

HB

281

HOUSE COMMITTEE REPORT

(7)

Date referred: 4/17/87

FURTHER REFERRALS: Finance

DATE: 5-1-87

The State Affairs Committee has considered HB 281

"An Act placing students employed in state institutions in the exempt service."

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

W. G. Boudine

Scott McInnes

Lynne Hoffman

Larry Martin

SIGNING OTHER RECOMMENDATIONS:

Max Ulmer - none

Max Ulmer

 Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version : HB-281
Publish Date : _____

REQUEST: _____

Revision Date: _____
Title : ... placing students employed in state institutions in the exempt service...
Sponsor : Rep. Bette Cato
Requestor : House State Affairs

Agency Affected : Education
BRU : Alaska Vocational Technical Center, and Mt. Edgecumbe
Components : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The bill will not require an increased appropriation.

Prepared by Steve Hoke Phone : 465-2200
Division : Commissioner's Office Date : May 1, 1987
Approved by Commissioner : William G. Demmert Date : May 1, 1987
Agency : Education

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

H B 281

STEVE COWPER, GOV

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DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
301 WEST 10th STREET
POUCH F
JUNEAU, ALASKA 99811

April 21, 1987

APR 22 1987

The Honorable Bette Cato
Alaska State Legislature
PO Box V
Mail Stop 3100
Juneau, Alaska 99811

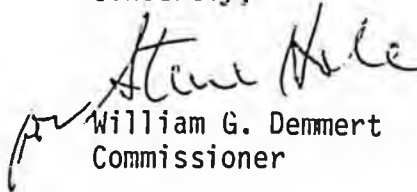
Dear Representative Cato:

The Department of Education supports the efforts of the Alaska Vocational Technical Center (AV Tech) to attain the statutory change necessary to enable educational institutions such as AV Tech to hire students under the exempt category of service. From a practical standpoint we believe that this will benefit both the students and the employing institutions. The students will benefit through job experience and income; the employers through the accomplishment of tasks and functions on an as-needed basis and in a cost effective manner. Given the budget reductions over the past years, it is no longer possible to hire full time employees to cover the range of functions previously accomplished by staff. This approach to hiring of students will enable AV Tech to meet its program needs while benefitting participating students.

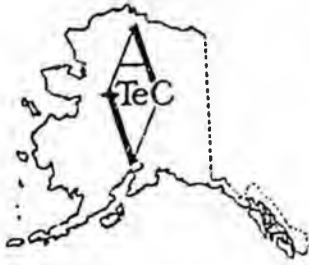
If you have further questions or wish to discuss this matter, please contact Bob Booher, Director of AV Tech, or me.

Thank you for your consideration of this matter.

Sincerely,


William G. Demmert
Commissioner

STATE OF ALASKA



DEPARTMENT OF EDUCATION

OFFICE OF ADULT AND VOCATIONAL EDUCATION

ALASKA VOCATIONAL TECHNICAL CENTER

VOCATIONAL/TECHNICAL TRAINING
FOR HIRE EDUCATIONP. O. BOX 889
SEWARD, ALASKA 99664

19071 224-3322

April 13, 1987

Representative Betty Cato
Pouch V, Mail Stop 3100
Juneau, AK 99811

The Honorable Betty Cato:

Representative Cato, we are proposing that AVTEC be able to hire students to perform work tasks for the Center. In the past we were able to do this through the Student Intern program. This was not a satisfactory situation. The costs were exceptionally high. Students hired through APEA were paid at a range 5. In Seward we were paying \$7 to \$8 an hour for student trainees. We had worked out an agreement with Local 71, however, the same problem existed. If we hired a student to perform Local 71 work, the classification was dependent upon what tasks the student was performing. For example, if the student was changing the oil in a car he/she would be classified as an automobile mechanic and would receive 75% of Local 71's starting wage for automotive mechanics. Usually this meant that the student would be receiving a higher hourly wage as compared to permanent Local 71 employees in lower paid classifications. The paper-work associated with running these positions through the State personnel system was horrendous.

If we establish work experience positions, and if these positions are exempt positions, we establish the pay rates, and the amount of State personnel paper-work is reduced significantly. Students in work experience positions would be paid the prevailing wage rate for student work at other educational institutions in Alaska.

In order to meet the FY87 budgetary reductions AVTEC deleted many student services. This enabled us to keep the instructional staff intact. However, we are now discovering that many of the services are sorely missed. Many of the services being provided by the positions that were deleted did not require a high skill level.

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Letter, Representative Betty Cato
April 13, 1987

These services could be provided by student workers at approximately 40% of the cost of the same service being provided by a State employee. In these extraordinary times we believe that in order to continue to provide a full range of student services a viable student work program is essential. A statute which allows AVTEC to hire student workers as exempt employees would allow the Center to provide each training area with a work experience component in their curriculum. This would be a major benefit for students attending the Center.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "R. D. Booher".

R. D. Booher, Director, AVTEC