

**HOUSE BILL NO. 360**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVE COSTELLO**

**Introduced: 2/23/26**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to apprenticeship programs; establishing a state apprenticeship office;**  
2 **and establishing the Alaska Apprenticeship Advisory Council."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 18.80.295 is amended to read:

5 **Sec. 18.80.295. Apprenticeship programs.** The provisions of this chapter  
6 affecting discrimination in employment on the basis of age do not apply to  
7 apprenticeship programs

8 **(1)** registered by **the state apprenticeship office established under**  
9 **AS 23.05.400 or** the Bureau of Apprenticeship and Training, United States  
10 Department of Labor; [,] or

11 **(2)** [APPRENTICESHIP PROGRAMS] that meet standards equivalent  
12 to apprenticeship programs registered by the Bureau of Apprenticeship and Training.

13 **\* Sec. 2.** AS 23.05 is amended by adding new sections to read:

14 **Article 6. State Apprenticeship Office.**

1           **Sec. 23.05.400. State apprenticeship office; duties; regulations.** (a) The state  
2 apprenticeship office is established in the Department of Labor and Workforce  
3 Development.

4           (b) The state apprenticeship office shall perform all duties necessary to seek  
5 and maintain recognition as a state apprenticeship agency from the United States  
6 Department of Labor, including

7                   (1) serving as the primary point of contact with the Office of  
8 Apprenticeship, United States Department of Labor;

9                   (2) submitting an equal employment opportunity in apprenticeship  
10 state plan and plan updates as necessary to the Office of Apprenticeship, United States  
11 Department of Labor;

12                   (3) registering and issuing certificates of registration to apprenticeship  
13 programs that meet the basic standards and requirements established by the state  
14 apprenticeship office in regulation;

15                   (4) creating a policy of reciprocity with other states to ensure the  
16 registration of apprenticeship programs; and

17                   (5) supervising the administrative and technical activities of the  
18 council.

19           (c) In consultation with the council, the office shall adopt regulations  
20 necessary to carry out the purposes of AS 23.05.400 - 23.05.450.

21           **Sec. 23.05.410. Director.** (a) The commissioner shall appoint a director to  
22 serve as the head of the state apprenticeship office.

23           (b) The director of the state apprenticeship office shall be in the partially  
24 exempt service under AS 39.25.120.

25           **Sec. 23.05.420. Alaska Apprenticeship Advisory Council.** (a) The Alaska  
26 Apprenticeship Advisory Council is established in the state apprenticeship office. The  
27 council shall serve as the advisory body to the state apprenticeship office. The council  
28 consists of nine members appointed by the director who must each be familiar with  
29 apprenticeable occupations, as follows:

30                   (1) three members who represent private sector employers in the state,  
31 one of whom represents a statewide employer organization, one of whom represents

1 an employer involved with an apprentice program targeting populations with barriers  
 2 to employment, and one of whom represents a statewide organization of general and  
 3 specialty commercial construction contractors that is familiar with registered  
 4 apprenticeship programs;

5 (2) three members who represent employee organizations, at least one  
 6 of whom represents a statewide employee organization; and

7 (3) three members of the public.

8 (b) Members of the council are appointed for staggered terms of three years  
 9 and serve until a successor is appointed. An appointment to a vacancy is for the  
 10 unexpired term. An appointed member may be reappointed for additional terms.  
 11 Members serve at the pleasure of the director.

12 (c) The council shall elect a chair from among its members.

13 (d) Members of the council serve without compensation but are entitled to per  
 14 diem and travel expenses authorized for boards and commissions under AS 39.20.180.

15 **Sec. 23.05.430. Duties of the council.** The council shall

16 (1) meet at the request of the director as needed to accomplish the  
 17 duties of the state apprenticeship office;

18 (2) assist the director in developing program performance standards;

19 (3) provide technical and professional guidance for identifying and  
 20 promoting best practice in registered apprenticeship programs;

21 (4) assist the director in developing, adopting, and implementing  
 22 regulations necessary to carry out the purposes of the state apprenticeship office;

23 (5) perform other duties as assigned by the director, consistent with  
 24 requirements for recognition by the United States Department of Labor as a state  
 25 apprenticeship agency.

26 **Sec. 23.05.450. Definitions.** In AS 23.05.400 - 23.05.450,

27 (1) "council" means the Alaska Apprenticeship Advisory Council  
 28 established under AS 23.05.420;

29 (2) "director" means the director of the state apprenticeship office.

30 \* **Sec. 3.** AS 23.15.620(b) is amended to read:

31 (b) A person who provides training and employment services may apply for a

1 grant from the program and may use the grant to augment or improve public access to  
 2 the training and employment services provided, including an [A REGISTERED]  
 3 apprenticeship program **registered by the state apprenticeship office under**  
 4 **AS 23.05.400 or** under 29 U.S.C. 50.

