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HOUSE COMMITTEE REPORT

(11)

Date Referred: May 3, 1989

FURTHER REFERRALS:

Date of Committee Action: 5/6/89

The FINANCE Committee considered:

CSSB 191 (FINANCE)

CS FOR SENATE BILL NO. 191 (Finance)

[EMPLOYMENT ASSISTANCE AND TRAINING]

"An Act relating to employment contributions and to the establishment of state training and employment programs; relating to training programs operated by the Department of Military and Veterans' Affairs; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with CS SB 191 (Finance) [] the same title
- [] have 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):
(Dept)

APPROVES PREVIOUS: (Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [2] fiscal note(s) C&RA Labor
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

[Signature] Hoffman
[Signature] Larson
[Signature] Brown
[Signature] Koponen
[Signature] Ulmer
[Signature] Wallis

SIGNING:

(Check approp. column)

	Do Not Pass	No Rec	Amend
<u>[Signature]</u> Swadhammer	<input checked="" type="checkbox"/>		
<u>[Signature]</u> Barnes	<input checked="" type="checkbox"/>		
<u>[Signature]</u> Phillips	<input checked="" type="checkbox"/>		
<u>[Signature]</u> Shultz	<input checked="" type="checkbox"/>		
<u>[Signature]</u> Rieger	<input checked="" type="checkbox"/>		

CO- [Signature]
 Chairman's Signature
 CO- [Signature]

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Employment Training & Assistance
 Program _____
 Sponsor: Rules Committee
 Requestor: Governor

Agency Affected: Community & Regional Affairs
 BRU: Job Training Partnership Act

Components: Governor's Training, Training and Energy Field Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		92.0	136.8			
TRAVEL		11.7	13.5			
CONTRACTUAL		18.0	26.2			
SUPPLIES		2.0	6			
EQUIPMENT		3.5	0			
LAND & STRUCTURES		0	0			
GRANTS, CLAIMS		1597.8	2403.3			
MISCELLANEOUS		0	0			
TOTAL OPERATING	0	1725.0	2580.4	N/A	N/A	N/A

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0					
FEDERAL FUNDS						
OTHER		1725.0*	2580.4*			
TOTAL	0	1725.0	2580.4	N/A	N/A	N/A

POSITIONS:

FULL-TIME	0	2	2	N/A	N/A	N/A
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

*Interagency receipts from the Department of Labor. This Fiscal Note authorizes receipt and expenditure of these funds.
 (See attached Fiscal Note Analysis).

Prepared by: [Signature] Phone: 465-4890
 Division: Rural Development Division Date: 4-21-89

Approved by Commissioner: [Signature] Date: 4/21/89
 Agency: Community & Regional Affairs

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

State of Alaska 1989 - 16th Legislature
First Session
Fiscal Note Analysis

Title: Alaskan Employment
Training Assistance Program

Page 2 of 5

Assumptions Funds will be passed through the Department of Community and Regional Affairs with oversight provided by the Alaska State Job Training Coordinating Council. The intent of this bill would also provide for a proportionate pass through of grant funds to the established Service Delivery Areas (the administrative/granting entities established under the Job Training Partnership Act.) One of the three established SDA's within the State, the Statewide SDA, is also organized and functional within the Rural Development Division, Department of Community and Regional Affairs. This analysis therefore reflects both of these functions within this Department. The expenditures indicated on page I for personal services, travel, contractual, supplies and equipment reflect a 2.5% level of administrative support for the statewide office and a 12.5% level of administrative support for the Service Delivery Area.

Federal JTPA funds are dedicated to the administration of JTPA programs and cannot be used for the administration of State funded job training programs. Certain prudent and minimal administrative effort must be made to assure that the funds are expended appropriately by the service agencies.

