

**ALASKA STATE LEGISLATURE**  
**SENATE LABOR AND COMMERCE STANDING COMMITTEE**

February 2, 2016  
1:40 p.m.

**MEMBERS PRESENT**

Senator Mia Costello, Chair  
Senator Cathy Giessel, Vice Chair  
Senator Kevin Meyer  
Senator Gary Stevens  
Senator Johnny Ellis

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 125

"An Act adding legislative nonvoting members to the board of directors of the Alaska Gasline Development Corporation."

- HEARD & HELD

SENATE BILL NO. 148

"An Act relating to reporting of workplace injuries to the division of labor standards and safety."

- HEARD & HELD

Presentation: Department of Labor and Workforce Development  
Employment Related to the Gasline

- HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 125

SHORT TITLE: LEGISLATIVE MEMBERS OF AGDC BOARD

SPONSOR(s): SENATOR(s) COSTELLO

01/19/16 (S) PREFILE RELEASED 1/15/16  
01/19/16 (S) READ THE FIRST TIME - REFERRALS

01/19/16 (S) L&C, RES  
02/02/16 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 148

SHORT TITLE: EMPLOYER REPORT OF WORKPLACE INJURY/DEATH  
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/19/16 (S) READ THE FIRST TIME - REFERRALS  
01/19/16 (S) L&C  
02/02/16 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

WESTON EILER, Staff  
Senator Mia Costello  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 125 on behalf of the sponsor.

MILES BAKER, Vice President  
External Affairs and Government Relations  
Alaska Gas Development Corporation (AGDC)  
Anchorage, Alaska

**POSITION STATEMENT:** Reviewed the fiscal note to SB 125.

HEIDI DRYGAS, Commissioner  
Department of Labor and Workforce Development  
Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 148 on behalf of the administration.

GREY MITCHELL, Director  
Labor Standards and Safety  
Department of Labor and Workforce Development (DOLWD)

**POSITION STATEMENT:** Answered questions related to SB 148.

HEIDI DRYGAS, Commissioner  
Department of Labor and Workforce Development (DOLWD)  
Juneau, Alaska

**POSITION STATEMENT:** Delivered a presentation on employment related to the Gasline.

MIKE ANDREWS, Director  
Division of Employment and Training Services  
Department of Labor and Workforce Development (DOLWD)  
Anchorage, Alaska

**POSITION STATEMENT:** Participated in the DOLWD presentation on employment related to the Gasline.

**ACTION NARRATIVE**

[1:40:15 PM](#)

**CHAIR MIA COSTELLO** called the Senate Labor and Commerce Standing Committee meeting to order at 1:40 p.m. Present at the call to order were Senators Giessel, Ellis, Meyer, Stevens, and Chair Costello.

**SB 125-LEGISLATIVE MEMBERS OF AGDC BOARD**

[1:41:48 PM](#)

CHAIR COSTELLO announced the consideration of SB 125.

She passed the gavel to Vice Chair Giessel.

SENATOR MIA COSTELLO, Alaska State Legislature, sponsor of 125, explained that the bill expands the membership of the Alaska Gasline Development Corporation (AGDC) Board by adding one ex officio, nonvoting member appointed by the president of the Senate and one ex officio, nonvoting member appointed by the speaker of the House of Representatives. The purpose of the bill is to facilitate communication and a teamwork approach between the AGDC Board and the legislature and help move the AKLNG Project forward.

[1:44:07 PM](#)

WESTON EILER, staff, Senator Mia Costello, Alaska State Legislature, stated that the bill amends Title 31 adding the aforementioned new members who are appointed annually. This substantive change is on page 1, line 11, through page 2, line 2. Sections 2-6 are conforming changes within Title 31 clarifying that elections within the board will be selected from among the voting members.

He added that the AGDC Board currently consists of five public members appointed by the governor and serving at his pleasure and two commissioners of state departments appointed by the governor and serving at his pleasure. The commissioners of the Department of Revenue and the Department of Natural Resources are prohibited from serving. That change in the law was enacted with the passage of Senate Bill 138.

