY COMPLETED THE TRAINING PROGRAM].

(f) The following training programs are subject to the provisions of (d) and (e) of this section:

(1) in the Department of Labor and Workforce Development or operated by the department:

(A) [ONE STOP CAREER CENTER;

(B) JOB TRAINING PARTNERSHIP ACT] programs under **29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998)** [29 U.S.C. 1501 - 1792B], assisting communities in moving toward a self-sustainable economy and providing training;

**(B)** [(C)] state training and employment program (AS 23.15.620), providing training and employment services for people who are unemployed or likely to become unemployed, fostering new jobs, and increasing training opportunities for workers severely affected by fluctuations in the state economy or adversely affected by technology advances in the workplace;

**(C)** [(D)] employment-related adult basic education;

[(E) SCHOOL-TO-WORK;]

**(D)** [(F)] employment training services operated as part of the Alaska **temporary assistance program** [TEMPORARY ASSISTANCE PROGRAM] (ATAP);

**(E)** [(G)] unemployment insurance grants provided under the federal training relocation assistance program;

**(F)** [(H)] Alaska works programs, assisting with the welfare-to-work program;

[(I) STATE TRAINING AND EMPLOYMENT PROGRAM, COORDINATED WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT;]

(2) in the Department of Education and Early Development or operated by the department, the non-public-school portions of the following programs:

(A) [HIGH SCHOOL COMPLETION PROJECT;

(B)] Kotzebue Technical Center;

1 **(B)** [(C)] Alaska Vocational Technical Center;

2 **(C)** [(D)] vocational education and **technical preparation**  
3 [TECH PREP];

4 **(D)** [(E)] Alaska Career Information System.

5 (g) The **board** [COUNCIL] shall assess the programs listed in this subsection  
6 and make recommendations to the legislature in its report required under (b)(9) of this  
7 section about whether to include one or more of these programs under the  
8 requirements of (f) of this section:

9 (1) in the Department of Community and Economic Development or  
10 operated by the department:

11 (A) local government assistance training and development,  
12 including the rural utility business advisory program;

13 (B) energy operations, providing training in management and  
14 administration of electric utilities and bulk fuel storage systems;

15 (2) in the Department of Corrections:

16 (A) Correctional Academy, training individuals applying for a  
17 correctional officer position;

18 (B) inmate programs, providing vocational technical training  
19 and education courses for inmates preparing to be released from a correctional  
20 facility;

21 (C) correctional industries program, providing inmates with  
22 jobs while they are incarcerated;

23 (3) in the Department of Environmental Conservation:

24 (A) remote maintenance worker program, providing training  
25 and technical assistance to communities to keep drinking water and sewage  
26 disposal systems running, and providing on-the-job training to local operators;

27 (B) water and wastewater operator training and assistance;

28 (C) federal drinking water operator training and certification;

29 (4) in the Department of Military and Veterans' Affairs: educational  
30 benefits for members of the Alaska National Guard and the Alaska Naval Militia;

31 (5) in the Department of Public Safety:

1 (A) fire service training to maintain emergency training skills  
 2 for existing fire fighter staff and volunteers and individuals interested in  
 3 becoming fire fighters;

4 (B) Public Safety Training Academy, training trooper recruits;  
 5 (6) in the Department of Transportation and Public Facilities:

6 (A) engineer-in-training program, providing on-the-job training  
 7 for apprentice engineers to enable them to gain the experience necessary to be  
 8 certified;

9 (B) statewide transportation improvement program, offered by  
 10 the United States National Highway Institute;

11 (C) local technical assistance program, transferring technical  
 12 expertise to local governments;

13 (D) Native technical assistance program, transferring technical  
 14 expertise to Native governments;

15 (E) border technology exchange program, to coordinate  
 16 highway issues with the Yukon Territory;

17 (7) in the Department of Labor and Workforce Development:  
 18 vocational rehabilitation client services and special work projects, employment  
 19 services, including job development, assisting individuals in finding employment, and  
 20 assisting employed individuals in finding other employment [;

21 (8) IN THE DEPARTMENT OF ADMINISTRATION: ALASKA  
 22 PROFESSIONAL DEVELOPMENT INSTITUTE, PROVIDING CONTINUING  
 23 EDUCATION AND TRAINING FOR EMPLOYED WORKERS].

24 (h) The University of Alaska shall evaluate the performance of its training  
 25 programs using the standards set out in (e) of this section and shall provide a report on  
 26 the results to the **board** [COUNCIL] for inclusion in the **board's** [COUNCIL'S]  
 27 annual report to the legislature.