Program Summary At the State office (JTPO) level, the requested administrative funds will be used to provide contract and grant administration necessary to assure the funds are expended appropriately. Oversight and monitoring, both on-sight and at desk will be provided. Participants will be tracked and accounted for through modification to the JTPA Participant Management Information System. Technical assistance will be provided to service providing agencies. General program administration including generation of required fiscal and participant reports will be provided.

At the Service Delivery Area level 85% of funds will be directly granted to eligible training projects. The minimal administrative support requested is necessary to initiate program implementation which would include the planning and design work, outreach and promotion, the solicitation process, grant negotiation and writing, grant monitoring, technical assistance and oversight, participant outreach and recruitment, financial accountability, staff training, and program assessment and evaluation. Program services and administration will be integrated into the existing SDA administrative structure, which utilizes five field offices, a small central support office and support for a Private Industry Council.

Positions Two new positions, (a 7 months equivalent within the Governors Training Component and one within the Training and Energy Field Office component, JTPA BRU) are requested (see attached Request for New Position Form). Within the Training and Energy Field Office component some additional support (calculated on a conservative pro-rata basis) in personal services for established personnel is also requested. This would cover approximately 20% of the SDA manager, 20% of one Clerk Typist and 10% of a Community Development Specialist in each of the field offices. (This rate is significantly less than the current charging used against the Federal JTPA program.)

Other Expenditures Modification of the existing JTPA Participant Management Information System will be needed to track and account for program participants. Estimated one-time cost is \$4,500. Travel for the JTPA office is estimated at \$1,700, while the Statewide SDA will require an estimated \$10,000 in consideration of the cost of rural travel. Other contractual costs will include fiscal support costs, program marketing and promotion, data base maintenance under the equipment maintenance agreement, phone, copier, printing, and basic supplies.

For a program of this scope, there are great advantages and financial savings realized by administering it through this established Delivery System

Position Title Grants Administrator		No. of Positions 1	Range/Step 17A	Barg. Unit GGU
Time Status Full Time	Staff Months 7	Location Anchorage		Election District
Type of Expenditure		Justification		
1	2	3		
Salary	20.2	<p>Funds will be passed through the Department of Community & Regional Affairs with oversight provided by the Alaska State Job Training Coordinating Council. Federal JTPA funds are dedicated to the administration of the JTPA programs and cannot be used for the administration of State funded job training programs. Certain prudent and minimal administrative effort must be made to assure that the funds are expended appropriately by the service agencies.</p> <p>At the present time staff in the central JTPA administrative office are occupied with administering the Job Training Partnership Act. The addition of new administrative responsibilities require an additional position to do the work. A Grants Administrator position is needed at a range 17 step A. Approximately 7 months of this person's time will be charged to this new program. The balance of position cost will be supported by federal funds. This position will be used to provide contract and grant administration necessary to assure the funds are expended appropriately. Oversight and monitoring both on-site and at desk will be provided. Participants will be tracked and accounted for through modification to the JTPA Participant Management Information System. Technical assistance will be provided to service-providing agencies. General program administration including generation of required fiscal, participant and performance reports will be provided.</p>		
Benefits	6.1			
Premium Pay	0			
Other	0			
Total Personal Services	26.3			
Travel	1.7			
Contractual	11.0			
Commodities	1.5			
Equipment	3.5			
Other	0			
Total Cost	44.0			
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1006	44.0		
CIP Receipts	1061			
Other				

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Job Training Partnership Act
 Component Governors Training