MR. EILER stated that as the AKLNG Project moves forward the State of Alaska will face increasingly complex policy and financing decisions. It is thus essential to have a transparent and clear decision-making process in place. SB 125 helps accomplish this. Having legislators participate in an advisory capacity adds experience and continuity to the AGDC Board. Legislators currently serve on over a dozen state boards and commissions and state corporations so this model has precedent in statute. The legislators will provide perspective and insight and lets Alaska's elected policy makers better understand aspects of state policymaking that AGDC is currently undertaking. This will help improve their process for important business decisions and the Project will be aided by legislative service on the board. Adding the two legislators is a natural step as the board is still grappling with large policy decisions.

He concluded the introduction saying SB 125 strengthens and diversifies the AGDC Board in advancing the AKLNG Project.

[1:48:40 PM](#)

SENATOR STEVENS asked why the bill says "nonvoting" rather than ex officio because other appointments to boards and commissions use the latter term. He also asked why the members are appointed annually when other board and commission appointments are for two years.

MR. EILER answered that the language on page 1 was provided by Legislative Legal. He explained that he refers to the members as ex officio or advisory to illustrate the role that is envisioned and intent of the bill. The sponsor can work with the committee to address the length of the appointment.

SENATOR COSTELLO said she was willing to work with the committee on the duration of the appointment and to look into the reason that the term "nonvoting" was used as opposed to "ex officio."

SENATOR MEYER agreed with Senator Stevens that a two-year appointment would provide more consistency.

VICE CHAIR GIESSEL noted that the suggestions came from a presiding officer and a former presiding officer. She asked Mr. Baker to briefly review the fiscal note.

[1:50:58 PM](#)

MILES BAKER, Vice President, External Affairs and Government Relations, Alaska Gas Development Corporation (AGDC), Anchorage,

Alaska, stated that the fiscal note for SB 125 is zero. AGDC does not expect the bill to affect the operating budget of the corporation. Board expenses including the honorarium and estimated travel expenses are built into the operating budget. The expectation is that the legislative members would be handled similar to two commissioners on the board. They travel under their own budgets and are not entitled to the honorarium. AGDC principally pays for just the public members.

VICE CHAIR GIESSEL opened public testimony and finding none, closed it.

[SB 125 was held in committee.]

[1:52:59 PM](#)

At ease to transfer gavel.

**SB 148-EMPLOYER REPORT OF WORKPLACE INJURY/DEATH**

[1:54:20 PM](#)

CHAIR COSTELLO reconvened the meeting and announced the consideration of SB 148.

HEIDI DRYGAS, Commissioner, Department of Labor and Workforce Development (DOLWD), introduced SB 148 on behalf of the administration. She read the following statement into the record:

This legislation amends current workplace accident reporting requirements to include incidents that involve loss of an eye or amputation. These amendments are necessary to keep pace with federal workplace accident reporting standards that became effective January 1, 2015.

Alaska operates an approved state plan under the federal Occupation and Safety Health Act of 1970, which requires that the state maintain standards that, at a minimum, meet the federal standards. AS 18.60.030(6) also establishes that Alaska will maintain requirements that are at least as effective as those adopted by the U.S. Department of Labor. Federal OSHA made changes to accident reporting requirements under federal regulation that took effect on January 1, 2015. The changes require prompt reporting of industrial accidents resulting in an amputation or loss of an eye. Federal OSHA has

notified the State that failure to maintain equivalency could jeopardize federal funding and the State's jurisdiction over occupational safety and health. SB [148] does just that.

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GREY MITCHELL, Director, Division of Labor Standards and Safety, Department of Labor and Workforce Development (DOLWD), introduced himself and offered to answer questions.

CHAIR COSTELLO asked if the department currently keeps track of the information about Alaskans who have suffered amputation or the loss of an eye.

MR. MITCHELL replied the department tracks the incidents through the Workers' Compensation Division, but there is no requirement to report to the Occupational Safety and Health Office for investigation purposes. But the incidents must be reported within 10 days, primarily to determine benefits under Workers' Compensation.

