

SENATE FINANCE COMMITTEE  
April 15, 2021  
9:04 a.m.

[9:04:45 AM](#)

CALL TO ORDER

Co-Chair Bishop called the Senate Finance Committee meeting to order at 9:04 a.m.

MEMBERS PRESENT

Senator Click Bishop, Co-Chair  
Senator Bert Stedman, Co-Chair  
Senator Lyman Hoffman  
Senator Donny Olson  
Senator Natasha von Imhof  
Senator Bill Wielechowski  
Senator David Wilson

MEMBERS ABSENT

None

PRESENT VIA TELECONFERENCE

Tamika Ledbetter, Commissioner, Department of Labor and Workforce Development; Michael Johnson, Commissioner, Department of Education and Early Development; Deborah Riddle, Division Operations Manager, Department of Education and Early Development; Brad Billings, CTE Administrator, Department of Education and Early Development; Pat Pitney, Interim President, University of Alaska; Teri Cothren, Associate Vice President, Workforce Development, University of Alaska, Anchorage.

SUMMARY

^WORKFORCE DEVELOPMENT OVERVIEW: COVID-19 FUNDING

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TAMIKA LEDBETTER, COMMISSIONER, DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT (via teleconference), discussed the presentation, "Career and Technical Education in Alaska;

Alaska Department of Labor and Workforce Development;  
Alaska Department of Education and Early Development;  
University of Alaska" (copy on file). She looked at slide  
2, "2010 Alaska Career and Technical Education Plan":

DEED, DOLWD, and UA lead agencies

Advisory committee

Public input

Annual advisory committee work sessions

Commissioner Ledbetter addressed slide 3:

Created an addendum to:

Review the 2010 Plan strategies

Reenergize the conversation around CTE

Provide advocacy tool and strategy guidance

Looking Ahead: Call to Action

Promote CTE

Leverage Existing Workforce Planning Efforts

Communication with Partners

Advocate for CTE Investments

Commissioner Ledbetter pointed to slide 4, "Career and  
Technical Education Infrastructure."

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Commissioner Ledbetter looked at slide 5, "State Funded  
Training Programs."

The State Training and Employment Program (STEP)

- STEP funded by a percent of employee contributions  
to unemployment insurance training fund.

- Training providers apply for STEP funding through a  
competitive process.

- In FY 21 there were 35 STEP grantees with a total award of \$5,512,765.

Alaska Construction Academy (ACA)

- The construction academies are funded by general fund dollars determined by the legislature.
- In FY 21 there were 8 construction academies with a total award of \$1,754,542.

Alaska Technical and Vocational Education Program (TVEP)

- The percentage awarded to recipients is determined by the legislature and is in statute.
- In FY21 there were seven TVEP recipients with a total award amount of \$4,350,000.

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Commissioner Ledbetter highlighted slide 6, "Federally Funded Training Programs":

Workforce Innovation and Opportunity Act (WIOA) Youth Program

- Providers receive funding through a competitive grant process.
- In FY21 there were 13 WIOA Youth providers.
- The amount of the awards totaled \$3,736,854.

National Emergency Dislocated Worker Program

- In FY21 the NEG provided \$767,104 in recovery funds in response to the November 2018 earthquake.

Statewide Projects Program

- Alaska Works Partnership Inc. -Helmets to Hardhats.
- Alaska Coalition on Housing and Homelessness -Youth Housing Development Program.
- The FY21 funding amount was \$450,000.

Commissioner Ledbetter looked at slide 7, "Apprenticeship":

The American Apprenticeship Initiative (AAI)

- Grant funds are used to expand healthcare sponsorship and provide pre-apprenticeship training funds.
- To date Apprenticeship Specialists have signed over 90 healthcare sponsors and registered over 650 apprentices in 17 healthcare occupations.
- Total grant award \$2,999,999.

The State Apprenticeship Expansion (SAE)

- The grant focus is to support integrated, statewide apprenticeship strategies and state capacity to engage industry and meet demand for new programs in both traditional industries.

- Total grant award \$1,867,586.

Apprenticeship State Expansion (ASE)

- The purpose of this grant is to integrate construction Registered Apprenticeship Programs (RAP) into the state workforce development system.