Page 4 of 5
 Revised Date

FY 90

Position Title Grants Administrator		No. of Positions 1	Range/Step 17A	Barg. Unit GGU
Time Status Full Time	Staff Months 12	Location Juneau		Election District
Type of Expenditure		Justification		
1	2	As the intent of this program is to pass on funds for employment and training grants to existing administrative entities, the Alaska Statewide SDA as organized within Community & Regional Affairs would be one such entity. The SDA is established in the Training/Energy Field Office component within the JTPA BRU.		
Salary	34.7	As with the State office, the federal JTPA funds cannot be used to support State activity within the SDA. While the Statewide SDA will utilize its Field Office network to implement this program, an additional Central Office position is necessary to oversee the development of the grant solicitation, internal procedures for accounting, MIS, Monitoring, reporting, subgrant management and evaluation of this program. These new administrative responsibilities will require the addition of a Grants Administrator position, range 17 step A to the central administrative office in Juneau.		
Benefits	10.5			
Premium Pay	0			
Other	0			
Total Personal Services	45.2			
Travel	5.0			
Contractual	2.5			
Commodities	.5			
Equipment	0			
Other	0			
Total Cost	53.2			
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
I-A Receipts	1005	53.2		
CIP Receipts	1006			
Other				

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Job Training
 Component Training/Energy Field Office

Page 5 of 5
 Revised Date

FY 90

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB 191 (FIN)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
Title: "An Act relating to employment contributions...and training programs" BRU: Employment Security
Sponsor: Rules Committee Components: _____
Requestor: Senate Finance Unemployment Insurance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		55.0	9.6			
TRAVEL						
CONTRACTUAL		1,725.0	2,580.4			
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	1,780.0	2,590.0	0.0	0.0	0.0

CAPITAL						
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REVENUE	0.0	1,780.0	2,590.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND		1,780.0	2,590.0			
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	1,780.0	2,590.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Judy Knight, Deputy Director Phone: 465-2712
Division: Employment Security Division Date: 4/21/89
Approved by Commissioner: Jim Sampson Date: 4/21/89
Agency: Department of Labor

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

Fiscal Note Analysis
for

"An Act relating to employment contributions...and training..."

This bill provides for the establishment of a state training and employment program that will be funded by a contribution of one-tenth of one percent of covered worker wages collected by the Department of Labor. This will be done at no cost to the worker by giving a credit of this amount from the employee contribution currently provided for in AS 23.20.290. The revenue will be deposited in the general fund in the state training and employment program account.

Revenue calculations for FY 90 and FY 91 are as follows:

	<u>FY 90 Revenues</u>	<u>FY 91 Revenues</u>
Estimated taxable wages	\$2,559,000.0	\$2,727,000.0
Less one quarter for effective date of July 1, 1989	(683,000.0)	
Multiply difference by one-tenth of 1% to arrive at estimated revenues	\$1,876.0	\$2,727.0
Adjust for 95% collection rate	<u>(92.0)</u>	<u>(137.0)</u>
<u>Estimated total revenues available</u>	\$1,780.0	\$2,590.0

Except for the \$55.0 needed by the department to cover administrative costs, the revenues deposited to the state training and employment program account would be transferred to the Department of Community & Regional Affairs for disbursal.

During the first year the department's automated accounting system would have to be modified to allow the separate accounting of these revenues. This would be needed due to the federal requirement that funds such as these not be mixed with U.I. trust fund monies. We estimate the one time cost of this conversion to be \$45.4 of analyst/programmer time for the Unemployment Insurance program.

Also, costs of \$9.6 would be required in staff time during both years to separately account for and transfer this money.

Assumptions:

1. Effective date of July 1, 1989.
2. Pilot program would last for two years.

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.

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 24, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

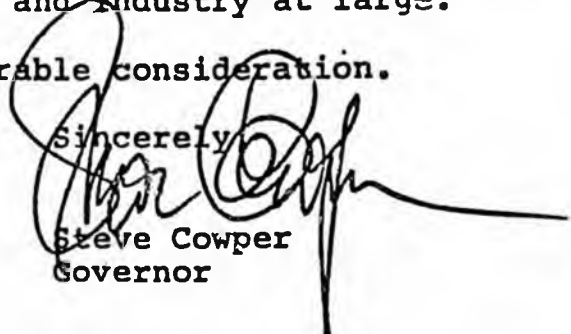
Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to create a two-year pilot project program to increase training opportunities for Alaskans severely affected by fluctuations in the Alaskan economy or by technological changes in the work place. The bill would allow the Alaska Department of Labor to award a grant to the existing State Job Training Coordinating Council to administer the program and to provide grants to qualified employment assistance and training entities, according to priorities established by the department after solicitation of comments from key organizations with experience in the training needs of the state. The department would also be authorized to award grants directly to the training entities.