This new reporting requirement will allow a quick, 8-hour, turnaround, primarily to investigate these more serious accidents. The idea is to address the causes of those accidents so they don't happen in the future.

SENATOR STEVENS asked what happens to the information after it's collected.

MR. MITCHELL replied the data is used internally for investigation purposes. It is not available to the public without a special request.

SENATOR STEVENS asked if the department has to report to a federal agency.

MR. MITCHELL answered that investigations are entered into a data base that is available to their federal counterparts.

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CHAIR COSTELLO asked if he has a preference for a particular effective date.

MR. MITCHELL replied sooner would be better than later.

CHAIR COSTELLO stated her intention to work with the department on an immediate effective date.

SENATOR STEVENS asked Mr. Mitchel if he was concerned about additional costs due to the investigations.

MR. MITCHELL replied many of the accidents are already reported and a small percentage are evaluated for investigation purposes. For FY2015, there were 39 amputation incidents reported to Workers' Compensation and zero loss of eye incidents. The numbers aren't expected to be huge, he said.

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CHAIR COSTELLO opened public testimony. Finding none, she closed it and held SB 148 in committee.

[2:03:25 PM](#)

At ease

**Presentation: Department of Labor and Workforce Development  
Employment Efforts Related to the Gasline**

[2:06:24 PM](#)

CHAIR COSTELLO reconvened the meeting and announced that Commissioner Drygas would give a presentation on the Department of Labor and Workforce Development Employment Efforts Related to the Gasline

HEIDI DRYGAS, Commissioner, Department of Labor and Workforce Development (DOLWD), stated the department's mission is to "Protect workers and advance opportunities for employment." The core services of the department are workforce development, protecting workers, and income replacement.

The FY2017 budget request totaled approximately \$165 million. It is comprised of \$23.9 million of unrestricted general funds, \$35.7 million of designated general funds, \$20.4 million of other state funds, and \$85.4 million of federal funding.

COMMISSIONER DRYGAS stated that the presentation will focus on performance measures and return on investment for state-funded programs, including the Alaska Vocational Technical Center (AVTEC), State Training and Employment Program (STEP), Technical and Vocational Education Program (TVEP), and Alaska Construction Academy (ACA). She highlighted that the department had been awarded several competitive federal grants that will help build the state's healthcare workforce through apprenticeships, allow AVTEC to develop new 4-6 week pre-apprenticeship programs and keep job centers open in 2017.

[2:08:36 PM](#)

AVTEC's mission is to train a diverse and effective workforce that supports the economic growth and stability of the state. Its undesignated general funds and TVEP funding in FY2017 totals \$7.7 million. That is a reduction of \$600,000 from FY2014 levels. AVTEC was able to accommodate this reduction by changing the Allied Health Programs from longer term state-funded programs to shorter term federally funded pre-apprenticeship programs for entry-level healthcare occupations. FY2014 data shows that of 370 AVTEC participants, 326 were employed in their area of training one year after graduation. The employment and earnings outcomes for FY2015 participants will be available next year in the annual Training Program Performance Report.

The FY2014 funding for AVTEC totaled \$8.2 million. There were 1,539 participants in both long- and short-term programs. The cost per participant was \$5,377.

SENATOR GIESSEL asked if AVTEC students pay tuition.

COMMISSIONER DRYGAS answered yes, and it is essentially offset by state funds.

SENATOR GIESSEL asked why government is running a vocational technical school when they're available in the private sector.

COMMISSIONER DRYGAS replied it was a policy decision from 50 years ago. It serves a host of rural and urban Alaskans and offers a wide variety of programs ranging from culinary arts to welding to the state-of-the-art maritime simulator program. The tuition is far less expensive than many of the private training programs.

Prior to being housed in the DOLWD, AVTEC was in the Department of Education. That change was made in the late 1990s or early 2000.

SENATOR GIESSEL said AVTEC was in her district at one time and it's an outstanding program, but she questions why it's subsidized by the state in the current economic times.

[2:12:10 PM](#)

SENATOR STEVENS said AVTEC was also in his district and it's an excellent program that has produced jobs and helped village residents. He asked why AVTEC changed its healthcare training and if advanced nurse training is no longer offered.