- Total grant award is \$1,000,000.

Co-Chair Bishop asked for more information regarding Alaska Works Partnership Inc. -Helmets to Hardhats.

Commissioner Ledbetter replied that the program supported training, career guidance, and apprenticeship education for veterans, transitioning soldiers, guardsmen, reserves, and their spouses. Participants attended a construction career exploration and basic skills course for a variety of trades and craft occupations. She was invested in the work related to serving the veterans, as she herself was a veteran.

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Co-Chair Bishop explained that the program had direct entry into the apprenticeship programs.

Commissioner Ledbetter discussed slide 8, "Alaska Job Center Network." She shared that the map showed the twelve job centers located in the state. She stressed that many people knew of the department, because they entered the services through the local job center.

Co-Chair Bishop encouraged the use of funds toward the job centers in Utqiagvik and Kotzebue.

Commissioner Ledbetter noted the point.

Commissioner Ledbetter highlighted slide 9, "Regional Training Centers":

- 1.Alaska Technical Center
- 2.AVTEC
- 3.Delta Career Advancement Center

4. Fairbanks Pipeline Training Center
5. Galena Interior Learning Academy
6. NACTEC -Northwestern Alaska Career and Technical Center
7. North Slope Training and Education Cooperative
8. SAVEC -Southwest Alaska Vocational Education Center
9. SE Alaska Career Center
  - UA Workforce Programs
10. Yuut Elitnaurviat -Peoples Learning Center

Commissioner Ledbetter pointed to slide 10, "FY21 AWIB Training Grants." She noted that the outline of the distribution of the funding. She stressed that it was not an inclusive list, but gave a visual of how the department supported multiple programs.

Commissioner Ledbetter looked at slide 11, "Alaska Vocational Technical Education Center (AVTEC) at a Glance":

- A division of the DOLWD.
- Provides postsecondary CTE (vocational education) since 1969.
- Employer driven.
- Relevant training for Alaska jobs.
- Five year average, over 90 percent student completion.
- 90 percent placement and employment.
- Ranked in top 1 percent nationwide for best return on investment.

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Senator von Imhof encouraged a "deep dive" into the upcoming slide, and asked for a description of all the acronyms.

Commissioner Ledbetter agreed.

Commissioner Ledbetter highlighted slide 12, "AVTEC Funding." She stated that the funding was federal funds, designated funds, and individual accounts. She wondered whether there could be a follow up of a "deep dive" for the funding and its allocation.

Co-Chair Bishop stated that the written question would be submitted, and agreed to a later description.

Commissioner Ledbetter expressed that the workforce development plan was in place to meet the demands of the growing and equipping Alaska's own workforce.

Senator Wielechowski requested the number of people who were going through the programs, and the waiting list for the program. He queried the investment return on the appropriation for certain programs.

Commissioner Ledbetter agreed to follow up.

Co-Chair Bishop wondered whether there were regular meetings with the other participants regarding the CTE program.

Commissioner Ledbetter replied in the affirmative.

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Co-Chair Bishop asked whether there were any current job fairs in Anchorage, particularly in the air freight industry.

Commissioner Ledbetter replied that the job fairs would soon be geared up across the state, and remarked that many would be virtual events.

Senator von Imhof queried the department's plan for the CARES funding in AVTEC.

Co-Chair Bishop requested a list of different funding agencies for student grants.

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MICHAEL JOHNSON, COMMISSIONER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), looked at slide 14, "Department of Education and Early Development." He pointed to slide 15, "Our Strategic Priorities: Alaska's Education Challenge":

Five Shared Priorities:

1. Support all students to read at grade level by the end of third grade
2. Increase career, technical, and culturally relevant education to meet student and workforce needs

3. Close the achievement gap by ensuring equitable educational rigor and resources
4. Prepare, attract, and retain effective education professionals
5. Improve the safety and well-being of students through school partnerships with families, communities, and tribes

Co-Chair Bishop stressed that the graduation rate was at approximately 80 percent with the CTE program. He remarked that, in 2006, the state graduation rate was 63 percent.