The bill was designed to prevent this new state training program from competing with existing programs, and to meet current unmet training needs in the state. Additionally, the bill is designed so that the program will be funded by legislative appropriation of a small portion of the employee contribution under the current statute, earmarked for this purpose, rather than by general fund money, yet without violating the dedicated-fund prohibition in art. IX, sec. 7, of the Alaska Constitution. I view the bill as a strong step forward in allowing the state to design employee training programs to meet the needs of the employees, employers, unions, and industry at large.

I urge your prompt and favorable consideration.

Sincerely,


Steve Cowper
Governor

Committee Substitute for Senate Bill No. 191(Finance)
State Training and Employment Program

Proposal

This bill establishes a two-year pilot program to increase training opportunities for Alaskans whose livelihood is affected by changes in Alaska's economy or by technological changes in the workplace.

Under the bill, training programs would be funded by a small portion (0.1 percent) of employee contributions which are currently required under Alaska's unemployment insurance law. This would provide \$1,780.0 in FY 90 and \$2,590.0 in FY 91. The training programs would be closely tied to unemployment in order that the training would result in reducing unemployment insurance outlays that would otherwise occur.

Description of Problem

Much of the unemployment Alaska is experiencing is "structural unemployment," which is being caused by basic and real changes to its economy. This causes mismatches between available workers' skills and employers' skill needs. When this occurs, workers face a different situation than they face by traditional unemployment.

A majority of the funds used for training in Alaska are from the federal Job Training Partnership Act, Carl D. Perkins monies, or other designated federal funds with specific qualifying provisions. The Federal Government places certain restrictions on the use of these funds, which makes a segment of the state's unemployed or minimally employed workers ineligible to participate

in these programs. The use of non-federal monies to fund state job training programs is required to provide more flexibility in structuring programs in the best interest of Alaska's employers and residents.

Inasmuch as State General Fund monies are scarce, the Department feels that other financing methods needed to be explored; and CSSB 191(FIN) offers another way to fund state job training programs. The funding mechanism proposed will permit training programs to be matched to Alaska's employment needs, not constrained by inappropriate federal restrictions and guidelines.

[See attached for a description of Military Affairs Youth Training proposal as established under Sections 11 and 12 of CSSB 191(FIN).]

DEPARTMENT OF MILITARY AFFAIRS

PROPOSAL FOR THE OPERATION OF A PILOT YOUTH TRAINING PROGRAM

ABSTRACT. The Alaska National Guard proposes to develop and operate a program to train young rural Alaskans. This requires three phases. First, develop a pilot program. Second, implement the pilot program in July and August 1989 to train young Alaskans age 17-20. Third, evaluate and refine the pilot to expand the number of participants and the range of services provided. The goals of this project are to:

- Provide a structured and rewarding employment experience.
- Enhance self-esteem.
- Develop a sense of self-reliance.
- Develop personal behavior patterns compatible with employment.
- Introduce participants to the values and ethics of the world of work.
- Instill self-discipline.
- Develop teamwork.
- Provide participants an exposure to positive role models.

This project will utilize the expertise of the Alaska National Guard to supervise, direct, and provide technical assistance. The pilot program will employ village youth in three rural villages to perform public service-type tasks. Projects would be identified by federal, state, and local agencies, as well as the Alaska National Guard. A committee composed of members of the Alaska National Guard will select both the villages to participate and the projects to be undertaken.

