

CS FOR SENATE BILL NO. 252(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 4/26/02
Referred: Finance

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].

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29 (c) The executive committee consists of the chair and vice-chair of the **board**
 30 [COUNCIL], the immediate past chair of the **board** [COUNCIL], and the chairs of the
 31 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;

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

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

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

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

8 (g) The workforce readiness committee shall

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

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

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

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

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

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

23 (1) **29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998)** [29
24 U.S.C. 1501 - 1792B (JOB TRAINING PARTNERSHIP ACT)];

25 (2) 20 U.S.C. 2301 - 2471 (Carl D. Perkins Vocational and Applied
26 Technology Education Act);

27 (3) [20 U.S.C. 1201 - 1213D (ADULT EDUCATION ACT)];

28 (4) 29 U.S.C. 49 - 491-1 (Wagner - Peyser Act);

29 **(4) federal law for work programs** [(5) 42 U.S.C. 681 - 687 (JOB
30 OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM)] for needy
31 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];

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

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

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

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

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

23 (d) The **board** [COUNCIL] shall provide oversight for the planning and
 24 coordination of employment-related education training programs operated by the state
 25 or operated under contract with the state that are described in (f) of this section. The
 26 **board** [COUNCIL] shall require a training program listed in (f) of this section to meet
 27 the requirements of this subsection. The **board** [COUNCIL] shall, by regulation,
 28 establish appropriate penalties for programs that fail to meet the requirements of this
 29 subsection. The **board** [COUNCIL] may recommend to the legislature changes to
 30 enhance the effectiveness of the training programs it oversees under this section. A
 31 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].

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

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

5 (A) [ONE STOP CAREER CENTER;

6 (B) JOB TRAINING PARTNERSHIP ACT] programs under
7 **29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998)** [29 U.S.C. 1501
8 - 1792B], assisting communities in moving toward a self-sustainable economy
9 and providing training;

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

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

17 [(E) SCHOOL-TO-WORK;]

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

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

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

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

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

30 (A) [HIGH SCHOOL COMPLETION PROJECT;

31 (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 **15 percent of**
 30 **program expenses in the prior fiscal year** [20 PERCENT]. The amount collected
 31 and remitted in accordance with the shared cost requirements of the federal Office of

1 Management and Budget Circular A-87 entitled "Cost Principles for State and Local
2 Governments" is not considered an amount spent on administration under this
3 subsection.

4 * **Sec. 16.** AS 23.15.651 is amended to read:

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

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

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

16 (2) its activities do not replace or compete in any way with a federally
17 approved, jointly administered apprenticeship program or any other existing training
18 programs.

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

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

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

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

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

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

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

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

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

8 * **Sec. 20.** AS 23.15.710 is amended to read:

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

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

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

30 * **Sec. 21.** AS 23.15.720 is amended to read:

31 **Sec. 23.15.720. Business incentive training plan.** (a) A **local workforce**

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

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

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

10 (3) procedures for identifying and selecting participants;

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

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

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

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

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

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

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

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

29 (a) Each **local workforce investment board** [PRIVATE INDUSTRY
 30 COUNCIL] shall designate an administrative entity to be the grant recipient and
 31 administrator for the region. An employer may apply to the grant administrator for a

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

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

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

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

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

22 (1) have been unemployed and

23 (A) receiving unemployment insurance benefits; or

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

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

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

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

30 (C) a change in the conditions of the employee's job requiring
 31 that, to remain employed, the employee must have substantially different skills

1 that the employee does not now possess; or

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

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

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

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

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

12 (e) Payments to employers for on-the-job training of participants who
13 experience multiple barriers to employment or are eligible under 29 U.S.C. 2801 -
14 2945 (Workforce Investment Act of 1998) [THE JOB TRAINING PARTNERSHIP
15 ACT (P.L. 97-300)] may not average more than 80 percent of the wages paid by the
16 employer to the participant. Payments to employers for on-the-job training of other
17 participants may not average more than 50 percent of the wages paid by the employer
18 to participants. The payments shall be considered to be in compensation for the
19 extraordinary costs associated with training employees for new positions and the lower
20 productivity of the participants.

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

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

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

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

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

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

31 * **Sec. 30.** AS 23.15.790 is amended to read:

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

7 * **Sec. 31.** AS 23.15.800 is amended to read:

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

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

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

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

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

28 * **Sec. 33.** AS 23.15.820 is amended to read:

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

1 INVESTMENT COUNCIL] shall

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

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

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

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

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

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

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

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

28 * **Sec. 34.** AS 23.15.830 is amended to read:

29 **Sec. 23.15.830. Alaska technical and vocational education program**
30 **account.** The Alaska technical and vocational education program account is
31 established in the general fund. The commissioner of administration shall separately

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

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

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

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

16 (2) the entity's activities do not replace or compete in any way with a
 17 federally approved, jointly administered apprenticeship program or any other existing
 18 training programs; and

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

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

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

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

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

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

30 (e) In making a grant under this section, the **board** [COUNCIL] shall require
 31 that the qualified entity and grantees of the qualified entity limit the amount of the

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (8) "public official" means

2 (A) a judicial officer;

3 (B) the governor or the lieutenant governor;

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

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

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

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

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

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

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

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

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

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

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

25 (J) each appointed or elected municipal officer;

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

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

29 * **Sec. 45.** AS 44.31.020 is amended to read:

30 **Sec. 44.31.020. Duties of department.** The Department of Labor and
31 Workforce Development shall

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

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

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

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

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

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

14 * **Sec. 46.** AS 23.15.660(3) is repealed.

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

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

19 * **Sec. 48.** The uncodified law of the State of Alaska is amended by adding a new section to
20 read:

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

25 (1) an outreach plan for the state training and resources program;

26 (2) a certification verification plan;

27 (3) the department's recommendations on allowable nonadministrative costs
28 for program expenses;

29 (4) a data collection and reporting plan;

30 (5) the status of the governor's discretionary fund for statewide activities
31 established as part of the 1999 Alaska Human Resource Investment Council action plan; and

1 (6) the department's recommendations on including reimbursable employers in
 2 the state training and employment program, and excluding current and former employees of
 3 reimbursable employers from the program.

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

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

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

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

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

27 * **Sec. 51.** The uncodified law of the State of Alaska is amended by adding a new section to
 28 read:

29 TRANSITION: REGULATIONS. (a) Notwithstanding sec. 56 of this Act, the state
 30 agencies affected by this Act may proceed to adopt regulations necessary to implement the
 31 respective changes made by secs. 1 - 46 of this Act. The regulations take effect under

1 AS 44.62 (Administrative Procedure Act), but not before the effective date of the statutory
2 change.

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

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

11 (1) "Alaska Human Resource Investment Council" to "Alaska Workforce
12 Investment Board";

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

15 * **Sec. 52.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

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

20 * **Sec. 53.** The uncodified law of the State of Alaska is amended by adding a new section to
21 read:

22 RETROACTIVITY OF SEC. 47. If sec. 47 of this Act takes effect after June 29,
23 2002, sec. 47 of this Act is retroactive to June 29, 2002.

24 * **Sec. 54.** Section 47 of this Act takes effect June 29, 2002.

25 * **Sec. 55.** Section 51(a) of this Act takes effect immediately under AS 01.10.070(c).

26 * **Sec. 56.** Except as provided in secs. 54 and 55 of this Act, this Act takes effect July 1,
27 2002.