

CS FOR SENATE BILL NO. 142(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 4/21/95
Referred: Finance

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

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Alaska Human Resource Investment Council and
2 transferring certain functions of other entities to the council; abolishing the
3 Employment Security Advisory Council; establishing a planning mechanism for
4 employment training and other human resource investment needs; and providing
5 for an effective date."

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

7 * **Section 1.** LEGISLATIVE FINDINGS AND PURPOSE. (a) The legislature finds that

8 (1) Alaska's most important resource is its people and a well-trained work force
9 is essential for economic opportunity and the future fiscal well-being of the state;

10 (2) if the state is to be competitive, it must continue to produce a literate,
11 reliable, skilled, and professional work force in order to meet the current and future needs of
12 the state's employers;

13 (3) to continue to produce a competitive work force, the work force

1 development and education programs in this state must be integrated to provide a
2 comprehensive system of education and training opportunities necessary to maintain the
3 readiness of the state's work force now and in the future;

4 (4) to maximize the effectiveness of education and job training opportunities
5 in the state, an alliance of available resources in the public and private sectors in the state is
6 essential;

7 (5) the creation of an alliance of education and job training opportunities in
8 the state is consistent with national efforts to consolidate federally funded programs into an
9 integrated system to provide a single entity to address issues in these programs;

10 (6) the creation of the Alaska Human Resource Investment Council will serve
11 a vital role in forging such an alliance among all these programs to make training accessible
12 to every Alaskan, to allow Alaskans, especially those persons in rural Alaska, to compete in
13 the job marketplace.

14 (b) The purposes of this Act are

15 (1) to establish the Alaska Human Resource Investment Council to develop and
16 oversee the implementation of a comprehensive state human resource investment system;

17 (2) to promote an efficient, effective, and integrated system of employment
18 education and training programs and services so that all Alaskans have the skills and
19 opportunities necessary to earn a living wage and to meet the future business needs of the
20 state.

21 * **Sec. 2.** AS 14.35.020(b) is amended to read:

22 (b) When required by any of the Acts described in AS 14.35.010 the board
23 shall

24 (1) prepare, submit, and supervise the administration of the plans for
25 vocational education and vocational rehabilitation;

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

27 (3) establish the minimum qualifications for teachers, supervisors, or
28 directors;

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

31 **(5) consider the advice of the Alaska Human Resource Investment**

1 **Council established by AS 44.19.620 regarding employment training needs and**
2 **advise that council in the development of vocational education programs.**

3 * **Sec. 3.** AS 14.42.015(a) is amended to read:

4 (a) There is in the Department of Education the Alaska Commission on
5 Postsecondary Education consisting of

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

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

11 (3) one person representing the Department of Education selected by
12 the state Board of Education;

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

15 (5) one member of the **Alaska Human Resource Investment Council**
16 **established by AS 44.19.620** [STATE ADVISORY COUNCIL ON VOCATIONAL
17 EDUCATION] designated by the members of that body;

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

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

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

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

27 * **Sec. 4.** AS 39.50.200(b) is amended by adding a new paragraph to read:

28 (55) Alaska Human Resource Investment Council (AS 44.19.620).

29 * **Sec. 5.** AS 44.19 is amended by adding new sections to read:

30 ARTICLE 12. ALASKA HUMAN RESOURCE INVESTMENT COUNCIL.

31 Sec. 44.19.620. ALASKA HUMAN RESOURCE INVESTMENT COUNCIL.

1 (a) The Alaska Human Resource Investment Council is established in the Office of
2 the Governor. The council consists of the following voting members, not to exceed
3 26:

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

5 (2) the commissioners of commerce and economic development,
6 community and regional affairs, education, health and social services, and labor, or
7 each respective commissioner's designee;

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

9 (4) four additional representatives of education, with one from local
10 public education, one from secondary vocational education, one from a postsecondary
11 vocational education institution, and one from adult basic education;

12 (5) four representatives of business and industry, with at least one
13 representative from the private industry councils appointed under 29 U.S.C. 1512 and
14 subject to reconstitution under 29 U.S.C. 1515;

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

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

21 (8) at least one representative of a community-based service
22 organization;

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

25 (10) at least one and up to four additional members of the private
26 sector to ensure a private sector majority and regional and local representation on the
27 council.

28 (b) Additional nonvoting members may be appointed to the council from
29 government or nongovernment entities.

30 Sec. 44.19.621. APPOINTMENT AND TERM OF MEMBERS. (a) Members
31 of the Alaska Human Resource Investment Council other than those listed in

1 AS 44.19.620(a)(1) and (2) are appointed by the governor and serve at the pleasure
2 of the governor.

3 (b) The voting members of the council other than those listed in
4 AS 44.19.620(a)(1) and (2) serve for staggered four-year terms and may serve until a
5 successor is appointed. An appointment to fill a vacancy shall be made in the same
6 manner as the original appointment and for the balance of the unexpired term.