The project will operate under the overall supervision of an officer of the Alaska National Guard appointed as Project Manager. Participants will work in crews of five. Each crew will be supervised by a Non-Commissioned Officer of the Alaska National Guard in a State Active Duty (SAD) status. The supervisor will be responsible for the selection and management of his crew. He will also be responsible for all required administrative tasks such as time cards, performance counseling, etc.

GENDER STATEMENT. The male pronouns used throughout this document apply to both genders unless otherwise specifically indicated.

STATEMENT OF NEED. Rural Alaska, and especially the Native population in rural Alaska, is plagued by many ills. These are evidenced by high unemployment, high incidence of alcohol/drug abuse, high suicide rates, poor academic performance, and high incidence of spouse and child abuse. Psychologically these things can be related principally to three factors: lack of self-esteem, lack of structure, and unrealistic/unmet expectations. Further, these problems are exacerbated by boredom and the fact that the rural Native Alaskan lives in two, often conflicting, cultures. While there is no single solution to these situations, one of the pathways to overcoming the current problems is to provide structure, self-discipline, positive role models, and -- most importantly-- self-esteem to the rural Alaskan. There is no panacea for this situation. However, the program herein proposed is one positive step toward the improvement of the current situation.

PROJECT DESCRIPTION: With funding provided by the State Legislature the Alaska National Guard will develop and operate a pilot program for rural youth in three communities during the summer (July-August) of 1989 (FY90). Rural youth age 17-20 will be solicited by the Guard to fill positions in work crews. Project selection will be performed by a committee of the Guard based on the following broad criteria:

Projects must be in the public domain and for the public good.

Any work undertaken must be completed within the program cycle (July-August 1989).

Adequate tools and materials must be available either from the agency that nominated the project or within the program budget.

Projects must be within the performance capabilities of the participants.

Projects must be suitable to crew work.

Projects must contribute to the self-esteem of participants.

The Alaska National Guard will place a Project Manager on State Active Duty (SAD). The Project Manager will be responsible for identifying potential projects, and crew supervisors. He will train the crew supervisors, co-ordinate technical advisors, and manage the overall program. At the completion of the pilot he will be responsible for the further development and expansion of the program to include more villages, projects, participants, and a wider range of program services. He will also participate in the process of seeking federal funding for the program.

Participants will work in crews of five in or near their villages performing public service tasks. Each crew will be supervised by a Non-Commissioned Officer (NCO) of the Alaska National Guard who is placed in a State Active Duty (SAD) status. Since each of these NCOs has undergone training in leadership and counseling, they will be able to provide the proper supervision, counseling, and role model for the participants. Their primary mission will not be to teach job skills. Rather, it will be to teach job behaviors and structure, and to instill self-worth. Each supervisor will undergo specialized training prior to be placed in charge of a work crew.

On a day to day basis the Crew NCO will teach, train, evaluate and counsel his crew. He will perform the administrative functions required (i.e. time cards) to ensure that time and money receive a proper accounting. He will evaluate the participant's job performance and utilize counseling as a tool to provide feedback to the student.

Participants will work the state work week (37 1/2 hours) and will be paid the minimum wage. They will be classified as exempt, non-permanent state employees and will be paid through the state system. Projects will be identified by federal, state, and local agencies, and the Alaska National Guard. In addition to the crew supervisors, the Alaska Army National Guard will provide overall project supervision, administration, and technical assistance (i.e., engineering support) to the project.

PROGRAM OBJECTIVES. This program is intended to accomplish the following objectives.

- Provide a structured and rewarding employment experience.
- Enhance self-esteem.
- Develop a sense of self-reliance.
- Develop personal behavior patterns compatible with employment.
- Introduce participants to the values and ethics of the "world of work".
- Instill self-discipline.
- Develop teamwork.
- Provide participants an exposure to positive role models

ANTICIPATED OUTCOMES.

Through exposure to a structured environment the participant will learn that there are ways to beneficially structure his own life within the village. By being able to see a project through to completion, he will see the positive value of his efforts. This in turn will enhance his feeling of self-worth. Learning expected work behaviors will start the participant on the road to future employability and encourage participation in future education and job training.

