

# Fiscal Note

State of Alaska  
2020 Legislative Session

Bill Version:	CSHB 235(L&C)
Fiscal Note Number:	3
(H) Publish Date:	3/13/2020

Identifier: HB235CS(L&C)-DOLWD-WD-03-11-20  
 Title: AK WORKFORCE INVESTMENT  
 BOARD:ALLOCATIONS  
 Sponsor: WOOL  
 Requester: (H) L&C

Department: Department of Labor and Workforce Development  
 Appropriation: Employment and Training Services  
 Allocation: Workforce Development  
 OMB Component Number: 3117

### Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2021 Appropriation Requested	Included in Governor's FY2021 Request	Out-Year Cost Estimates					
			FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
<b>OPERATING EXPENDITURES</b>								
Personal Services		42.1	42.1	42.1	42.1	42.1	42.1	
Travel								
Services		38.7	38.7	38.7	38.7	38.7	38.7	
Commodities		0.1	0.1	0.1	0.1	0.1	0.1	
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>0.0</b>

### Fund Source (Operating Only)

1151 VoTech Ed (DGF)		80.9	80.9	80.9	80.9	80.9	80.9	
<b>Total</b>	<b>0.0</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>80.9</b>	<b>0.0</b>

### Positions

Full-time								
Part-time								
Temporary								

### Change in Revenues

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2020) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2021) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

### ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

### Why this fiscal note differs from previous version/comments:

Updated financial information and analysis.
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Division: Employment & Training Services	Date: 03/11/2020 06:06 PM
Approved By: Hannah Lager, Administrative Services Director	Date: 03/11/20
Agency: Office of Management and Budget	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2020 LEGISLATIVE SESSION

Analysis

This bill extends the sunset date for existing funding allocations for program and grant distributions under AS 23.15.835(d) for the Alaska Technical and Vocational Education Program (TVEP) through June 30, 2025. Funding authorization for the Workforce Development component was included in the FY2021 Governor Amended request.

This legislation does not change the budgeted authorization needed for the Workforce Development component.

**Department of Labor and Workforce Development**  
**FY2021 Technical and Vocational Education Program (TVEP) Distribution**

Updated: March 10, 2020 for CSHB235 (L&C)

	FY2018 Actuals	FY2019 Actuals	FY2020 Planned Distribution	FY2021 Gov Amend Distribution	FY2021 CSHB235 (L&C) Proposed Distribution
Prior Year Ending Balance	\$ 934.0	\$ 1,062.3	\$ 2,361.5	\$ 2,354.7	\$ 2,354.7
Revenue	\$ 12,461.4	\$ 12,617.4	\$ 13,000.0	\$ 13,000.0	\$ 14,577.2
Less Reserve for Potential Undercollection	\$ (750.0)	\$ (750.0)	\$ (750.0)	\$ (1,000.0)	\$ (1,000.0)
Gross Available	\$ 12,645.4	\$ 12,929.7	\$ 14,611.5	\$ 14,354.7	\$ 15,931.9
DETS Revenue Collection	\$ (354.6)	\$ (355.3)	\$ (424.3)	\$ (426.9)	\$ (426.9)
& Grants Administration	\$ (85.0)	\$ (72.9)	\$ (94.0)	\$ (94.0)	\$ (94.0)
Available To Distribute	\$ 12,205.8	\$ 12,501.5	\$ 14,093.2	\$ 13,833.8	\$ 15,411.0
<b>Total Distribution (Grants plus Management)</b>	<b>\$ 12,333.1</b>	<b>\$ 11,318.2</b>	<b>\$ 13,006.8</b>	<b>\$ 14,354.7</b>	<b>\$ 15,931.9</b>

Entity	Current Percent	FY2018 Actual Expenditures	FY2019 Actual Expenditures	FY2020 Planned Distribution	FY2021 Gov Amend Distribution	CSHB235 (L&C) Proposed Percent	FY2021 CSHB235 (L&C) Proposed Distribution	Change from FY2020 to CSHB235 (L&C)	Change from Gov Amend to CSHB235 (L&C)
University of Alaska	45%	\$ 5,386.6	\$ 4,926.4	\$ 5,619.3	\$ 6,225.2	45.000%	\$ 6,935.0	\$ 1,315.7	\$ 709.8
Galena Interior Learning Academy	4%	\$ 478.8	\$ 437.9	\$ 499.5	\$ 553.4	3.860%	\$ 595.0	\$ 95.5	\$ 41.6
Alaska Technical Center	9%	\$ 1,001.6	\$ 927.8	\$ 1,123.8	\$ 1,245.0	8.685%	\$ 1,338.4	\$ 214.6	\$ 93.4
Southwest Alaska Vocational and Education Center	3%	\$ 359.1	\$ 328.4	\$ 374.6	\$ 415.0	2.895%	\$ 446.1	\$ 71.5	\$ 31.1
Yuut Elitnaurviat, Inc. People's Learning Center	9%	\$ 1,077.3	\$ 985.3	\$ 1,123.8	\$ 1,245.0	8.685%	\$ 1,338.4	\$ 214.6	\$ 93.4
Northwestern Alaska Career and Technical Center	3%	\$ 359.1	\$ 328.4	\$ 374.6	\$ 415.0	2.895%	\$ 446.1	\$ 71.5	\$ 31.1
Partners for Progress in Delta, Inc.	3%	\$ 359.1	\$ 328.4	\$ 374.6	\$ 415.0	2.895%	\$ 446.1	\$ 71.5	\$ 31.1
Amundsen Educational Center	2%	\$ 239.4	\$ 218.9	\$ 249.7	\$ 276.7	1.930%	\$ 297.4	\$ 47.7	\$ 20.7
Ilisagvik College	5%	\$ 598.5	\$ 547.4	\$ 624.4	\$ 691.7	4.825%	\$ 743.6	\$ 119.2	\$ 51.9
Alaska Vocational Technical Center	17%	\$ 2,034.0	\$ 1,861.1	\$ 2,124.2	\$ 2,351.7	16.405%	\$ 2,528.2	\$ 404.0	\$ 176.4
Kodiak Seafood and Marine Science Center (new FY21)		\$ -	\$ -	\$ -	\$ -	1.925%	\$ 296.7	\$ 296.7	\$ 296.7
<b>Total</b>	<b>100%</b>	<b>\$ 11,893.5</b>	<b>\$ 10,890.0</b>	<b>\$ 12,488.5</b>	<b>\$ 13,833.8</b>	<b>100.000%</b>	<b>\$ 15,411.0</b>	<b>\$ 2,922.5</b>	<b>\$ 1,577.2</b>

Notes:

- 1) TVEP funds are distributed to institutions based on the allocation outlined in AS 23.15.835(d)
- 2) Revenue is based on Research and Analysis' February 5, 2020 projections for FY2020, rounded down to the nearest million, and held steady for FY2021.
- 3) Increased revenue for CSHB235(L&C) is based on fiscal year 2019 revenues to the TVEP program.