

SB

142

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: April 29, 1995

FURTHER REFERRALS:

Date of Committee Action: 5/2

The FINANCE Committee considered:

SB 142

CS FOR SENATE BILL NO. 142(STA)

HUMAN RESOURCE INVESTMENT COUNCIL.

"An Act establishing the Alaska Human Resource Investment Council and transferring certain functions of other entities to the council; abolishing the Employment Security Advisory Council; establishing a planning mechanism for employment training and other human resource investment needs; and providing for an effective date."

recommends it be replaced HCS with the following committee substitute CS# 142 (Fin) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: HRC Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept, Date)

fiscal note(s) _____ fiscal note(s) Gov 3/27/95

zero fiscal note(s) _____ zero fiscal note(s) (1) LA 3/27/95 (1) DOE 3/27
 (1) Labor 3/27/95 (1) HCS 3/27/95
 (1) DCED 3/27/95 (1) CPA 3/27/95

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Richard Doherty</i>	Foster	X			
<i>Mark Hanley</i>	Hanley	X			
<i>Alan Mulder</i>	Mulder	X			
<i>Terry Martin</i>	Martin			f	
<i>Steve Navarre</i>	Navarre	X			
<i>Greg Grossenbeck</i>	Grossenbeck	X			
<i>John Kelly</i>	Kelly	✓			
<i>Tom Brown</i>	Brown	✓			
<i>Gene Therrault</i>	Therrault	X			
<i>Paul Parnell</i>	Parnell	X			
<i>Lee Kohring</i>	Kohring	X			

CHAIR'S SIGNATURE *Mark Hanley* *Richard Doherty*
Hanley *Foster*



Alaska State Legislature

HOUSE OF REPRESENTATIVES

Committee on Finance

Official Business

State Capitol
Juneau, Alaska 99801-1182

LETTER OF INTENT
FOR
HCS CSSB 142 (FIN)

It is the intent of the Alaska Legislature that it be acknowledged that:

(1) Alaska's most important resource is its people and a well-trained work force is essential for economic opportunity and the future fiscal well-being of the state;

(2) if the state is to be competitive, it must continue to produce a literate, reliable, skilled, and professional work force in order to meet the current and future needs of the state's employers;

(3) to continue to produce a competitive work force, the work force development and education programs in this state must be integrated to provide a comprehensive system of education and training opportunities necessary to maintain the readiness of the state's work force now and in the future;

(4) to maximize the effectiveness of education and job training opportunities in the state, an alliance of available resources in the public and private sectors in the state is essential;

(5) the creation of an alliance of education and job training opportunities in the state is consistent with national efforts to consolidate federally funded programs into an integrated system to provide a single entity to address issues in these programs;

(6) the creation of the Alaska Human Resource Investment Council will serve a vital role in forging such an alliance among all these programs to make training accessible to every Alaskan, to allow Alaskans, especially those persons in rural Alaska, to compete in the job marketplace.

Representative Mark Hanley, Co-Chair

Date

Representative Richard Foster, Co-Chair

Date

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 1
Bill Version: SB 142
(S) Publish Date: 3-27-95

Revision Date:
Title: ALASKA HUMAN RESOURCE INVESTMENT COUNCIL

Department Affected: University of Alaska
BRU: ALL
Component: ALL

Sponsor:
Requestor:

COMPONENT SERIAL NO.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	00	00	00	00	00	00
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	00	00	00	00	00	00

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FD SOURCE						
-------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND						
1006 GF/MHTIA						
OTHER						
TOTAL FUNDING	00	00	00	00	00	00

POSITIONS:						
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Wendy Matheny, Budget Analyst
Division: Statewide Budget Office

Phone: 463-3086
Date: 3/20/95

Approved by: Wendy Redman, Vice President
Agency: University Relations

Date: 3/21/95

Distribution by prepare: Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies)

FISCAL NOTE

No. 2
 Bill Version: SB142
 (S) Publish Date: 3/27/95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

Revision Date: _____
 Title: Establishing an Alaska Human Resource Investment
Council
 Sponsor: Governor Knowles
 Requester: _____

Department Affected: Education
 BRU: Education Program Support
 Component: Adult and Vocational Education
Administration
 COMPONENT SERIAL NO. _____ 180

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	00	00	00	00	00	00

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	00	00	00	00	00	00

POSITIONS:

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY95) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes an Alaska Human Resource Investment Council as the lead state planning and coordinating entity for federal, state, and local employment training and human resource programs. Subject to legislative appropriation, the budget for the council is to be drawn from money available to the programs that are coordinated by the council. The department will support the AHRIC from existing funds available for that purpose.

