

Offered: 4/21/89
Referred: Rules

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Original sponsor: Rules/Governor

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 191 (Finance)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act relating to employment contributions and to
7 the establishment of state training and employment
8 programs; relating to training programs operated by
9 the Department of Military and Veterans' Affairs; and
10 providing for an effective date."
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
12 * Section 1. FINDINGS. The legislature finds that
13 (1) an inadequate number of jobs exist in this state to meet the
14 needs of those seeking employment;
15 (2) many Alaskans are having difficulty finding jobs, especially
16 in trying to meet the changing technology needs in this state;
17 (3) employer and employee contributions paid into the unemploy-
18 ment insurance system are used for payment of compensation to unemployed
19 workers and allocation of a small portion of employment contributions paid
20 by employees would provide money to develop a state training and employment
21 program to meet the training needs of Alaskans;
22 (4) a state training and employment program would
23 (A) help prevent future claims against unemployment bene-
24 fits;
25 (B) foster new jobs by encouraging businesses to locate in
26 the state due to availability of a skilled labor force and by minimiz-
27 ing employers' unemployment costs; and
28 (C) increase training opportunities to those workers se-
29 verely affected by the fluctuations in the state economy or

1 technological changes in the workplace in the state;

2 (5) it would be beneficial to the state for state training and
3 employment programs funded by this Act to supplement, but not to displace,
4 programs funded by money available to a training entity for public or
5 private training, and not to replace, parallel, compete with, or duplicate
6 existing federally approved, jointly administered apprenticeship and train-
7 ing programs.

8 * Sec. 2. STATE TRAINING AND EMPLOYMENT PROGRAM. There is created a
9 two-year pilot project program to finance and award grants to employment
10 assistance and training entities. Employment assistance and training
11 entities shall give appropriate state agencies full access to accounting
12 records concerning grants received to assure compliance with program stan-
13 dards.

14 * Sec. 3. EMPLOYMENT ASSISTANCE AND TRAINING PROGRAM ACCOUNT. The
15 employment assistance and training program account is established in the
16 general fund. The commissioner of administration shall separately account
17 for money collected under sec. 4 of this Act that the department deposits
18 in the general fund. The annual estimated balance in the account may be
19 appropriated by the legislature to the department to implement this Act.
20 The legislature may appropriate the lapsing balance of the account to the
21 unemployment compensation fund established in AS 23.20.130.

22 * Sec. 4. SPECIAL EMPLOYEE UNEMPLOYMENT CREDIT AND CONTRIBUTIONS FOR
23 PROGRAM. (a) In the manner provided in AS 23.20, the department shall
24 collect from each employee an amount equal to one-tenth of one percent of
25 the wages, as set out in AS 23.20.175, on which the employee is required to
26 make contributions under AS 23.20.290(d). This subsection applies to
27 amounts due and collected from July 1, 1989, through June 30, 1991, on
28 wages for employment performed from July 1, 1989, through June 30, 1991.
29 The department shall remit to the Department of Revenue, in accordance with

1 AS 37.10.050, money collected under this subsection.

2 (b) Notwithstanding AS 23.20.290(d), the department shall credit each
3 employee with an amount equal to the amount collected from the employee
4 under (a) of this section against unemployment contributions owed by the
5 employee under AS 23.20.

6 (c) The department shall assess and collect, under AS 23.20.185 -
7 23.20.275, interest and penalties for delinquent reports and payments due
8 under this section. Interest and penalties collected shall be handled in
9 accordance with AS 23.20.130(d).

10 * Sec. 5. PEOPLE TO BE SERVED. Within the limits of its grant, an
11 employment assistance and training entity receiving a grant under sec. 8 of
12 this Act shall provide services set out in sec. 6 of this Act to state
13 residents who, immediately before beginning training or receiving benefits
14 under a grant financed by this program,

15 (1) are unemployed and

16 (A) are receiving unemployment insurance benefits; or

17 (B) have exhausted the right to unemployment insurance
18 benefits within the past three years;

19 (2) are employed, but liable to be displaced within the next six
20 months because of

21 (A) reductions in overall employment within a business;

22 (B) elimination of the worker's current job; or

23 (C) a change in conditions of employment requiring that, to
24 remain employed, the employee must learn substantially different
25 skills which the employee does not now possess; or

26 (3) have worked in a position covered by AS 23.20 at any time
27 during the last three years, and are not currently eligible for unemploy-
28 ment insurance benefits because

29 (A) their employment has been seasonal, temporary, part-

1 time, or marginal;

2 (B) their qualifying wages are insufficient because of
3 limited job opportunity; or

4 (C) they are employed but, because they are underemployed,
5 they are in need of employment assistance and training to obtain full
6 employment.