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COMMISSIONER DRYGAS explained that both the registered nurse program and the licensed practical nurse program were extremely expensive to administer per participant, were almost entirely state-funded, and appeared to compete with the excellent University of Alaska, Anchorage RN program. Based on those considerations the AVTEC program changed its approach to focus on entry level healthcare occupations. The idea is to give students exposure to these entry-level positions and create a pathway in healthcare which will help improve the quality of healthcare delivered in Alaska. This also gives "more bang for the buck."

CHAIR COSTELLO asked her to speak to the current role AVTEC has in the AKLNG Project.

COMMISSIONER DRYGAS said the collaboration between AVTEC and AKLNG has been impressive and AKLNG is absolutely part of AVTEC's workforce development plan. There have been ongoing meetings about the training that AVTEC can provide and AKLNG has spent several weeks looking at the AVTEC programs. The Marine Simulator Program already has helped with AKLNG port mapping.

MIKE ANDREWS, Director, Employment and Training Services, Department of Labor and Workforce Development (DOLWD), added that AVTEC plays an essential role in the development of the Alaska natural gas pipeline and will converge in the occupational training in areas like heavy mechanics, industrial welding, and electrical. Maritime occupations are also expected to soar under the gasline and there is a lot of support and capacity for that at AVTEC. The workforce researchers for the owners of the project have spent a lot of time at AVTEC looking at its potential capacity, particularly because it's residential based and people can come from all over the state.

SENATOR STEVENS commented that timing is everything. "You wouldn't want to train folks now for jobs that don't exist, but you want to be able to have Alaskans in those jobs when the time arrives." He asked for an estimate of the number of people that AVTEC can train for the LNG Project.

CHAIR COSTELLO suggested Commissioner Drygas proceed and return to the question later in the presentation.

2:18:00 PM

COMMISSIONER DRYGAS continued the presentation pointing out that FY2014 data shows that of the 370 long-term AVTEC participants, 326 were employed in their area of training one year after graduation. That is an 88 percent employment rate.

SENATOR MEYER asked if there is data to show where the graduates are employed.

COMMISSIONER DRYGAS replied that information is tracked and she'd provide it to the committee.

CHAIR COSTELLO questioned how to improve the employment rate from a B+ to an A, and asked if the department tracks the people who don't have employment a year after graduation.

COMMISSIONER DRYGAS answered that a hole was created when the employment specialist left AVTEC, but recruitment efforts to fill the position are underway. She agreed to supply the requested information if it's available.

CHAIR COSTELLO assumed that the employment rate was in the 90s in previous years when the employment specialist was in the position.

COMMISSIONER DRYGAS said she would have those numbers by the end of the hearing.

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SENATOR STEVENS commented that he was impressed that AVTEC participants not only learn a trade but also a work ethic. He didn't believe it matters if an AVTEC participant gets a job in the area for which they received training or another area.

COMMISSIONER DRYGAS said she appreciates the comment because AVTEC does focus on soft skills. Employers have said that they can train anyone that already has these skills; they're very important.

[2:22:19 PM](#)

CHAIR COSTELLO agreed soft skills are important and reiterated her interest in knowing where AVTEC graduates reside.

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COMMISSIONER DRYGAS displayed a chart that compares the average earnings one year before AVTEC training to the average earnings one year after AVTEC training is complete. On average, participants earn 20 percent more after AVTEC training.

She also reported that for FY2015, AVTEC's UGF and TVEP funding totaled about \$8.3 million; 1602 individuals received training for an average cost per participant of \$5,161. She reminded the members that AVTEC students are enrolled in both long-term and short-term programs and are provided housing and meals.

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COMMISSIONER DRYGAS reviewed the State Training and Employment Program (STEP). Its purpose is to enhance the quality and accessibility of job training, and re-employment assistance to unemployed and underemployed workers. STEP increases Alaska hire by providing training to unemployed Alaskans in high demand occupations. The program is funded by 0.10 percent of employee contributions to the Alaska Unemployment Insurance (UI) trust fund. In FY2014, STEP received \$7 million in grant funding and had 2,540 participants, for a per participant cost of \$2,785. One year after graduating from STEP training, 2,287 individuals or 90 percent were employed.