28 (i) The **board** [COUNCIL] shall review each program listed in (f) of this  
 29 section to determine whether it is in compliance with the standards set out in (d) and  
 30 (e) of this section. If the **board** [COUNCIL] finds that a program has failed to comply  
 31 with the standards set out in (d) and (e) of this section, it shall notify the program

1 director of the failure. If the program director fails to improve the performance of the  
 2 program within a reasonable time, the **board** [COUNCIL] shall notify the governor  
 3 and the **Legislative Budget and Audit Committee** [LEGISLATIVE BUDGET AND  
 4 AUDIT COMMITTEE] that the program is out of compliance. A contract entered  
 5 into by a state agency relating to a training program set out in (f) of this section must  
 6 contain terms consistent with this section.

7 (j) A department that operates or contracts for a training program listed in (f)  
 8 of this section shall pay to the **board** [COUNCIL] a management assessment fee not  
 9 to exceed .75 percent of the program's annual operating budget. The total amount  
 10 received as management assessment fees may not exceed the **board's** [COUNCIL'S]  
 11 authorized budget for the fiscal year. The **board** [COUNCIL] shall, by regulation,  
 12 establish a method to determine annually the amount of the management assessment  
 13 fee. If the amount the **board** [COUNCIL] expects to collect under this subsection  
 14 exceeds the authorized budget of the **board** [COUNCIL], the **board** [COUNCIL]  
 15 shall reduce the percentages set out in this subsection so that the total amount of the  
 16 fees collected approximately equals the authorized budget of the **board** [COUNCIL]  
 17 for the fiscal year. The **board** [COUNCIL] shall adopt regulations under AS 44.62  
 18 (Administrative Procedure Act) necessary to administer this subsection.

19 (k) Upon the enactment of a new federal or state program relating to work  
 20 force development, the **board** [COUNCIL] shall

21 (1) advise the governor and the legislature on whether the **board**  
 22 [COUNCIL] should provide oversight for the new program under this section; and

23 (2) make recommendations necessary to streamline and coordinate  
 24 state efforts to meet the guidelines of the new program.

25 (l) For purposes of this section, "program"

26 (1) does not refer to the overall activities of an individual institution or  
 27 individual fields of study or courses that are not associated with programs for which  
 28 the **board** [COUNCIL] has oversight responsibility;

29 (2) may include a certificate or associate degree course or a course that  
 30 is not for credit, whether it is offered by a public or private institute or contracted for  
 31 by the private sector, so long as it is related to employment.

1 \* **Sec. 10.** AS 23.15.585 is amended to read:

2           **Sec. 23.15.585. Administration.** (a) The governor shall appoint the  
3 executive director for the **Alaska Workforce Investment Board** [ALASKA HUMAN  
4 RESOURCE INVESTMENT COUNCIL]. The department shall provide professional,  
5 technical, and administrative staff for the **Alaska Workforce Investment Board**  
6 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL].

7           (b) Subject to legislative appropriations, and in accordance with AS 37.07  
8 (Executive Budget Act), the **board's** [COUNCIL'S] budget is funded from programs  
9 for which the **board** [COUNCIL] is the lead state planning and coordinating entity  
10 under AS 23.15.575.

11 \* **Sec. 11.** AS 23.15.640(c) is amended to read:

12           (c) The department shall [, TO THE EXTENT ECONOMICALLY  
13 FEASIBLE FOR THE INDIVIDUAL,] require an individual who participated in a  
14 program that was funded at least in part by a grant under AS 23.15.651 and that  
15 included as a program element the provision of necessary tools, work-related clothing,  
16 safety gear, or other necessities to obtain or retain employment under (a)(6) of this  
17 section to reimburse the department for the portion of the grant that was spent on an  
18 element listed in (a)(6) of this section. **Repayment shall begin no later than six**  
19 **months after the individual completes or leaves the state training and**  
20 **employment program and may not be less than \$25 each calendar month.** The  
21 department shall separately account for receipts under this subsection. The annual  
22 estimated receipts may be used by the legislature to make appropriations to the  
23 department to the employment assistance and training program account  
24 (AS 23.15.625) for grants under AS 23.15.651. **The department shall institute**  
25 **collection procedures on outstanding promissory notes for amounts due under**  
26 **this subsection. Collection procedures must include obtaining a judgment for**  
27 **default on a promissory note. The department shall seek satisfaction of the**  
28 **judgment from an individual's permanent fund dividend to the extent possible**  
29 **under AS 43.23.065 until the judgment has been satisfied.** The department shall  
30 implement this subsection by regulation.

31 \* **Sec. 12.** AS 23.15.645(a) is amended to read:

1 (a) The department shall award a grant to the **board** [COUNCIL] to

2 (1) administer a state training and employment program; and

3 (2) award grants to qualified entities.