5 \* **Sec. 4.** AS 23.15.641(b) is amended to read:

6 (b) A recipient of a grant awarded under the program may use the grant to  
 7 provide any of the following training and employment assistance services to eligible  
 8 participants:

9 (1) industry-specific training;

10 (2) on-the-job training, including apprentice training in an [A  
 11 REGISTERED] apprenticeship program **registered by the state apprenticeship**  
 12 **office under AS 23.05.400 or** under 29 U.S.C. 50;

13 (3) institutional or classroom job-linked training;

14 (4) support services, including financial allowances and relocation  
 15 expenses that the department determines are reasonably necessary to enable an eligible  
 16 participant to receive training and employment assistance;

17 (5) assistance considered necessary to help an eligible participant  
 18 obtain or retain a job for which training and employment assistance provided under the  
 19 program has prepared the eligible participant;

20 (6) purchases of basic tools, work clothing, safety gear, or other items  
 21 the eligible participant needs to obtain or retain a job for which training and  
 22 employment assistance provided under the program has prepared the eligible  
 23 participant;

24 (7) other costs the department determines are necessary to pay in order  
 25 that an eligible participant can receive training or employment assistance or obtain or  
 26 retain a job for which the training and employment assistance provided under the  
 27 program has prepared the eligible participant.

28 \* **Sec. 5.** AS 39.25.120(c) is amended to read:

29 (c) The following positions in the state service constitute the partially exempt  
 30 service:

31 (1) deputy and assistant commissioners of the principal departments of

1 the executive branch, including the assistant adjutant general of the Department of  
2 Military and Veterans' Affairs;

3 (2) the directors of the major divisions of the principal departments of  
4 the executive branch and the regional directors of the Department of Transportation  
5 and Public Facilities;

6 (3) attorney members of the staff of the Department of Law, of the  
7 public defender agency, and of the office of public advocacy in the Department of  
8 Administration;

9 (4) one private secretary for each head of a principal department in the  
10 executive branch;

11 (5) employees of councils, boards, or commissions established by  
12 statute in the Office of the Governor or the office of the lieutenant governor, unless a  
13 different classification is provided by statute;

14 (6) not more than two special assistants to the commissioner of each of  
15 the principal departments of the executive branch, but the number may be increased if  
16 the partially exempt service is extended under AS 39.25.130 to include the additional  
17 special assistants;

18 (7) the principal executive officer of the following boards, councils, or  
19 commissions:

20 (A) Alaska Public Broadcasting Commission;

21 (B) Professional Teaching Practices Commission;

22 (C) Parole Board;

23 (D) Board of Nursing;

24 (E) Real Estate Commission;

25 (F) Alaska Royalty Oil and Gas Development Advisory Board;

26 (G) Alaska State Council on the Arts;

27 (H) Alaska Police Standards Council;

28 (I) Alaska Commission on Aging;

29 (J) Alaska Mental Health Board;

30 (K) State Medical Board;

31 (L) Governor's Council on Disabilities and Special Education;

- 1 (M) Advisory Board on Alcoholism and Drug Abuse;  
 2 (N) Statewide Suicide Prevention Council;  
 3 (O) State Board of Registration for Architects, Engineers, and  
 4 Land Surveyors;  
 5 (P) Alaska Health Care Commission;  
 6 (Q) Board of Pharmacy;  
 7 (8) Alaska Pioneers' Home and Alaska Veterans' Home managers;  
 8 (9) hearing examiners in the Department of Revenue;  
 9 (10) the comptroller in the division of treasury, Department of  
 10 Revenue;  
 11 (11) airport managers in the Department of Transportation and Public  
 12 Facilities employed at the Anchorage and Fairbanks International Airports;  
 13 (12) the deputy director of the division of insurance in the Department  
 14 of Commerce, Community, and Economic Development;  
 15 (13) the executive director and staff of the Alaska Public Offices  
 16 Commission;  
 17 (14) the rehabilitation administrator of the division of workers'  
 18 compensation;  
 19 (15) guards employed by the Department of Public Safety for  
 20 emergencies;  
 21 (16) marine pilot coordinator of the Board of Marine Pilots;  
 22 (17) guards employed by the Department of Corrections, other than in  
 23 state correctional facilities, to carry out the responsibility of the commissioner of  
 24 corrections under AS 33.30.071(b);  
 25 (18) hearing officers and administrative law judges of the Regulatory  
 26 Commission of Alaska;  
 27 (19) the compact administrator appointed under AS 33.36.130;  
 28 (20) the chief administrative law judge and administrative law judges  
 29 of the office of administrative hearings;  
 30 (21) the executive secretary of the Board of Public Accountancy;  
 31 **(22) the director of the state apprenticeship office.**