On average, STEP graduates earn \$50,623 which is 16 percent more than the average earnings one year before STEP training.

CHAIR COSTELLO asked for additional information about how STEP training works.

MR. ANDREWS explained that STEP is primarily a grant program. Employers, nonprofits and others compete for grants in order to improve their workforce in a variety of occupations. About two-thirds of the UI funding is allocated to the competitive grants and about one-third goes for the reports the legislature requires and the job centers to train unemployed individuals. There are about 45 grant applications each year and most receive funding. Responding to a further question, he said the grants range from \$400,000 to \$25,000 and go to train individuals in the tourism, retail, construction and health care sectors. He provided a chart for distribution to the committee.

SENATOR STEVENS asked where STEP training takes place.

MR. ANDREWS replied there are grantees in all parts of the state. The program has been in existence for about 25 years and is well-known among employers and others doing workforce training.

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COMMISSIONER DRYGAS displayed a chart showing the earnings differences, over time, between students that received STEP training in 2006 and the UI claimants that were eligible for STEP training in 2006, but did not participate. The individuals who received STEP training, on average, earned \$62,433 in 2014 while those who did not participate in STEP training, on average, earned \$33,078.

In FY2015, STEP received roughly \$7.9 million; 3,235 Alaskans received training (695 more than FY2014) for an average cost per participant of \$2,432 (down approximately \$300 per person from FY2014). "Basically, we're working hard to get more bang for our buck with STEP training dollars," she said.

CHAIR COSTELLO asked if the Alaskans who participate in STEP training are self-selected.

COMMISSIONER DRYGAS explained that the staff of the Division of Employment Training Services and the Alaska Workforce Investment Board review the grant funding applications using a list of criteria including an underserved population, high demand occupations and the cost of training per participant. Most of the programs get funded.

MR. ANDREWS added that it's a very fluid system for individuals who basically choose themselves to receive the training. A grant applicant can put out an outreach and recruitment plan as part of their proposal, some participants need additional training to keep their job, and some are new trainees. The job centers generally see the individuals that walk through the door, are eligible for services, and see an opportunity to receive training through the university or AVTEC or private sector eligible training providers.

CHAIR COSTELLO said she asked because there are people who are eligible for training and for some reason choose not to take advantage of that opportunity.

MR. ANDREWS responded that there isn't enough money to accommodate all the applicants that need this type of service. "I think there would be tens of thousands of eligible individuals who would sign up for training if the resources were there."

SENATOR COSTELLO asked what percentage of grant funds are used for administrative purposes.

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COMMISSIONER DRYGAS offered to follow up with the information.

SENATOR STEVENS restated the importance of soft skills and described it as a failure in the school system when students graduate without those skills. He asked if she would be interested in ensuring that every program participant has those very basic skills.

COMMISSIONER DRYGAS replied it's a possibility and a worthy goal for all students to have those necessary soft skills when they leave high school. She said one way to have students better prepared to enter the workforce when they exit high school is to increase funding for career and technical education (CTE) for schools. "There are statistics that show that students that receive at least two CTE courses in high school, have a much higher graduation rate than students who do not receive CTE courses." More and more she hears about the need to emphasize vocational workforce development training.

CHAIR COSTELLO said she believes it's important for the Department of Labor and Workforce Development (DOLWD) to work more closely with the Department of Education and Early Development to train young people for jobs whether they are going on the university or a vocational training program. "If I had my way I'd combine the departments because they have the same mission," she said.

SENATOR STEVENS agreed.

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COMMISSIONER DRYGAS said she agrees and has talked about these ideas with Commissioner Hanley. "We are working to improve that relationship," she said.