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DEBORAH RIDDLE, DIVISION OPERATIONS MANAGER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), (DEED) addressed slide 16, "Federal Perkins Requirements":

- >State Plan for Strengthening Career and Technical Education (CTE) for the 21stCentury Act ('Perkins V')
- Approved July 1, 2020 by the U.S. Department of Education
- Office of Career, Technical, and Adult Education (OCTAE)
  - >Implement high quality CTE Programs of Study (CTEPS)
  - >Strong emphasis on Equity-Special Populations
  - >Preparing Teachers and Faculty
  - >Work-Based Learning Focus

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BRAD BILLINGS, CTE ADMINISTRATOR, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT (via teleconference), pointed to slide 17, "High Quality CTE Program of Study":

- >Responsive to demand
- >Student career development
- >Multiple "stacked" courses
- >Academic, employability, and technical standards
- >Post-secondary recognized credentials or credit
- >Work-based learning

Mr. Billings discussed student career development and the other bullet points on the slide. He discussed academic and technical standards.

Mr. Billings continued to discuss slide 17. He elaborated on the idea of work-based learning.

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MS. Riddle discussed slide 18, "State CTE Efforts":

- >Alaska's Education Challenge -Shared Priority 2
- >Creation of the Alaska Work-Based Learning Guide -May 2020
  - Created in partnership with:
    - >Department of Labor and Workforce Development
    - >Department of Commerce, Community and Economic Development
    - >Industry Partners
    - >School Districts
  - Work-Based Learning Guide
    - >Annual statewide CTE conferences
    - >Monthly collaborative calls with UA system
    - >Active partners with TVEP funding recipients

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Mr. Billings highlighted slide 19, "Current CTE Funding." He stated that, annually, the state received \$5.1 million, and 85 percent of that money was passed on through the formula to participating school districts.

Senator Olson asked the source of the Perkins funding.

Mr. Billings replied that the Perkins funding funneled federal funds through the states for career and technical programs.

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Ms. Riddle pointed to slide 20, "Federal COVID Relief Funding -CTE Support":

- >School District Funds (CARES, CRRSA, ARP Acts)
- >Provide after-school and summer programs
- >Build out or address facility or equipment needs
- >Fund staffing, partnerships, and employer-community outreach
- >Additional support for Career and Technical Student Organizations (CTSOs)

- >Professional development and retaining of educators and counselors, including Type M
- >Continue to expand virtual CTE coursework by developing partnerships across districts

Senator von Imhof wondered whether there was a relationship with the Lower Yukon School District that sent students to Anchorage to attend the King Career Technical School.

Ms. Riddle agreed to provide that information.

Mr. Billings explained that that the model of the short-term residential program had developed and evolved over the years.

Senator von Imhof wondered whether there were successes in the program.

Mr. Billings replied in the affirmative. He stated that the districts were expanding the to the model. He also remarked that the strength of technical education was the hands-on element, but pointed out that there were real geographical challenges for people to access the hands-on training. He remarked that COVID had forced the acceleration of the distribution of education and resources across the state.

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Ms. Riddle looked at slide 21, "Federal COVID Relief Funding -CTE Support cont'd":

- >DEED Set-Aside (CARES \$3.8M, CRRSA \$15.9M, ARP \$35.8M Acts)
- >ARP Act requires at least 5 percent of funding be used for activities to address summer learning loss, at least 1 percent for summer enrichment activities, and at least 1 percent for afterschool programs
- >Work through the State Board of Education and with stakeholders to steward these funds for the next several school years to support the shared priorities of the Alaska's Education Challenge

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PAT PITNEY, INTERIM PRESIDENT, UNIVERSITY OF ALASKA (via teleconference), introduced herself.

[10:06:28 AM](#)

TERI COTHREN, ASSOCIATE VICE PRESIDENT, WORKFORCE DEVELOPMENT, UA, ANCHORAGE (via teleconference), pointed to slide 23, "University of Alaska Career and Technical Education."