4 \* **Sec. 13.** AS 23.15.645(b) is amended to read:

5 (b) When a grant is awarded to the **board** [COUNCIL], the department shall  
 6 annually provide to the **board** [COUNCIL] a priority list of targeted projects or  
 7 services, based on unemployment statistics, unemployment insurance claims,  
 8 occupational and industrial projections, availability of other training and employment  
 9 programs, and other relevant data. The department shall also provide annually to the  
 10 **board** [COUNCIL] a priority list of criteria for eligibility to maximize services to  
 11 those people most in need of training under AS 23.15.620 - 23.15.660. In developing  
 12 the priority list for targeted projects and services, the department shall solicit  
 13 comments from the Department of Education and Early Development, the Department  
 14 of Community and Economic Development, the University of Alaska, organized labor,  
 15 the **board** [COUNCIL], and the administrative entities of the **local workforce**  
 16 **investment** [SUBSTATE SERVICE DELIVERY] areas established for the **board**  
 17 [COUNCIL]. The department shall give preference to projects and services that train  
 18 individuals in industries identified in the resident hire report required under  
 19 AS 36.10.130 as employing a disproportionate percentage of nonresident individuals.

20 \* **Sec. 14.** AS 23.15.645(d) is amended to read:

21 (d) The **board, by regulation,** [COUNCIL] shall establish grant  
 22 administration requirements, including accounting procedures, that apply to qualified  
 23 entities and their grantees.

24 \* **Sec. 15.** AS 23.15.645(e) is amended to read:

25 (e) In making a grant under this section, the **board** [COUNCIL] shall require  
 26 that the qualified entity and grantees of the qualified entity limit the amount of the  
 27 grant proceeds spent on administration so that the total spent on administration from  
 28 the proceeds of the employment assistance and training program account, including  
 29 amounts spent by the **board** [COUNCIL] itself, does not exceed 20 percent **of**  
 30 **program expenses in the prior fiscal year** [. THE AMOUNT COLLECTED AND  
 31 REMITTED IN ACCORDANCE WITH THE SHARED COST REQUIREMENTS



1 OF THE FEDERAL OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-  
 2 87 ENTITLED "COST PRINCIPLES FOR STATE AND LOCAL  
 3 GOVERNMENTS" IS NOT CONSIDERED AN AMOUNT SPENT ON  
 4 ADMINISTRATION UNDER THIS SUBSECTION].

5 \* **Sec. 16.** AS 23.15.651 is amended to read:

6 **Sec. 23.15.651. Duties of Alaska Workforce Investment Board [ALASKA**  
 7 **HUMAN RESOURCE INVESTMENT COUNCIL]; grants; eligible entities. (a)**

8 In implementing this program under a grant received under AS 23.15.645, and subject  
 9 to the limit of its grant, the **board** [COUNCIL] shall award grants, in accordance with  
 10 the priority list established by the department under AS 23.15.645(b), to employment  
 11 assistance and training entities. A training entity is eligible for a grant under this  
 12 section if the entity meets program requirements and can demonstrate that

13 (1) its accounting systems include controls adequate to check the  
 14 accuracy and reliability of accounting data, promote operating efficiency, and assure  
 15 compliance with program requirements and generally accepted accounting principles;  
 16 and

17 (2) its activities do not replace or compete in any way with a federally  
 18 approved [, JOINTLY ADMINISTERED] apprenticeship program or any other  
 19 existing training programs.

20 (b) The **board** [COUNCIL] may not award a grant if the grant would displace  
 21 money available through existing public or private training programs.

22 (c) To provide administration of the program, the **board** [COUNCIL] may use  
 23 the administrative entities of the **local workforce investment** [SUBSTATE SERVICE  
 24 DELIVERY] areas.

25 (d) The **board** [COUNCIL] shall annually provide the department with  
 26 financial and performance reporting on the activities of the program and  
 27 recommendations concerning continuation of funding.

28 \* **Sec. 17.** AS 23.15.660(1) is amended to read:

29 (1) **"board"** ["COUNCIL"] means the **Alaska Workforce**  
 30 **Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL]  
 31 established in AS 23.15.550;

1 \* **Sec. 18.** AS 23.15.660 is amended by adding a new paragraph to read:

2 (4) "local workforce investment areas" means the areas established  
3 under 29 U.S.C. 2831.

4 \* **Sec. 19.** AS 23.15.700(a) is amended to read:

5 (a) There is established in the department the business incentive training  
6 program. The incentive program shall be administered as a supplement to **29 U.S.C.**  
7 **2801 - 2945 (Workforce Investment Act of 1998)** [THE JOB TRAINING  
8 PARTNERSHIP ACT (P.L. NO. 97-300)].

9 \* **Sec. 20.** AS 23.15.710 is amended to read:

10 **Sec. 23.15.710. Administration.** (a) The **Alaska Workforce Investment**  
11 **Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall oversee  
12 the incentive program. The **local workforce investment** [SERVICE DELIVERY]  
13 areas established under **29 U.S.C. 2831** [29 U.S.C. 1511 AND SUBJECT TO  
14 REDESIGNATION UNDER 29 U.S.C. 1515] shall be used in the administration of  
15 the incentive program. The **local workforce investment boards** [PRIVATE  
16 INDUSTRY COUNCILS] appointed under **29 U.S.C. 2832** [29 U.S.C. 1512 AND  
17 SUBJECT TO RECONSTITUTION UNDER 29 U.S.C. 1515] shall serve as the **local**  
18 **workforce investment boards** [PRIVATE INDUSTRY COUNCILS] for the  
19 incentive program.