7 * Sec. 6. SERVICES FOR ELIGIBLE PEOPLE. Subject to the limits of its
8 grant, an entity receiving a grant under sec. 8 of this Act shall provide
9 one or more program elements. The program elements include

- 10 (1) industry-specific training;
- 11 (2) on-the-job training;
- 12 (3) institutional or classroom job-linked training;
- 13 (4) support services, including allowances;
- 14 (5) relocation assistance; or
- 15 (6) provisions of necessary tools, work-related clothing, safety
16 gear, or other necessities to obtain or retain employment.

17 * Sec. 7. DUTIES OF THE DEPARTMENT. (a) The department may award a
18 grant to the State Job Training Coordinating Council to

- 19 (1) administer a state training and employment program; and
- 20 (2) award pilot project grants to qualified entities.

21 (b) If a grant is awarded to the State Job Training Coordinating
22 Council, the department shall annually provide to the council a priority
23 list of targeted projects or services, based on unemployment statistics,
24 unemployment insurance claims, occupational and industrial projections,
25 availability of other training and employment programs, and other relevant
26 data. The department shall also provide annually to the council a priority
27 list of criteria for eligibility to maximize services to those people most
28 in need of training under this Act. In developing the priority list for
29 targeted projects and services, the department shall solicit comments from

1 the Department of Community and Regional Affairs, Department of Education,
2 Department of Commerce and Economic Development, University of Alaska,
3 organized labor, the council, and the administrative entities of the sub-
4 state service delivery areas established for the council.

5 (c) The department may adopt regulations necessary to implement this
6 chapter.

7 * Sec. 8. DUTIES OF STATE JOB TRAINING COORDINATING COUNCIL. (a) In
8 implementing this program under a grant received under sec. 7 of this Act,
9 and subject to the limit of its grant, the council shall award a pilot
10 project grant for a period of up to two years, in accordance with the
11 priority list established by the department under sec. 7(b) of this Act, to
12 an employment assistance and training entity if the entity meets program
13 requirements and can demonstrate that

14 (1) its accounting systems include controls adequate to check
15 the accuracy and reliability of accounting data, promote operating effi-
16 ciency, and assure compliance with program requirements and generally
17 accepted accounting principles; and

18 (2) its activities do not replace or compete in any way with a
19 federally approved jointly administered apprenticeship program or any other
20 existing training programs.

21 (b) The council may not award a pilot project grant if the grant
22 would displace money available through existing public or private training
23 programs.

24 (c) The Department of Community and Regional Affairs shall provide
25 administrative support to the council to administer the program. To pro-
26 vide administration of the program, the council may use the administrative
27 entities of the substate service delivery areas established for the coun-
28 cil.

29 (d) The council shall annually provide the department with financial

1 and performance reporting on the activities of the program and recommenda-
2 tions concerning continuation of funding.

3 * Sec. 9. DEFINITIONS. In this Act,

4 (1) "council" means the State Job Training Coordinating Council
5 established in the Department of Community and Regional Affairs under
6 29 U.S.C. 1532 and Administrative Order Number 74 of the governor;

7 (2) "department" means the Department of Labor;

8 (3) "program" means the state training and employment program
9 established under this Act; and

10 (4) "substate service delivery areas" means those areas desig-
11 nated by the governor under 29 U.S.C. 1532.

12 * Sec. 10. SHORT TITLE. Sections 1 - 10 of this Act may be cited as
13 the Alaska Employment Assistance and Training Program Act.

14 * Sec. 11. AS 39.25.110 is amended by adding a new paragraph to read:

15 (28) persons engaged in employment or pre-employment train-
16 ing programs operated by the Department of Military and Veterans'
17 Affairs.

18 * Sec. 12. AS 44.35.020 is amended by adding a new subsection to read:

19 (b) The Department of Military and Veterans' Affairs may admin-
20 ister training and pre-employment training programs.

21 * Sec. 13. Sections 1 - 10 of this Act are repealed.

22 * Sec. 14. Sections 1 - 12 of this Act take effect July 1, 1989.

23 * Sec. 15. Section 13 of this Act takes effect July 1, 1991.