While in the program the participant will be gainfully employed. In addition to accomplishing worthwhile projects, he will not have time to be bored. This, in itself, will reduce the propensity toward drug/alcohol abuse. Likewise, the tendency toward suicide and other aberrant behaviors will be lessened.

FUTURE PLANNING.

At the conclusion of the pilot program it will be evaluated by the Alaska National Guard and modified as required. The Project Manager will spend the remainder of FY90 looking to expand the number of villages served and the services provided by the program when operation resumes in the summer of FY91. The continuation of this project in FY91 will require the continued support of the Alaska Legislature. Simultaneously, we will begin working with our federal congressional delegation in order to obtain federal funding for this program. It is anticipated that at least some federal dollars will be available for this effort in FFY92.

It is our belief that this program will serve as the keystone for future endeavors in rural Alaska. There are a number of logical follow-on programs. These include, but are not limited to, programs to enhance the educational and vocational prowess of the participants. We envision that these future actions will be cooperative efforts undertaken in conjunction with other state and federal agencies. Ultimately, our aim is to develop a program participant to the point where he is a fully productive and contributing member of his village and the State of Alaska.

SECTION BY SECTION ANALYSIS
CS for Senate Bill 191 (FIN)

Section 1 details the labor market and supply conditions in the state that lead to the finding that a state training program is needed to provide a trained work force of Alaskan workers.

Section 2 of the bill provides for a two-year pilot for a State Training and Employment program.

Section 3 establishes an employment and training program account in the general fund, and provides for separate accounting of the money. The Legislature may appropriate these funds to the Department to implement the program and may appropriate lapsing funds back to the unemployment insurance trust fund.

Section 4 provides the funding mechanism for the program. It is funded by a contribution of one-tenth of one percent on employees. While this provision actually increases the employee contribution portion, then gives an employee contribution credit of the same amount, the net effect is to divert employee funds from the trust fund, with no increase in contributions.

Section 5 targets the primary population eligible for the program. The targeted group is Alaska residents who are current, past or future unemployment insurance claimants. It also includes people who have worked in covered employment during the last three years but are not eligible for unemployment benefits because they are working in seasonal, marginal, temporary or part-time jobs or are underemployed. This makes training available to a number of Alaskan workers currently not eligible for federal job training programs.

Section 6 defines the services that are covered under the program. Services provided include industry-specific training, on-the-job-training, classroom training, support services, relocation, or tools, work-related clothing and safety gear.

Section 7 defines the duties of the Department in awarding grants to the State Job Training Coordinating Council. It also directs the department to annually provide to the council a priority list of targeted projects or services, if a grant is awarded to the council.

Section 8 outlines the role of the State Job Training Coordinating Council in awarding grants to training entities. It provides controls to insure the integrity of the training entities, and insures the program will not compete with or displace other training programs or training money.

Section 9 defines terms used in the chapter.

Section 10 provides a short title for this temporary Act.

Sections 11 and 12 of the bill, added by Senate Finance, are designed to permit the Department of Military and Veterans Affairs to administer training and employment programs and thereby enable the Alaska National Guard to administer public service projects similar to the old CCC. This program is unrelated to the state training and employment established under other sections of the bill. The department's understanding is that Military and Veteran Affairs is interested in targeting on young adults, age 17 to 20 and the focus of the training will be on teaching proper work ethics and on-the-job behavior, and not job skills. Under Section 11 of the bill, the trainees would be in the partially exempt status for the purpose of setting their pay scale at minimum wage.

Sections 13 and 15 of the bill are sunset provisions for the state training and employment program, repealing the Act at the end of the two-year pilot project.

Section 12 provides an effective date of July 1, 1989 for both the state training and employment program and the Department of Military Affairs training and pre-employment training programs.