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

13 Sec. 44.19.622. COMPENSATION. Members of the Alaska Human Resource
14 Investment Council listed in or appointed under AS 44.19.620(a) serve without
15 compensation but are entitled to per diem and travel expenses authorized by law for
16 boards and commissions under AS 39.20.180. Nonvoting members of the council
17 appointed under AS 44.19.620(b) serve without compensation and are not entitled to
18 per diem and travel expenses.

19 Sec. 44.19.623. OFFICERS. The Alaska Human Resource Investment Council
20 shall elect a chair from among the members listed in or appointed under
21 AS 44.19.620(a) who are from the private sector. They shall also elect a vice-chair.
22 The chair and vice-chair serve in their positions at the pleasure of the council.

23 Sec. 44.19.624. MEETINGS, QUORUM, AND COMMITTEES. (a) The
24 Alaska Human Resource Investment Council shall meet at the call of the chair to
25 conduct its business. A majority of the members listed in or appointed to the council
26 under AS 44.19.620(a) constitutes a quorum.

27 (b) The council may establish standing and special committees or
28 subcommittees, not necessarily consisting of council members, to advise and assist the
29 council in carrying out its functions assigned by federal or state statute.

30 Sec. 44.19.625. COUNCIL AS STATE PLANNING ENTITY. The Alaska
31 Human Resource Investment Council shall act as the lead state planning and

- 1 coordinating entity for state human resource programs administered under
2 (1) 29 U.S.C. 1501 - 1792b (Job Training Partnership Act);
3 (2) 20 U.S.C. 2301 - 2471 (Carl D. Perkins Vocational and Applied
4 Technology Education Act);
5 (3) 20 U.S.C. 1201 - 1213d (Adult Education Act);
6 (4) 29 U.S.C. 49 - 491-1 (Wagner - Peysner Act);
7 (5) 42 U.S.C. 681 - 687 (Job Opportunities and Basic Skills Training
8 Program) for needy families with children under the Social Security Act;
9 (6) the employment program established under 7 U.S.C. 2015(d)(4)
10 (Food Stamp Act of 1977);
11 (7) all federal programs designated as successors to the programs listed
12 in (1) - (6) of this section; and
13 (8) all state laws involving employment training, vocational education,
14 workforce development, and community service.

15 Sec. 44.19.626. FUNCTIONS OF THE COUNCIL. (a) As the lead state
16 planning and coordinating entity, the Alaska Human Resource Investment Council has
17 responsibility, to the extent authorized by federal and state law, for planning and
18 coordinating federal, state, and local efforts in human resource programs in this state
19 related to employment training.

20 (b) The council shall

- 21 (1) facilitate the development of statewide policy for a coordinated and
22 effective employment training and education system in this state;
23 (2) identify the human resource investment needs in the state and
24 develop a plan to meet those needs;
25 (3) review the provision of services and the use of money and resources
26 by the human resource programs listed in AS 44.19.625;
27 (4) assume the duties and functions of the state councils described
28 under the laws relating to the federal human resource programs listed in AS 44.19.625;
29 (5) advise the governor and state and local agencies on the development
30 of state and local standards and measures relating to applicable human resource
31 programs;

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

3 (7) monitor for the implementation and evaluate the effectiveness of the
4 strategic plan developed by the council; and

5 (8) adopt regulations under AS 44.62 (Administrative Procedure Act)
6 to carry out the purposes of AS 44.19.620 - 44.19.627.

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

12 Sec. 44.19.627. ADMINISTRATION. (a) The Office of the Governor shall
13 provide professional, technical, and administrative staff for the Alaska Human
14 Resource Investment Council.

15 (b) Subject to legislative appropriations, and in accordance with AS 37.07
16 (Executive Budget Act), the council's budget is funded from programs for which the
17 council is the lead state planning and coordinating entity under AS 44.19.625.

18 * **Sec. 6.** AS 44.47.752 is amended to read:

19 Sec. 44.47.752 ADMINISTRATION. (a) The **Alaska Human Resource**
20 **Investment** [STATE JOB TRAINING COORDINATING] Council established **in**
21 **AS 44.19.620** [UNDER 29 U.S.C. 1532] shall oversee the incentive program. The
22 service delivery areas established under 29 U.S.C. 1511 and subject to redesignation
23 under 29 U.S.C. 1515 shall be used in the administration of the incentive program. The
24 private industry councils appointed under 29 U.S.C. 1512 and subject to reconstitution
25 under 29 U.S.C. 1515 shall serve as the private industry councils for the incentive
26 program.