20 (b) The **board** [COUNCIL] shall divide appropriations for the incentive  
21 program equally among the **local workforce investment boards** [PRIVATE  
22 INDUSTRY COUNCILS]. If a **local workforce investment board** [PRIVATE  
23 INDUSTRY COUNCIL] lacks sufficient money to fund a proposal, the **local**  
24 **workforce investment board** [PRIVATE INDUSTRY COUNCIL] may apply to the  
25 **board** [COUNCIL] for additional funding. The **board** [COUNCIL] may approve  
26 reallocation of money from one **local workforce investment** [SERVICE DELIVERY]  
27 area to another to fund a particular proposal if it finds that the reallocation will best  
28 serve the purposes of the program.

29 (c) The **board** [COUNCIL] shall adopt regulations under AS 44.62  
30 (Administrative Procedure Act) to implement AS 23.15.700 - 23.15.810.

31 \* **Sec. 21.** AS 23.15.720 is amended to read:

1           **Sec. 23.15.720. Business incentive training plan.** (a) A local workforce  
 2 investment board [PRIVATE INDUSTRY COUNCIL] shall adopt a business  
 3 incentive training plan for the local workforce investment [SERVICE DELIVERY]  
 4 area. The plan must extend for two years to coincide with the term for 29 U.S.C. 2801  
 5 - 2945 (Workforce Investment Act of 1998) [THE JOB TRAINING  
 6 PARTNERSHIP ACT (P.L. 97-300)] and must contain

7                   (1) identification of the entity or entities that will administer the  
 8 incentive program and be the grant recipient for grants from the state;

9                   (2) a description of the services to be provided, including the estimated  
 10 duration of service and the estimated training cost for each [PER] participant;

11                   (3) procedures for identifying and selecting participants;

12                   (4) performance goals established in accordance with standards under  
 13 AS 23.15.780;

14                   (5) procedures for awarding grants to businesses; and

15                   (6) the budget for two program years and any proposed expenditures  
 16 for the succeeding two program years in as much detail as required by the grant  
 17 administrator designated under AS 23.15.740.

18           (b) If changes in labor market conditions, funding, or other factors require  
 19 substantial deviation from an approved business incentive training plan, the local  
 20 workforce investment board [PRIVATE INDUSTRY COUNCIL] and the  
 21 appropriate elected municipal official or officials shall submit a modification of the  
 22 plan and the budget for review under AS 23.15.730.

23 \* **Sec. 22.** AS 23.15.730 is amended to read:

24           **Sec. 23.15.730. Review and approval of business incentive training plan.**

25           The business incentive training plan shall be published and made available for review  
 26 and comment as an attachment to the job training plan as set out in 29 U.S.C. 2833 [29  
 27 U.S.C. 1515]. The business incentive training plan is subject to review and approval  
 28 by the governor.

29 \* **Sec. 23.** AS 23.15.740(a) is amended to read:

30           (a) Each local workforce investment board [PRIVATE INDUSTRY  
 31 COUNCIL] shall designate an administrative entity to be the grant recipient and

1 administrator for the region. An employer may apply to the grant administrator for a  
 2 business incentive grant if the employer is a private for-profit or nonprofit corporation,  
 3 partnership, or sole proprietor business. The grant administrator shall review  
 4 applications and award grants.

5 \* **Sec. 24.** AS 23.15.740(c) is amended to read:

6 (c) A business incentive training grant shall be used to recruit and train  
 7 eligible employees for newly created permanent or permanent seasonal positions or to  
 8 enable existing employees to acquire the skills necessary to qualify the employee to  
 9 implement new technologies. A business incentive training grant may be used for  
 10 occupations for which there is a demand in the area served or in another area to which  
 11 the participant is willing to relocate and for emerging technologies in the state. In  
 12 selecting recruiting and training programs, the **local workforce investment boards**  
 13 [PRIVATE INDUSTRY COUNCILS] and the grant administrators may consider  
 14 whether the occupation in which recruiting or training is sought is in a sector of the  
 15 economy that has a high potential for sustained demand or growth.

