

SCR

57

# Governor's Council on Vocational Education

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TO: Senator Paul Fischer, Chair  
Senator Ken Fanning  
Senator Joe Josephson  
Senator Jay Kerttula

FROM: Rosie Peterson  
Executive Director

SUBJECT: Senate Concurrent Resolution No. 57

DATE: April 11, 1988

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In my testimony supporting Senate Concurrent Resolution No. 57, I reported results of a survey conducted in 1983 where employers and personnel officers were asked: "What are the three competencies or job preparation skills whose lack causes recent high school graduates or dropouts to lose their jobs or to be unsuccessful in their employment after they are hired?" I have attached a synopsis of that survey as requested by Senator Fanning.

I have also enclosed the Executive Summary of a National Alliance of Business Report entitled: "The Fourth R: Workforce Readiness," which I also referred to in my testimony.

If I can be of further assistance please do not hesitate to call upon me.

**Employer Nominations of Skills Lacked by Recent High School Graduates or Dropouts Which Cause Them to Lose Their Jobs or To Be Unsuccessful After They Are Hired**

(Employers: Personnel Officers)<sup>a</sup>

Question: What are the three competencies or job preparation skills whose lack causes recent high school graduates or dropouts to lose their jobs or to be unsuccessful in their employment after they are hired?

Competencies/Skills	First		Second		Third		Total N
	N	(%)	N	(%)	N	(%)	
Work with others, settle differences	21	(5%)	12	(3%)	24	(5%)	57
Willing to improve job skills, advance	6	(1)	5	(1)	7	(2)	18
General attitudes toward work	69	(15)	61	(13)	44	(9)	174
Understands value/importance of work	12	(3)	18	(4)	23	(5)	53
Mathematics	4	(1)	1 (**)#		1 (**)#		6
Reading	0	(0)	2	(.5)	0	(0)	2
Writing	0	(0)	1 (**)#		1 (**)#		2
Speaking well enough to be understood	0	(0)	1 (.5)		1 (**)#		2
Listening well enough to understand	3	(.5)	5	(1)	6	(1)	14
Spelling, grammar	2	(.5)	0	(0)	1 (**)#		3
Use of tools & equipment	2	(.5)	3	(.5)	5	(1)	10
Quantity of work, amount of output	16	(3)	56	(12)	41	(9)	113
Quality of work, accuracy, no waste	24	(5)	55	(11)	52	(11)	131
Accepting advice and supervision	13	(3)	32	(7)	50	(11)	95
Following through on assignments	7	(2)	26	(6)	20	(4)	53
Initiative, plans, directs own work	12	(3)	18	(4)	15	(3)	45
Work habits, on time, dependable	192	(41)	58	(12)	41	(9)	291
General knowledge of business operations	1 (**)#		3	(.5)	4	(1)	8
Recognizing, solving problems by self	6	(1)	7	(2)	11	(2)	24
Making decisions in own area of work	0	(0)	5	(1)	7	(2)	12
Understands U.S. economic system	0	(0)	1 (**)#		1 (**)#		2
Applying & interviewing for a job	0	(0)	0	(0)	0	(0)	0
Personal health (avoiding illness, etc.)	2	(.5)	4	(1)	2	(.5)	8
Good appearance (grooming, dress)	1 (**)#		1 (**)#		1 (**)#		3
Safety conscious	0	(0)	3	(.5)	6	(1)	9
Flexible	1 (**)#		3	(.5)	2	(.5)	6
Specific skills required to perform job	6	(1)	4	(1)	9	(2)	19
Applying job skills to new situations	2	(.5)	5	(1)	3	(.5)	10
Understands career ladders, advancement	1 (**)#		0	(0)	0	(0)	1
Other (Specify)	3	(.5)	1 (**)#		0	(0)	4
No Response	64	(14)	77	(16)	92	(20)	659
<b>TOTAL</b>	<b>470</b>	<b>(101)</b>	<b>470</b>	<b>(100)</b>	<b>470(99.5)***</b>		<b>1836</b>

<sup>a</sup>Employer Form A-2 respondents: 54% were personnel officers or personnel managers

N = number of responses

(\*\*)# = less than 1/2%

\*\*\* Total does not equal 100% due to rounding

SOURCE: Business and Education Survey. Parker Project - Wisconsin 1983.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: CSHB 53 (HESS)  
Publish Date: HOUSE 1/30/87