27 (b) The [COORDINATING] council shall divide appropriations for the
28 incentive program equally among the private industry councils. If a private industry
29 council lacks sufficient money to fund a proposal, the private industry council may
30 apply to the [COORDINATING] council for additional funding. The
31 [COORDINATING] council may approve reallocation of money from one service

1 delivery area to another to fund a particular proposal if it finds that the reallocation
2 will best serve the purposes of the program.

3 (c) The [COORDINATING] council shall adopt regulations under AS 44.62
4 (Administrative Procedure Act) to implement AS 44.47.750 - 44.47.772.

5 * **Sec. 7.** AS 44.47.762(b) is amended to read:

6 (b) The [COORDINATING] council shall adopt regulations concerning
7 retention of records.

8 * **Sec. 8.** AS 44.47.762(c) is amended to read:

9 (c) The [COORDINATING] council shall report annually to the legislature
10 concerning the incentive program no later than February 1.

11 * **Sec. 9.** AS 44.47.772(1) is amended to read:

12 (1) "[COORDINATING] council" means the **Alaska Human Resource**
13 **Investment** [STATE JOB TRAINING COORDINATING] Council established **in**
14 **AS 44.19.620** [UNDER 29 U.S.C. 1532];

15 * **Sec. 10.** AS 47.25.310(b) is amended to read:

16 (b) When determining whether a person has sufficient work history for
17 purposes of qualifying for benefits as the unemployed principal wage earner in a
18 family that includes a dependent child, the department shall consider as quarters of
19 qualifying work up to four calendar quarters in the proper time period in which the
20 person (1) attended on a full-time basis an elementary school, a secondary school, or
21 a federally approved vocational or technical training course that is designed to prepare
22 the person for gainful employment; or (2) participated in an education or training
23 program established under **29 U.S.C. 1501 - 1792b** ([THE] Job Training Partnership
24 Act [(P.L. 97-300)] or a training and employment program operated or funded by the
25 **Alaska Human Resource Investment Council established by AS 44.19.620** [STATE
26 JOB TRAINING COORDINATING COUNCIL IN THE DEPARTMENT OF
27 COMMUNITY AND REGIONAL AFFAIRS] through a grant from the Department
28 of Labor. A person may substitute quarters of education or training for quarters of
29 work only once in the person's lifetime to establish eligibility under AS 47.25.310 -
30 47.25.420.

31 * **Sec. 11.** AS 47.25.421(c) is amended to read:

1 (c) The department may carry out the program directly or through
2 arrangements or under contracts with administrative entities involved with **29 U.S.C.**
3 **1501 - 1792b** ([THE] Job Training Partnership Act [(P.L. 97-300)]), as amended, with
4 state and local education agencies, and with other public agencies or private
5 organizations, including community-based organizations acceptable under federal
6 regulations. The department shall contract for services under the program when
7 feasible and in the state's interest. The department may adopt regulations to govern
8 the operation of the program components that are operated under contract by other
9 entities. Whether the department operates the program directly or through contract,
10 the department shall coordinate the program with programs operated in the state under
11 the Job Training Partnership Act and with other relevant employment, training, and
12 education programs available in the state, including programs operated by Indian or
13 Native organizations that receive grants from the federal government to operate their
14 programs under 42 U.S.C. 682(i) and programs operated or funded by the **Alaska**
15 **Human Resource Investment Council established by AS 44.19.620** [STATE JOB
16 TRAINING COORDINATING COUNCIL IN THE DEPARTMENT OF
17 COMMUNITY AND REGIONAL AFFAIRS] through a grant from the Department
18 of Labor. The department shall consult with the Department of Education, the
19 Department of Labor, and the Department of Community and Regional Affairs to
20 promote coordination of the planning and delivery of services under the program with
21 programs operated by those departments.

22 * **Sec. 12.** Section 7(a), ch. 95, SLA 1989, is amended to read:

23 (a) The department may award a grant to the **council** [STATE JOB
24 TRAINING COORDINATING COUNCIL] to

- 25 (1) administer a state training and employment program; and
26 (2) award pilot project grants to qualified entities.

27 * **Sec. 13.** Section 7(b), ch. 95, SLA 1989, is amended to read:

28 (b) If a grant is awarded to the **council** [STATE JOB TRAINING
29 COORDINATING COUNCIL], the department shall annually provide to the council
30 a priority list of targeted projects or services, based on unemployment statistics,
31 unemployment insurance claims, occupational and industrial projections, availability

1 of other training and employment programs, and other relevant data. The department
2 shall also provide annually to the council a priority list of criteria for eligibility to
3 maximize services to those people most in need of training under this Act. In
4 developing the priority list for targeted projects and services, the department shall
5 solicit comments from the Department of Community and Regional Affairs,
6 Department of Education, Department of Commerce and Economic Development,
7 University of Alaska, organized labor, the council, and the administrative entities of
8 the substate service delivery areas established for the council.