16 \* **Sec. 25.** AS 23.15.740(d) is amended to read:

17 (d) Only individuals eligible under the business incentive training plan and  
 18 residing in the **local workforce investment** [SERVICE DELIVERY] area may be  
 19 participants in employment and training activities funded under the business incentive  
 20 training program. To be eligible for training or education services under  
 21 AS 23.15.700 - 23.15.810, immediately before beginning training or education under  
 22 the program, a person shall

23 (1) have been unemployed and

24 (A) receiving unemployment insurance benefits; or

25 (B) have exhausted the right to unemployment insurance  
 26 benefits within the past three years;

27 (2) be liable to be displaced from work within the next six months  
 28 because of

29 (A) reductions in overall employment within the business;

30 (B) elimination of the person's current job; or

31 (C) a change in the conditions of the employee's job requiring

that, to remain employed, the employee must have substantially different skills that the employee does not now possess; or

(3) have worked in a position covered by AS 23.20 at any time during the last three years and be ineligible for unemployment insurance benefits because the person

(A) was working in a seasonal, temporary, part-time, or other marginal employment;

(B) has insufficient qualifying wages because of limited job opportunities; or

(C) is employed, but, because the person is underemployed, the person needs employment assistance and training to obtain full employment.

\* **Sec. 26.** AS 23.15.740(e) is amended to read:

(e) Payments to employers for on-the-job training of participants who experience multiple barriers to employment or are eligible under 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998) [THE JOB TRAINING PARTNERSHIP ACT (P.L. 97-300)] may not average more than 80 percent of the wages paid by the employer to the participant. Payments to employers for on-the-job training of other participants may not average more than 50 percent of the wages paid by the employer to participants. The payments shall be considered to be in compensation for the extraordinary costs associated with training employees for new positions and the lower productivity of the participants.

\* **Sec. 27.** AS 23.15.760(b) is amended to read:

(b) The **board** [COUNCIL] shall adopt regulations concerning retention of records.

\* **Sec. 28.** AS 23.15.760(c) is amended to read:

(c) The **board** [COUNCIL] shall, **not** [NO] later than February 1 of each year, prepare a report concerning the incentive program and notify the legislature that the report is available.

\* **Sec. 29.** AS 23.15.770(b) is amended to read:

(b) Personal liability insurance for members of the **local workforce investment board** [PRIVATE INDUSTRY COUNCIL] is an allowable cost.

1 \* **Sec. 30.** AS 23.15.790 is amended to read:

2       **Sec. 23.15.790. Limitation on certain costs.** Not [NO] more than 15 percent  
3 of the money available to a **local workforce investment** [SERVICE DELIVERY]  
4 area for a fiscal year may be expended for the cost of administration. For purposes of  
5 this section, costs of program support, including counseling, that are directly related to  
6 the provision of education or training to participants may not be counted as part of the  
7 cost of administration.

8 \* **Sec. 31.** AS 23.15.800 is amended to read:

9       **Sec. 23.15.800. Selection of service providers.** (a) The primary  
10 consideration in selecting agencies or organizations to deliver services within a **local**  
11 **workforce investment** [SERVICE DELIVERY] area is the effectiveness of the  
12 agency or organization in delivering comparable or related services based on  
13 demonstrated performance, in terms of the likelihood of meeting performance goals,  
14 cost, quality of training, and characteristics of participants. In complying with this  
15 subsection, proper consideration shall be given to **community-based** [COMMUNITY  
16 BASED] organizations as service providers.

17       (b) Appropriate education agencies in the **local workforce investment**  
18 [SERVICE DELIVERY] area shall be given the opportunity to provide educational  
19 services, unless the grant administrator determines that alternative agencies or  
20 organizations would be more effective or would have greater potential to enhance the  
21 participants' continued occupational and career growth.

22       (c) The grant administrator may not fund an occupational skills training  
23 program unless the level of skills provided in the program is in accordance with  
24 guidelines established by the **local workforce investment board** [PRIVATE  
25 INDUSTRY COUNCIL].

26 \* **Sec. 32.** AS 23.15.810(1) is amended to read:

27       (1) **"board"** ["COUNCIL"] means the **Alaska Workforce**  
28 **Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL];

29 \* **Sec. 33.** AS 23.15.820 is amended to read:

30       **Sec. 23.15.820. Powers and duties of the Alaska Workforce Investment**  
31 **Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL]. (a) The

1 **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE  
2 INVESTMENT COUNCIL] shall

3 (1) administer the Alaska technical and vocational education program  
4 established in AS 23.15.820 - 23.15.850;

5 (2) facilitate the development of a statewide policy for a coordinated  
6 and effective technical and vocational education training system in this state and, to  
7 the extent authorized by federal and state law, plan and coordinate federal, state, and  
8 local efforts in technical and vocational education programs;

9 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)  
10 to carry out the purposes of AS 23.15.820 - 23.15.850, including regulations that set  
11 standards for the percentage of a grant that may be used for administrative costs; the  
12 regulations must clearly identify and distinguish between expenses that may be  
13 included in administrative costs and those that may not be included in administrative  
14 costs; the percentage allowed for administrative costs may not exceed the lesser of five  
15 percent or the amount permitted under the requirements of a federal program, if  
16 applicable;

17 (4) administer the grant program under AS 23.15.840 and establish  
18 grant administration requirements including accounting procedures that apply to  
19 qualified entities and their grantees.