Revision Date: \_\_\_\_\_  
Title: "An Act relating to penalties  
for violation of workplace safety laws"  
Sponsor: Koponen and Goll  
Requestor: House HESS

Agency Affected: Labor  
BRU: Occupational Safety and  
Health  
Components: Occupational Safety and  
Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL		3.2	1.7			
CONTRACTUAL		60.0	27.5			
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	63.2	29.2	0	0	0

CAPITAL						
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REVENUE	0	242.9	132.0	91.1	91.1	91.1
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FUNDING: (Thousands of Dollars)

GENERAL FUND		31.6	14.6			
FEDERAL FUNDS		31.6	14.6			
OTHER						
TOTAL	0	63.2	29.2	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

(see attached)

Prepared by: Tom Stuart, Director  
Division: Labor Standards and Safety

Phone: 465-4870  
Date: 1/30/87

Approved by Commissioner: Jim Samoson  
Agency: Labor

Date: 1/30/87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
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- Impacted Agency(ies)
- Senate Secretary

CSHB 53(HESS) Page 2 of 4 1/30/87  
Fiscal Note Analysis  
For Committee Substitute for House Bill 53 (HESS)

Committee Substitute for House Bill 53 increases penalties for violations of workplace safety and health laws and is viewed as an effective deterrent to such violations. However, it is anticipated that a two-year period will be required for the deterrent effects of the increased penalties to be fully realized. Until the deterrent effect is fully realized, it is projected that the increased penalties will result in increased contests which will temporarily result in increased expenditures. Likewise, it is expected that revenues from penalties will initially increase and then decline as the deterrent effect materializes.

The increased costs are:

Contractual:

In FY 88 an additional \$45,000 will be required for legal costs for services provided by the Department of Law in connection with contested citations, and collection of penalties. This amount will decrease in FY 89 as the increased deterrent effect of the increased penalties is realized, and by FY 90, contests will have returned to present levels.

In FY 88, an additional \$10,000 in hearing officer costs will also be incurred for the OSHA Review Board which decides contested cases. As with the Department of Law costs, this fiscal note anticipates a decline in the caseload in FY 89, and a return to present levels in FY 90.

A one-time cost of \$5,000 is also included for mailing a notice to all employers in the state to inform them of the increased penalties.

Travel:

In FY 88, an additional \$3,200 in per diem costs will be incurred for the three-member OSHA Review Board which decides contested cases. The Board will meet an additional 8 days to hear the additional cases. These costs would likewise decrease in FY 89 and dissipate in FY 90.

Following are the specific workload assumptions used in projecting costs and revenues:

1. Increased penalties will take effect July 1, 1987;
2. In FY 88, there will be a 25% reduction in the number of serious violations and the number of serious citations. In FY 89 and FY 90, there will be further reductions of 35% and 20%, respectively. After FY 90, further reductions are not anticipated.

	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>
Number of Serious violations	250	190	125	100
Number of Serious citations	165	125	80	65

(Serious citations average 1½ serious violations each. Therefore, the number of citations issued is less than the number of serious violations.)

3. 40% of the Serious citations issued by the Department will be contested. (This is the present contest rate for citations with penalties of \$500 or more.)

	<u>FY 87</u>	<u>FY 88</u>	<u>FY 89</u>	<u>FY 90</u>
Number of Contested citations	25	50	32	25

The increased revenues are projected upon increases in penalties as follows:

Type of of Violation	FY 87		FY 88		FY 89		FY 90	
	Violations	Penalties	Violations	Penalties	Violations	Penalties	Violations	Penalties
Repeat	30	\$10,700	20	\$71,400	10	\$35,700	5	\$17,850
Serious	250	45,000	190	342,000	125	225,000	100	180,000
Failure to Abate	1	300	1	3,000	0	0	0	0
Willful	0	0	1	15,000	0	0	0	0
Proposed Penalties		\$56,000		\$431,400		\$260,700		\$197,850
Less penalty reduction as a result of negotiated settlements and uncollect- ible penalties		(\$18,480)		(\$151,000)		(\$91,200)		(\$69,200)
Less Current Revenues		(37,520)		(37,520)		(37,520)		(37,520)
Additional Revenues		0		\$242,880		\$131,980		\$91,130