COMMISSIONER DRYGAS reviewed the Technical Vocational Education Program (TCEP). Its purpose is to enhance the quality and accessibility of job training across the state, and align training with regional workforce demands. TVEP is funded with 0.16 percent of employee contributions to the Alaska unemployment insurance trust fund. The distribution of the funds is designated in statute between the University of Alaska, AVTEC, the Alaska Technical Center, Ahmanson Education Center, Ilisagvik College in Barrow, Northwest Alaska Technical Education Center, Partners for Progress in Delta, Southwest Alaska Vocational Education Center, and Yuut Elitnaurviat in Bethel.

In FY2014, the funding for TVEP was \$10.8 million; 7,881 people participated in the program resulting in a cost per participant of \$1,365. One year after receiving TVEP training, 74 percent or 5,851 of the participants were employed in Alaska.

She displayed a chart showing average earnings one year before TVEP training and one year after TVEP training. One year after training, the average annual increase is \$2,017 or eight percent. In FY2015, the funding for TVEP was about \$12 million; grant recipients trained 11,000 high school students and adults; and the average cost per participant was \$1,079. Performance reports for employment and earnings for these participants will be provided next February in the annual TVEP report.

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COMMISSIONER DRYGAS reviewed the Alaska Construction Academy (ACA) program. Its purpose is to promote an understanding of construction trades and develop a strong, flexible workforce for the varied industries that rely on construction in Alaska. The ACA is funded by an unrestricted general fund grant. In FY2014, that grant totaled \$3.25 million. Funding has since been significantly reduced. In FY2016 it was \$2.6 million and in FY2017 it was \$2 million. Most of the reductions have been in youth training, based on legislative input, primarily from the House, that the department should focus on adult training. In FY2014, \$955,000 was spent on adult training; 424 participated in the program for a cost per adult participant of \$2,252.

One year after ACA training, 323 of the participants or 76 percent were employed in Alaska. A chart of the earnings one year before ACA training and one year after shows that earnings, on average, increased \$6,429 or 32 percent.

In FY2015, funding for the ACA was \$3.3 million. Of that amount, \$1.3 million was allocated to training 708 adults for an average cost of \$1,927 per participant.

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COMMISSIONER DRYGAS discussed workforce planning for a gasline project. She said the Alaska Gasline Development Corporation (AGDC) is proposing two projects to commercialize North Slope gas. These are the AKLNG and ASAP projects. She disclosed that she serves on the AGDC Board.

AKLNG is the state's priority project and ASAP is the backup, but both are large-scale projects that will require a trained Alaskan workforce for completion. AKLNG is estimated to cost between \$45 billion and \$65 billion and take five years to build. At its peak, it will require a workforce of 9,000 to 15,000 workers and 1,000 workers for ongoing operations. The latter are known as legacy jobs.

The department is developing a workforce plan to prepare the state for either project. A stakeholder meeting was held in October 2015 at the Fairbanks Pipeline Training Center. The turnout was very good with representation from contractors, joint apprenticeship training committees, career and technical educators, labor unions, government agencies, AGDC, and AKLNG. This coming April, two more public stakeholder meetings are scheduled in Kenai and Anchorage. The goal is to have a draft plan complete by June 2016.

CHAIR COSTELLO asked if the draft plan is the AKLNG labor study.

COMMISSIONER DRYGAS said she was referring to a DOLWD study. The AKLNG labor study is a separate study that AKLNG is doing for the project.

CHAIR COSTELLO asked if, as commissioner, she has provided information to the AGDC Board about the challenge of finding 15,000 Alaskans with the specific skills that are needed.

COMMISSIONER DRYGAS said she hadn't brought it to the board that way. Her approach has been to say that the department is working hard in conjunction with partners in the private sector, regional training centers and other entities trying to meet that need. Labor force demand certainly will outstrip supply in Alaska, but every effort will be made to have a significant number of those workers be from Alaska, skilled ready to go on the project. She agreed with Senator Steven's earlier comment about timing and described this as a ramping up effort. Construction is several years away, but there is a lot of groundwork to lay to ensure that the ramp up happens in the right timeframe. She committed to brief the AGDC Board at the appropriate time. She emphasized that the department takes very seriously the task of ensuring a skilled workforce. "Workforce development is part of our mission."