20 (b) The **board** [COUNCIL] may

21 (1) receive money designated for technical and vocational education  
22 programs and may disburse money, including grants, to technical and vocational  
23 education projects in accordance with AS 37.07 (Executive Budget Act);

24 (2) enter into partnership agreements through appropriate  
25 administrative agencies with private industry training entities within the state in order  
26 to facilitate the coordination of training opportunities; and

27 (3) recommend to the legislature changes to enhance the effectiveness  
28 of the training programs it oversees under this section.

29 \* **Sec. 34.** AS 23.15.830 is amended to read:

30 **Sec. 23.15.830. Alaska technical and vocational education program**  
31 **account.** The Alaska technical and vocational education program account is

established in the general fund. The commissioner of administration shall separately account for money collected under AS 23.15.835 that the department deposits in the general fund. The legislature may appropriate the annual estimated balance in the account to the **board** [COUNCIL] to implement AS 23.15.820 - 23.15.850. The legislature may appropriate the lapsing balance of the account to the unemployment compensation fund established in AS 23.20.130.

\* **Sec. 35.** AS 23.15.840(a) is amended to read:

(a) The **board** [COUNCIL] shall award grants, in accordance with the priority list adopted under (f) of this section, to technical and vocational education entities. A technical and vocational **education** entity is eligible for a grant under this section if the entity meets program requirements, the grant program is physically located in Alaska, and the entity can demonstrate that

(1) the entity's accounting systems include controls adequate to check the accuracy and reliability of accounting data, promote operating efficiency, and assure compliance with program requirements and generally accepted accounting principles;

(2) the entity's activities do not replace or compete in any way with a federally approved [, JOINTLY ADMINISTERED] apprenticeship program or any other existing training programs; and

(3) the entity has secured matching funds for the program for which the grant is requested.

\* **Sec. 36.** AS 23.15.840(b) is amended to read:

(b) The **board** [COUNCIL] may not award a grant if the grant would displace money available through existing public or private technical and vocational education programs.

\* **Sec. 37.** AS 23.15.840(d) is amended to read:

(d) A technical or vocational educational institution that receives a grant from the **board** [COUNCIL] shall give appropriate state agencies full access to accounting records concerning the grant to assure compliance with program standards.

\* **Sec. 38.** AS 23.15.840(e) is amended to read:

(e) In making a grant under this section, the **board** [COUNCIL] shall require



that the qualified entity and grantees of the qualified entity limit the amount of the grant proceeds spent on administration so that the total spent on administration from the proceeds of the technical and vocational education program account, including amounts spent by the **board** [COUNCIL] itself, does not exceed five percent. A training program funded by the **board** [COUNCIL] must

(1) meet the standards adopted by the **board** [COUNCIL] concerning the percentage of a grant that may be spent on administrative costs;

(2) be operated by an institution that holds a valid authorization to operate issued under AS 14.48 if the program is a postsecondary educational program operated by a postsecondary educational institution subject to regulation under AS 14.48.

\* **Sec. 39.** AS 23.15.840(f) is amended to read:

(f) To the extent that funding is available, grants shall be awarded to entities that apply for funding by the deadline established by the **board** [COUNCIL] by regulation. The **board** [COUNCIL] shall give priority to grant applications from qualified entities whose purpose is listed first on the list of priorities adopted under this subsection. If money remains after grants for the first priority have been awarded, the **board** [COUNCIL] may make grants to entities whose purpose is listed next on the list of priorities. The **board** [COUNCIL] shall proceed in this fashion until it has exhausted the money available for granting for the year. The **board** [COUNCIL] shall adopt a priority list each year based on economic, employment, and other relevant data in order to maximize employment opportunities for participants.

\* **Sec. 40.** AS 23.15.850(1) is amended to read:

(1) **"board"** ["COUNCIL"] means the **Alaska Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL];

\* **Sec. 41.** AS 23.20.110(a) is amended to read:

(a) Except as provided in (h) and (i) of this section, the department shall hold information obtained from an employing unit or individual in the course of administering this chapter and determinations as to the benefit rights of an individual confidential and may not disclose them or open them to public inspection in a manner that reveals the identity of the individual or employing unit. A claimant or an

1        employing unit, or the legal representative of the claimant or the employing unit, is  
 2        entitled to information from the records of the department to the extent necessary to  
 3        properly present or protest a claim or determination under this chapter. Subject to  
 4        restrictions that the department prescribes by regulation, the information may be made  
 5        available to an agency of this state or another state or federal agency charged with the  
 6        administration of an unemployment compensation law or the maintenance of a system  
 7        of public employment offices, or, for the purposes of the Federal Unemployment Tax  
 8        Act, to the Internal Revenue Service of the United States, or, for tax purposes, to the  
 9        Department of Revenue. Information obtained in the course of administering this  
 10       chapter or in connection with the administration of the employment service may be  
 11       made available to persons or agencies for purposes appropriate to the operation of a  
 12       public employment service or the administration of employment and training  
 13       programs planned or coordinated by the Alaska Workforce Investment Board  
 14       [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] under AS 23.15.550 -  
 15       23.15.585.