1 \* **Sec. 6.** AS 43.20.014(a) is amended to read:

2 (a) A taxpayer is allowed a credit against the tax due under this chapter for

3 (1) contributions of cash or equipment accepted for direct instruction,  
4 research, and educational support purposes, including library and museum  
5 acquisitions, and contributions to endowment, by an Alaska university foundation, by  
6 a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
7 national or regional accreditation association, or by a public or private nonprofit  
8 elementary or secondary school in the state;

9 (2) contributions of cash or equipment accepted for secondary school  
10 level vocational education courses, programs, and facilities by a school district in the  
11 state;

12 (3) contributions of cash or equipment accepted for vocational  
13 education courses, programs, equipment, and facilities by a state-operated vocational  
14 technical education and training school, a nonprofit regional training center recognized  
15 by the Department of Labor and Workforce Development, and an apprenticeship  
16 program in the state that is registered with the **state apprenticeship office established**  
17 **under AS 23.05.400 or with the** United States Department of Labor under 29 U.S.C.  
18 50 - 50b (National Apprenticeship Act);

19 (4) contributions of cash or equipment accepted for a facility by a  
20 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
21 national or regional accreditation association or by a public or private nonprofit  
22 elementary or secondary school in the state;

23 (5) contributions of cash or equipment accepted for Alaska Native  
24 cultural or heritage programs and educational support, including mentoring and  
25 tutoring, provided by a nonprofit agency for public school staff and for students who  
26 are in grades kindergarten through 12 in the state;

27 (6) contributions of cash or equipment accepted for education,  
28 research, rehabilitation, and facilities by an institution that is located in the state and  
29 that qualifies as a coastal ecosystem learning center under the Coastal America  
30 Partnership established by the federal government;

31 (7) contributions of cash or equipment accepted for the Alaska higher

1 education investment fund under AS 37.14.750;

2 (8) contributions of cash or equipment accepted for funding a  
3 scholarship awarded by a nonprofit organization to a dual-credit student to defray the  
4 cost of a dual-credit course, including the cost of

5 (A) tuition and textbooks;

6 (B) registration, course, and programmatic student fees;

7 (C) on-campus room and board at the postsecondary institution  
8 in the state that provides the dual-credit course;

9 (D) transportation costs to and from a residential school  
10 approved by the Department of Education and Early Development under  
11 AS 14.16.200 or the postsecondary school in the state that provides the dual-  
12 credit course; and

13 (E) other related educational and programmatic costs;

14 (9) contributions of cash or equipment accepted for constructing,  
15 operating, or maintaining a residential housing facility by a residential school in the  
16 state approved by the Department of Education and Early Development under  
17 AS 14.16.200;

18 (10) contributions of cash or equipment accepted for childhood early  
19 learning and development programs and educational support to childhood early  
20 learning and development programs provided by a nonprofit corporation organized  
21 under AS 10.20, a tribal entity, or a school district in the state, by the Department of  
22 Education and Early Development, or through a state grant;

23 (11) contributions of cash or equipment accepted for science,  
24 technology, engineering, and math programs provided by a nonprofit agency or a  
25 school district for school staff and for students in grades kindergarten through 12 in  
26 the state;

27 (12) contributions of cash or equipment accepted for the operation of a  
28 nonprofit organization dedicated to providing educational opportunities that promote  
29 the legacy of public service contributions to the state and perpetuate ongoing  
30 educational programs that foster public service leadership for future generations of  
31 residents of the state;

1 (13) contributions of cash or equipment accepted for the operation of a  
 2 nonprofit educational resource center that supports academic achievement in grades  
 3 nine through 12 by coordinating curricula and statewide competition in the subject  
 4 areas of economics, science, social science, literature, music, art, mathematics,  
 5 writing, speech, and interview skills and by providing student scholarships;

6 (14) expenditures made to operate a child care facility in the state for  
 7 the children of the taxpayer's employees;

8 (15) contributions of cash or equipment accepted by a child care  
 9 facility in the state operated by a nonprofit corporation and attended by one or more  
 10 children of the taxpayer's employees; and

11 (16) a payment to an employee of the taxpayer made by the taxpayer  
 12 for the purpose of offsetting the employee's child care costs incurred in the state.