Ms. Cothren looked slide 24, "How UA Supports CTE":

- Creating and supporting pathways
- Delivering programs that meet high-demand and regional workforce needs
- Providing continuing education and professional development to support job retention and career advancement

[10:10:36 AM](#)

Ms. Cothren addressed slide 25, "UA CTE Key Funding Sources":

- Community Campuses and CTE Programs
  - FY20 Tuition Revenue -\$29.4 million
  - FY21 UGF -\$38.4 million
- State Grants
  - FY21 TVEP -\$5.8 million
  - FY21 STEP -\$298.8 thousand
- Perkins Federal Grants
  - Annually through FY22 -\$340 thousand

Ms. Cothren looked at slide 26, "Agency Partnerships Strengthen CTE":

- DEED
  - Annual conference
  - Development and communication of resources
  - Perkins Advisory Committee
  - Perkins postsecondary reporting
- DOLWD
  - Apprenticeships
  - Eligible Training Provider List
  - CTE Reporting
  - AVTEC articulation agreements
  - Alaska Maritime Education Consortium

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President Pitney looked at slide 27, "COVID-19 Support and Impacts":

- UA's overall COVID impact due to additional costs and lost revenues totals \$77.5 million
  - CTE programs would be part of these additional costs and lost revenues
- Totals from three different funding packages and a small amount of DHSS and community CARES Act funding
  - \$56.8 million for institutional aid
  - \$23.5 million specifically directed to pass through as student aid (CTE students are also eligible)
- Each funding package has its own restrictions on funding use and the student aid has been directed to current students
- All federal COVID related funds UA has received will fall short by approximately \$20.7 million of the cost and revenue impacts to date and those expected in the next 6 to 18 months

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Co-Chair Stedman asked for more information about the process of the maintenance of effort, and the potential impact of budget reductions.

President Pitney replied responded that, because of the compact reductions and rules on maintenance of effort, the estimates showed that the reductions to the University funding would put K-12 funding at risk.

Senator Hoffman noted that the University Board of Directors had agreed to the compact for an additional reduction of \$20 million, and the House was considering ignoring that compact. He wondered how that effort would change the effort of the university.

President Pitney replied that the board requested as part of the legislative request a COVID mitigation plan.

Senator Hoffman surmised that there was an additional revenue from the impact of COVID.

President Pitney replied that there was an anticipation of another \$20 million impact in both revenue losses and cost increases, that was over the direct subsidies. She stated

that the board had requested \$15.7 for COVID mitigation. She felt that the House's action recognized the impact of COVID, and did not ignore the compact.

Senator Hoffman commented on the funding source. He wondered whether the board had considered the long-term effects.

President Pitney responded that there was an anticipation that stability could be reached from return after COVID with enrollment, but she stressed that there were major difficulties. She felt that the relief from the impact of COVID would result in continued management. She felt that there were major opportunities to assist the state in its economic recovery.

[10:29:13 AM](#)

President Pitney pointed to slide 28, "Potential Funding Opportunities - Federal CTE Proposals":

- Working with the Office of Management and Budget
- Support Workforce Training -\$70 million
  - o Training 2,000 students per year over three years
  - o Industry specific
  - o One and two-year workforce programs for specific labor needs
    - \$60 million in direct support (books, fees)
    - \$8.5 million for equipment, etc.
    - \$1.5 million in advertising/partnering with Departments of Commerce and Labor
- Support Key Industry Partnerships/Applied Industry Research -\$32 million
  - o Critical future economic areas: Oil, gas, and energy; Mining and strategic minerals; Fisheries, maritime and maricultural; Arctic and national defense; Unmanned aviation and aerospace
  - o 30 specialists/post-doctoral fellows (\$10 million); 70 graduate and undergraduate student assistants (\$10 million); Matching grants and equipment for pilot projects (\$10 million); 8-10 specific industry focused conferences

Senator von Imhof remarked that there was a conversation about financing opportunities for workforces and career development. She felt that there should be tuition assistance for anyone who might want to adjust their career.

Co-Chair Bishop remarked that there could be an endowment created with some of the federal funds.

[10:35:39 AM](#)

AT EASE

[10:37:15 AM](#)

RECONVENED

Co-Chair Bishop cancelled the day's afternoon meeting. He explained the following day's agenda, and discussed housekeeping.

#

ADJOURNMENT

[10:38:13 AM](#)

The meeting was adjourned at 10:38 a.m.