16       \* **Sec. 42.** AS 24.60.080(h) is amended to read:

17                (h) A legislator, a legislative committee other than the Select Committee on  
 18       Legislative Ethics, or a legislative agency may accept [(1)] a gift of (1) volunteer  
 19       services for legislative purposes so long as the person making the gift of services is not  
 20       receiving compensation from another source for the services, or (2) [A GIFT OF] the  
 21       services of a trainee who is participating in an educational program approved by the  
 22       committee if the services are used for legislative purposes. The committee shall  
 23       approve training under a program of the University of Alaska and training under 29  
 24       U.S.C. 2801 - 2945 (Workforce Investment Act of 1998) [29 U.S.C. 1501 - 1792B  
 25       (JOB TRAINING PARTNERSHIP ACT)]. A legislative volunteer or educational  
 26       trainee shall be considered to be a legislative employee for purposes of compliance  
 27       with this section, AS 24.60.030 - 24.60.039, 24.60.060, 24.60.085, 24.60.158 -  
 28       24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer  
 29       or educational trainee has violated the provisions of one of those sections, the person  
 30       may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to  
 31       the proceeding.

1     \* **Sec. 43.** AS 39.50.200(a)(8) is amended to read:

2                     (8) "public official" means

3                             (A) a judicial officer;

4                             (B) the governor or the lieutenant governor;

5                             (C) a person hired or appointed in a department in the  
6     executive branch as

7                                     (i) the head or deputy head of the department;

8                                     (ii) the director or deputy director of a division;

9                                     (iii) a special assistant to the head of the department;

10                                    (iv) a person serving as the legislative liaison for the  
11     department;

12                             (D) an assistant to the governor or the lieutenant governor;

13                             (E) the chair or a member of a state commission or board other  
14     than physician members or alternates of the Alaska Teachers' Retirement  
15     Board appointed under AS 14.25.035(a)(2) or of the Public Employees'  
16     Retirement Board appointed under AS 39.35.030(d);

17                             (F) state investment officers and the state comptroller in the  
18     Department of Revenue;

19                             (G) the executive director of the Alaska Tourism Marketing  
20     Council;

21                             (H) the chief procurement officer appointed under  
22     AS 36.30.010;

23                             (I) the executive director of the Alaska Workforce  
24     Investment Board [ALASKA HUMAN RESOURCE INVESTMENT  
25     COUNCIL]; and

26                             (J) each appointed or elected municipal officer;

27     \* **Sec. 44.** AS 39.50.200(b)(55) is amended to read:

28                     (55) Alaska Workforce Investment Board [ALASKA HUMAN  
29     RESOURCE INVESTMENT COUNCIL] (AS 23.15.550);

30     \* **Sec. 45.** AS 44.31.020 is amended to read:

31             **Sec. 44.31.020. Duties of department.** The Department of Labor and

1 Workforce Development shall

2 (1) enforce the laws, and adopt regulations under them concerning  
3 employer-employee relationships, including the safety, hours of work, wages, and  
4 conditions of workers, including children;

5 (2) accumulate, analyze, and report labor statistics;

6 (3) operate systems of workers' compensation and unemployment  
7 insurance;

8 (4) gather data reflecting the cost of living in the various election  
9 districts of the state upon request of the director of personnel under AS 39.27.030; in  
10 this paragraph, "election district" has the meaning given in AS 39.27.020(b);

11 (5) operate the federally funded employment and training programs  
12 under **29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998)** [29 U.S.C. 1501 -  
13 1792B (JOB TRAINING PARTNERSHIP ACT)]; and

14 (6) administer the state's program of adult basic education.

15 \* **Sec. 46.** AS 23.15.660(3) is repealed.

16 \* **Sec. 47.** The uncoded law of the State of Alaska enacted in sec. 6, ch. 116, SLA 1996,  
17 as amended by sec. 9, ch. 85, SLA 1998, is amended to read:

18 Sec. 6. AS 23.15.620, 23.15.625, 23.15.630, 23.15.635, 23.15.640, 23.15.645,  
19 23.15.651, and 23.15.660 are repealed June 30, **2004** [2002].

20 \* **Sec. 48.** The uncoded law of the State of Alaska enacted in sec. 1, ch. 102, SLA 2001 is  
21 amended to read:

22 Section 1. ALLOCATION OF APPROPRIATIONS FOR FISCAL YEARS  
23 ENDING JUNE 30, 2002, AND JUNE, 2003. Notwithstanding AS 23.15.840(a), for  
24 the fiscal years ending June 30, 2002, **through June 30, 2006** [AND JUNE 30, 2003],  
25 the money collected under AS 23.15.835 or otherwise appropriated to the **Alaska**  
26 **Workforce Investment Board** [ALASKA HUMAN RESOURCE INVESTMENT  
27 COUNCIL] shall be allocated directly in the following percentages to the following  
28 institutions for programs consistent with AS 23.15.820 - 23.15.850 and capital  
29 improvements:

30 University of Alaska 63 percent

31 Galena Project Education Vocational Training Center 4 percent

Kotzebue Technical Center

11 percent

Alaska Vocational Technical Center

22 percent.