13 \* **Sec. 7.** AS 43.55.019(a) is amended to read:

14 (a) A producer of oil or gas is allowed a credit against the tax levied by  
 15 AS 43.55.011(e) for

16 (1) contributions of cash or equipment accepted for direct instruction,  
 17 research, and educational support purposes, including library and museum  
 18 acquisitions, and contributions to endowment, by an Alaska university foundation or  
 19 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
 20 national or regional accreditation association;

21 (2) contributions of cash or equipment accepted for secondary school  
 22 level vocational education courses, programs, and facilities by a school district in the  
 23 state;

24 (3) contributions of cash or equipment accepted for vocational  
 25 education courses, programs, equipment, and facilities by a state-operated vocational  
 26 technical education and training school, a nonprofit regional training center recognized  
 27 by the Department of Labor and Workforce Development, and an apprenticeship  
 28 program in the state that is registered with the **state apprenticeship office established**  
 29 **under AS 23.15.400 or with the** United States Department of Labor under 29 U.S.C.  
 30 50 - 50b (National Apprenticeship Act);

31 (4) contributions of cash or equipment accepted for a facility by a

1 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
2 national or regional accreditation association;

3 (5) contributions of cash or equipment accepted for Alaska Native  
4 cultural or heritage programs and educational support, including mentoring and  
5 tutoring, provided by a nonprofit agency for public school staff and for students who  
6 are in grades kindergarten through 12 in the state;

7 (6) contributions of cash or equipment accepted for education,  
8 research, rehabilitation, and facilities by an institution that is located in the state and  
9 that qualifies as a coastal ecosystem learning center under the Coastal America  
10 Partnership established by the federal government;

11 (7) contributions of cash or equipment accepted for the Alaska higher  
12 education investment fund under AS 37.14.750;

13 (8) contributions of cash or equipment accepted for the operation of a  
14 nonprofit educational resource center that supports academic achievement in grades  
15 nine through 12 by coordinating curricula and statewide competition in the subject  
16 areas of economics, science, social science, literature, music, art, mathematics,  
17 writing, speech, and interview skills and by providing student scholarships;

18 (9) expenditures made to operate a child care facility in the state for  
19 the children of the producer's employees;

20 (10) contributions of cash or equipment accepted by a child care  
21 facility in the state operated by a nonprofit corporation and attended by one or more  
22 children of the producer's employees; and

23 (11) a payment to an employee of the producer made by the producer  
24 for the purpose of offsetting the employee's child care costs incurred in the state.

25 \* **Sec. 8.** AS 44.31.020 is amended to read:

26 **Sec. 44.31.020. Duties of department.** The Department of Labor and  
27 Workforce Development shall

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

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

1 (3) operate systems of workers' compensation and unemployment  
2 insurance;

3 (4) gather data reflecting the cost of living in various locations of the  
4 state upon request of the director of personnel under AS 39.27.030;

5 (5) operate the federally funded employment and training programs  
6 under 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998);

7 (6) administer the state's program of adult basic education and adopt  
8 regulations to administer the program;

9 (7) administer the programs of the Alaska Vocational Technical Center  
10 and adopt regulations to administer the programs, including regulations that set rates  
11 for student tuition and room and board and fees for the programs and services  
12 provided by the department regarding the Alaska Vocational Technical Center; [AND]

13 (8) gather data on the progress of each high school graduating class in  
14 a district by collecting career, postsecondary education, and residency data on each  
15 student in the graduating class; the department shall gather the data required under this  
16 paragraph every five years for 20 years after the high school graduation date of each  
17 high school graduating class; the department shall publish a biennial report on the data  
18 gathered under this paragraph; in this paragraph, "district" has the meaning given in  
19 AS 14.17.990; **and**

20 **(9) operate the state apprenticeship office to the standards**  
21 **required for recognition as a state apprenticeship agency by the United States**  
22 **Department of Labor.**

23 \* **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to  
24 read:

25 TRANSITION: STAGGERED TERMS. Notwithstanding AS 23.05.420(a), added by  
26 sec. 2 of this Act, the initial terms of the members of the Alaska Apprenticeship Advisory  
27 Council appointed under AS 23.05.420(a), added by sec. 2 of this Act, are as follows:

28 (1) one member appointed under AS 23.05.420(a)(1), one member appointed  
29 under AS 23.05.420(a)(2), and one member appointed under AS 23.05.420(a)(3) serve one-  
30 year terms;

31 (2) one member appointed under AS 23.05.420(a)(1), one member appointed

1 under AS 23.05.420(a)(2), and one member appointed under AS 23.05.420(a)(3) serve two-  
2 year terms; and  
3 (3) one member appointed under AS 23.05.420(a)(1), one member appointed  
4 under AS 23.05.420(a)(2), and one member appointed under AS 23.05.420(a)(3) serve three-  
5 year terms.