9 * **Sec. 14.** Section 8(c), ch. 95, SLA 1989, is amended to read:

10 (c) [THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
11 SHALL PROVIDE ADMINISTRATIVE SUPPORT TO THE COUNCIL TO
12 ADMINISTER THE PROGRAM.] To provide administration of the program, the
13 council may use the administrative entities of the substate service delivery areas
14 established for the council.

15 * **Sec. 15.** Section 9(1), ch. 95, SLA 1989, is amended to read:

16 (1) "council" means the **Alaska Human Resource Investment** [STATE
17 JOB TRAINING COORDINATING] Council established in **AS 44.19.620** [THE
18 DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS UNDER 29 U.S.C.
19 1532 AND ADMINISTRATIVE ORDER NUMBER 74 OF THE GOVERNOR];

20 * **Sec. 16.** AS 23.20.025, 23.20.520(9); AS 39.05.060(a)(3); and AS 39.50.200(b)(9) are
21 repealed.

22 * **Sec. 17.** TRANSITION. On a quarterly basis during a transition period beginning on the
23 effective date of this section and ending January 1, 1996, the boards and councils that oversee
24 the federal and state programs to be assumed by the Alaska Human Resource Investment
25 Council established by this Act shall hold joint meetings, to be attended by one or more
26 representatives from each of those boards and councils. The purpose of these meetings is to
27 facilitate the transfer of functions to the Alaska Human Resource Investment Council and to
28 conclude the business of each of the other boards and councils. Staff support during the
29 transition period established in this section shall be provided by at least one member of the
30 staff of the Office of the Governor and by assignment of staff from each of the executive
31 branch departments that currently provide staff support for the respective other boards and

1 councils.

2 * **Sec. 18. INITIAL APPOINTMENTS TO COUNCIL.** (a) The terms of persons initially
3 appointed to the Alaska Human Resource Investment Council under AS 44.19.620(a)(3) - (10),
4 enacted by sec. 5 of this Act, shall be set as follows so as to establish the staggering of terms
5 required by AS 44.19.621(b), enacted by sec. 5 of this Act:

6 (1) at least five members shall be appointed for a term of four years;

7 (2) at least four members shall be appointed for a term of three years;

8 (3) at least four members shall be appointed for a term of two years; and

9 (4) at least four members shall be appointed for a term of one year.

10 (b) The terms of members initially appointed under AS 44.19.620(a)(4), (5), and (6),
11 enacted by sec. 5 of this Act, shall be set so that the terms of no two members expire in the
12 same year.

13 (c) If more than one member is appointed under AS 44.19.620(a)(7), (8), (9), or (10),
14 enacted by sec. 5 of this Act, the terms of the members appointed under each of those
15 provisions shall be set so that the terms of no two members expire in the same year.

16 * **Sec. 19. REPORT TO GOVERNOR ON CONSOLIDATION OF PROGRAMS.** (a) The
17 Alaska Human Resource Investment Council shall research and prepare a report for
18 presentation to the governor by July 1, 1996, concerning investment in and development of
19 human resources in the state.

20 (b) The report must include recommendations on any additional state government
21 entities whose authority and duties may be transferred to the council by Executive Order,
22 Administrative Order, or legislation.

23 (c) The report must include recommendations concerning the consolidation of all
24 applicable federal, state, and local human resource programs for employment training, so that
25 those programs may be administered by one entity. The report must include recommendations
26 on which programs should be included in a consolidation, and what role each state agency
27 should have in the administration of human resource programs after consolidation. In making
28 its recommendations, the council shall consider administrative efficiency, from the point of
29 view of both state government and the recipient, and the quality of services.

30 * **Sec. 20. REPORT TO GOVERNOR ON PRIVATE INDUSTRY COUNCILS.** The
31 Alaska Human Resource Investment Council shall prepare and submit to the governor by

1 July 1, 1996, a report making recommendations to the governor on how best to take advantage
2 of the private industry council structure established in accordance with 29 U.S.C. 1501 -
3 1792b (Job Training Partnership Act). The report must include the strengths, weaknesses, and
4 potential of the private industry councils appointed under 29 U.S.C. 1512 as they pertain to
5 the local oversight and administration of the applicable human resource investment programs.
6 Additional duties and programs that shall be considered in the report include the potential
7 relationship of private industry councils to certain federal grants, job corps recruitment,
8 veterans' vocational training, and guaranteed student loans for Title IV of the Higher
9 Education Act of 1965, as amended.

10 * **Sec. 21.** Section 17 of this Act takes effect immediately under AS 01.10.070(c).

11 * **Sec. 22.** Sections 1 - 15 and 18 - 20 of this Act take effect July 1, 1995.

12 * **Sec. 23.** Section 16 of this Act takes effect January 1, 1996.