\* **Sec. 49.** The uncodified law of the State of Alaska is amended by adding a new section to read:

REPORT TO THE LEGISLATURE. The Department of Labor and Workforce Development shall present a written report to the legislature on the state training and resources program within 10 days of the beginning of the First Regular Session of the Twenty-Third Alaska State Legislature. The report must include

- (1) an outreach plan for the state training and resources program;
- (2) a certification verification plan;
- (3) the department's recommendations on allowable nonadministrative costs for program expenses;
- (4) a data collection and reporting plan;
- (5) the status of the governor's discretionary fund for statewide activities established as part of the 1999 Alaska Human Resource Investment Council action plan; and
- (6) the department's recommendations on including reimbursable employers in the state training and employment program, and excluding current and former employees of reimbursable employers from the program.

\* **Sec. 50.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: MEMBERS AND TERMS OF THE ALASKA WORKFORCE INVESTMENT BOARD; EXECUTIVE DIRECTOR. (a) On the effective date of this section, the members of the Alaska Workforce Investment Board created in AS 23.15.550, as amended by sec. 3 of this Act, are the same persons who, on the day before the effective date of this section, served as members of the Alaska Human Resource Investment Council under AS 23.15.550 as that section appeared on the day before the effective date of this section. The members described in this section shall serve the remainder of their unexpired terms.

(b) The person serving as executive director of the Alaska Human Resource Investment Council on the day before the effective date of this section shall serve, under the same terms and conditions, as executive director of the Alaska Workforce Investment Board created in AS 23.15.550, as amended by sec. 3 of this Act.

1     \* **Sec. 51.** The uncoded law of the State of Alaska is amended by adding a new section to  
2 read:

3           TRANSITION: EXECUTIVE COMMITTEE OF ALASKA WORKFORCE  
4 INVESTMENT BOARD. Notwithstanding AS 23.15.570(c), as amended by sec. 7 of this  
5 Act, the executive committee of the Alaska Workforce Investment Board, created in  
6 AS 23.15.550, as amended by sec. 3 of this Act, shall include the immediate past chair of the  
7 Alaska Human Resource Investment Council, created by AS 23.15.550 as that section  
8 appeared on the day before the effective date of this section. The immediate past chair of the  
9 Alaska Human Resource Investment Council shall serve on the executive committee until an  
10 immediate past chair of the Alaska Workforce Investment Board exists.

11    \* **Sec. 52.** The uncoded law of the State of Alaska is amended by adding a new section to  
12 read:

13           TRANSITION: REGULATIONS. (a) Notwithstanding sec. 57 of this Act, the state  
14 agencies affected by this Act may proceed to adopt regulations necessary to implement the  
15 respective changes made by secs. 1 - 46 of this Act. The regulations take effect under  
16 AS 44.62 (Administrative Procedure Act), but not before the effective date of the statutory  
17 change.

18           (b) To the extent that the regulations are not inconsistent with the purposes of this  
19 Act, regulations implementing AS 23.15.550 - 23.15.850 that are in effect on the day before  
20 the effective date of this subsection remain as valid regulations implementing this Act. The  
21 affected state agencies may continue to administer and enforce the regulations described in  
22 this subsection.

23           (c) To the extent consistent with this Act, the regulations attorney is instructed to  
24 change terms in the Alaska Administrative Code relating to the Alaska Human Resource  
25 Investment Council, as follows:

26                   (1) "Alaska Human Resource Investment Council" to "Alaska Workforce  
27 Investment Board";

28                   (2) "council," in relation to the change described in (1) of this subsection, to  
29 "board."

30    \* **Sec. 53.** The uncoded law of the State of Alaska is amended by adding a new section to  
31 read:

1 REVISOR OF STATUTES INSTRUCTIONS. The revisor of statutes is instructed to  
2 change the heading of art. 4 of AS 23.15 from "Alaska Human Resource Investment Council"  
3 to "Alaska Workforce Investment Board."

4 \* **Sec. 54.** The uncodified law of the State of Alaska is amended by adding a new section to  
5 read:

6 RETROACTIVITY OF SEC. 47. If sec. 47 of this Act takes effect after June 29,  
7 2002, sec. 47 of this Act is retroactive to June 29, 2002.

8 \* **Sec. 55.** Section 47 of this Act takes effect June 29, 2002.

9 \* **Sec. 56.** Section 52(a) of this Act takes effect immediately under AS 01.10.070(c).

10 \* **Sec. 57.** Except as provided in secs. 55 and 56 of this Act, this Act takes effect July 1,  
11 2002.