CHAIR COSTELLO asked her to explain the three different plans, the reason for the separate plans, and who is providing information about the workers in Alaska for those plans. "It

seems like there is an opportunity for efficiency that we're possibly not taking advantage of."

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COMMISSIONER DRYGAS said AKLNG decided to do its own labor study even though they were informed that the department has a significant amount of the information that they need. They have collaborated with the department along the way, but that is the course they decided on. With regard to the department's plan, she said workforce development is at the heart of what the department does and oil and gas is just one of a host of plans. She agreed that efficiency is important and expressed optimism that the two plans could be married at some point. She deferred further comment to Mr. Andrews.

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MR. ANDREWS explained that the owners of the project are doing their own planning for the large pipeline because of the volume of information they're required to submit for the environmental impact statement (EIS) and other permitting. Much of that information is proprietary. The department has met informally with the project owners to discuss the scope of the project and the parameters for the workforce. The parameters are similar for the ASAP Project so there is no need to write two plans. It's clear that the demand for Alaskan workers will outstrip the supply so the focus is on those long-term career jobs and how to move people from middle and high school into those good jobs.

The dialog is expected to be more open later in the spring after the project owners have submitted the EIS and other forms. The meeting last October was to begin to frame what the department wants to see inside a long-term workforce plan. That's what the stakeholder meetings are for. "But we're certainly trying not to duplicate any of the planning because that just wouldn't make sense," he said.

SENATOR STEVENS asked who will train the trainers for the estimated 15,000 strong workforce and where they will come from.

MR. ANDREWS said he didn't believe the state will focus on training the entire workforce. Part of the labor study is to look at other states where the industry is strong and workers might be available. More instructors certainly will be needed and yet to be made technology tools and skills will play a big part.

CHAIR COSTELLO commented that the issue of the plan, workforce numbers, and how it will pan out is critical. The state doesn't want to miss the opportunity to train young Alaskans today for jobs on the gasline project tomorrow. "We will have failed if that occurs," because the workers for this project are not coming from the job centers today; they're coming from today's elementary schools. She restated her view that DOLWD and DEED have a common focus and expressed appreciation that the commissioners were working cooperatively. "If the legislature can facilitate that in any way, please let us know," she said. She also voiced interest in hearing more about any common initiatives.

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COMMISSIONER DRYGAS returned to the presentation to highlight the workforce development strategies for success. These include: supporting existing training programs; expanding vocational and technical education programs; develop career awareness among students, parents and school counselors; partner with industry on outreach to students and training providers; and focus on legacy jobs.

CHAIR COSTELLO recognized that Senator Bishop was in the audience.

COMMISSIONER DRYGAS said Alaska has significant in-state training capacity for priority occupations and supporting those can be attained by incentivizing employers to hire apprentices. State and federal support is also critical. The state must continue to support education as an investment and pathway to project success. Young people need to be engaged earlier and encouraged to seek careers in construction and technical fields. Developing career awareness among students, parents and school counselors was emphasized during the stakeholder meeting in Fairbanks. Alaska needs more exposure to opportunities in technical careers. An emphasis on math and other skills for acceptance into apprenticeship and vocational programs is also essential. It's also important to build on the programs that focus on post-secondary, vocational and technical skills, including pre-apprenticeship, registered apprenticeship and CTE training. Partnering with industry on outreach to students and training providers is another important component. Linking vocational and technical education to real work environments is a critical piece of training, as is expanding partnerships between school districts and business. Finally, the department will focus on the estimated 1,000 legacy jobs because they

provide long-term career opportunities for Alaskans. They are critical for ongoing operations and maintenance of the gasline.

COMMISSIONER DRYGAS said the foregoing are the key things the department is working on. She related that she was buoyed by the input from the October stakeholder meeting and hopes to attend the April meetings in Anchorage and Kenai.

CHAIR COSTELLO thanked Commissioner Drygas for the presentation.

[2:59:22 PM](#)

There being no further business to come before the committee, Chair Costello adjourned the Senate Labor and Commerce Standing Committee meeting at 2:59 p.m.