

FISCAL NOTE

No. 2

Bill Version: CSSB 137 (FIN)

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STATE OF ALASKA
2001 LEGISLATIVE SESSION

Revision Date: 03/20/01

Title: Alaska Human Resource Investment Council

Sponsor: Senator John Torgerson

Requester: Senate FIN

Dept. Affected: Multi-agency (U of A; E&ED)

BRU: Various

Component: Various

Component Serial No. _____

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	4,553.8	4,553.8				
Miscellaneous						
TOTAL OPERATING	4,553.8	4,553.8	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES []						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1151 VoTech Ed	4,553.8	4,553.8				
TOTAL	4,553.8	4,553.8	0.0	0.0	0.0	0.0

Estimate of any current year (FY01) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Provisions for Second and Third-Year (FY02 and FY 03) Operation (sec. 1 of this legislation) are outlined below. FY04-07 will be addressed by the administrative board for the new program, Technical Vocational Education Program (TVEP).

The funds collected under AS 23.15.835, as technical vocational education program receipts are estimated to total \$4,553,800. The appropriation breakout of this amount is noted as follows: University of Alaska (67%) - \$3,051,046; Education & Early Development-Kotzebue Technical Center (11%) - \$500,918; Education & Early Development-Alaska Vocational Technical Center (22%)-\$1,001,836.

The Unemployment Insurance (UI) program has an existing UI tax unit which collects UI tax from Alaska employers and workers. This tax unit, and the infrastructure that currently exists to collect taxes from employers, was utilized to collect the TVEP funds. The collection process is identical to the existing system required for the State Training and Employment Program (STEP). The estimated cost related to collection and accounting for STEP and TVEP monies is \$300,000. Since STEP and TVEP each collect 1/10% from wages, the total UI collection and accounting cost of \$300,000 will be split 50/50. The total TVEP amount of \$150,000 is already shown as inter-agency receipts in the FY 2002 UI component budget. This TVEP amount is split between UA \$100,500, AVTEC \$33,000 and KTC \$16,500.

Prepared by

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Date 3/20/2001

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