Prepared by: Vince Barry, Director Phone: 465-8689
 Division: Education Program Support Date: March 20, 1995
 Approved by Commissioner: *Shirley Holloway* Shirley Holloway, Ph.D.
 Agency: Education Date: March 20, 1995

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

181

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: *An Act creating the AK Human Resource BRU: Employ/Training/Rural Development
Investment Council . . . Component: JPTA
 Sponsor: Governor
 Requestor: Rules Committee COMPONENT SERIAL NO. 1180

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY95) Impact \$ _____

ANALYSIS: (Attach a separate page if necessary)
 This agency, being involved in human resources development, will be participatory in council organization and activities. The council's administrative costs will be funded by interagency transfer to the Office of the Governor from existing budgeted funds.

Prepared by: Remond Henderson, Director Remond Henderson Phone: 465-4708
 Division: Administrative Services Date: 3/20/95

Approved by Commissioner: Remond Henderson for Mike Irvine Date: 3/20/95

Agency: Community & Regional Affairs

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office

FISCAL NOTE

No. 4

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. _____

Bill Version: SB142

(S) Publish Date: 3-27-95

Revision Date: _____
Title: Establish the Alaska Human
Resource Investment Council
Sponsor: Rules Committee
Requestor: Governor

Department Affected: Labor
BRU: Employment Security
Component: Employment/Unemployment Services
COMPONENT SERIAL NO. 1807

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
----------------	--	--	--	--	--	--

CHANGE IN REVENUE FUND SOURCE #						
--	--	--	--	--	--	--

FUNDS:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY95) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

The proposed bill would establish the Alaska Human Resource Investment Council by consolidating three existing employment and training councils. The Department of Labor will absorb a share of the support of the new council with existing funds.

Prepared by: Rebecca J. Hance, Director *Rebecca Hance* Phone: 465-2712
Division: Employment Security Division Date: 3/17/95

Approved by Commissioner: Tom Cashen, Commissioner
Agency: Department of Labor *Tom Cashen* Date: 3/17/95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 5
Bill Version: SB 112
(S) Publish Date: 3-27-95

Revision Date: _____
Title: An Act establishing the Alaska Human Resource Investment Council
Investment Council
Sponsor: Governor
Requestor: Governor

Dept. Affected: Health and Social Services
BRU: Public Assistance Admin
Component: Alaska Work Programs
COMPONENT SERIAL NO. 238
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGES IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0
---------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY96	FY97	FY98	FY99	FY00	FY01
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other (please specify)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

POSITIONS:	FY96	FY97	FY98	FY99	FY00	FY01
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of any current year (FY95) cost: 10.0

ANALYSIS: (Attach a separate page if necessary)

This bill establishes a lead state planning and coordinating entity for certain federal, State, and local employment and training and human resources. This entity, known as the Alaska Human Resource Investment Council (AHRIC), consolidates several existing councils, including AJTC. As a voting member of the AJTC, the passing of this bill will transfer DHSS' membership to AHRIC. The cost for participation will be shared by all agencies from existing budgets. Participation as an AHRIC member is business as usual. No additional funds are requested.

Prepared by: Jim Nordlund, Director
Division: Public Assistance

Phone: (907) 465-2680
Date: 03/17/95

Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Date: 3/17/95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

No. 16

Bill Version: SB 142

(S) Publish Date: 3-27-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BIL

Revision Date: March 17, 1995
 Title: An Act creating the Alaska Human Resources
 Investment Council...
 Sponsor: Governor
 Requestor: Rules Committee

Department: Commerce and Economic Development
 BRU: Economic Development
 Component: Economic Development
 COMPONENT SERIAL NO. 801

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	00	00	00	00	00	00
CAPITAL EXPENDITURES	00	00	00	00	00	00
CHANGE IN REVENUES	00	00	00	00	00	00

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	00	00	00	00	00	00

Estimate of any current year (FY 95) cost: \$ _____

POSITIONS

FULL-TIME	
PART-TIME	
TEMPORARY	

ANALYSIS: (Attach a separate page if necessary)

The following amounts will be expensed as interagency transfers to the Office of the Governor to fund administration of the AHRIC. DCED will absorb the cost; no additional funding is requested.

FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
0.7	0.6	0.4	0.4	0.5	0.5

Prepared by: Guy Bell, Director
 Division: Administrative Services
 Approved by Commissioner: William L. Hensley
 Agency: Commerce and Economic Development

Phone: 465-2505
 Date: March 17, 1995
 Date: 3/17/95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

No. 7
 Bill Version: SB 142
 (S) Publish Date: 3-27-95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

Revision Date: _____
 Title: "An Act creating the AK Human Resources Investment Council..."
 Sponsor: Governor
 Requestor: Rules Committee

Department Affected: Office of the Governor
 BRU: Commissions/Special Offices
 Component: Human Resources Investment Council
 COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	171.7	272.1	278.1	284.8	291.4	299.7
TRAVEL	34.6	48.0	48.0	48.0	48.0	48.0
CONTRACTUAL	66.8	83.0	80.2	77.5	74.7	72.0
SUPPLIES	3.0	6.0	6.0	6.0	6.0	6.0
EQUIPMENT	33.5	.5	.5	.5	.5	.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	309.6	409.6	412.8	416.8	420.8	426.2

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN						
-----------	--	--	--	--	--	--

FUND SOURCE	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER 1007 UA	309.6	409.6	412.8	416.8	420.8	426.2
TOTAL	309.6	409.6	412.8	416.8	420.8	426.2

POSITIONS	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
FULL TIME	1	1	1	1	1	1
PART TIME						
TEMPORARY						

Estimate of any current year (FY95) cost: 0

ANALYSIS: (Attach a separate page if necessary.)
 Requires no new GF funding - see attached analysis

Prepared by: Michael A. Nich Director *M Nich* Phone: 465 3876
 Division: Division of Administrative Services Date: 3/20/95
 Approved by Commissioner: David Rasmussen
 Agency: Office of the Governor Date: 3/23/95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

Telephone:	-	6,000
(toll costs, base/local fixed costs, fax 1000/mo x 6.0 months first year)		
Postage:	-	1,800
(300/mo x 6 months first year)		
Transportation:		
Freight and express charges	-	600
100/mo x 6.0 (first year)		
Advertising/Printing:		
Public notice requirements	-	2,000
Minor Repair, Maintenance:	-	750
(second and subsequent years)		
Rental for office space:	-	11,610
900 nsf x \$2.15 x 6 mos		
subsequent years 23,220		
Rental space for council meetings and public hearings	-	1,000

SUPPLIES

3.0

Data processing/office/duplicating supplies \$500/mo x 6 mos.	-	3,000
--	---	-------

EQUIPMENT

33.5

Communication:

Phone system	-	4,000
--------------	---	-------

Data Processing Equipment:

PCs, system printers, network token rings, cableing, network and work stations software	-	17,000
---	---	--------

Furniture/Office equipment:

offices/work stations	-	6,500
file cabinets, bookcases	-	2,500
Fax machine	-	3,500
Mail Machine/Scale	-	

374 58114

CS FOR SENATE BILL NO. 142(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 4/21/95
Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR
A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Alaska Human Resource Investment Council and
2 transferring certain functions of other entities to the council; abolishing the
3 Employment Security Advisory Council; establishing a planning mechanism for
4 employment training and other human resource investment needs; and providing
5 for an effective date."

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

7 • Section 1. LEGISLATIVE FINDINGS AND PURPOSE. (a) The legislature finds that
8 (1) Alaska's most important resource is its people and a well-trained work force
9 is essential for economic opportunity and the future fiscal well-being of the state;
10 (2) if the state is to be competitive, it must continue to produce a literate,
11 reliable, skilled, and professional work force in order to meet the current and future needs of
12 the state's employers;
13 (3) to continue to produce a competitive work force, the work force

1 development and education programs in this state must be integrated to provide a
2 comprehensive system of education and training opportunities necessary to maintain the
3 readiness of the state's work force now and in the future;

4 (4) to maximize the effectiveness of education and job training opportunities
5 in the state, an alliance of available resources in the public and private sectors in the state is
6 essential;

7 (5) the creation of an alliance of education and job training opportunities in
8 the state is consistent with national efforts to consolidate federally funded programs into an
9 integrated system to provide a single entity to address issues in these programs;

10 (6) the creation of the Alaska Human Resource Investment Council will serve
11 a vital role in forging such an alliance among all these programs to make training accessible
12 to every Alaskan, to allow Alaskans, especially those persons in rural Alaska, to compete in
13 the job marketplace.

14 (b) The purposes of this Act are

15 (1) to establish the Alaska Human Resource Investment Council to develop and
16 oversee the implementation of a comprehensive state human resource investment system;

17 (2) to promote an efficient, effective, and integrated system of employment
18 education and training programs and services so that all Alaskans have the skills and
19 opportunities necessary to earn a living wage and to meet the future business needs of the
20 state.

21 * Sec. 2. AS 14.35.020(b) is amended to read:

22 (b) When required by any of the Acts described in AS 14.35.010 the board
23 shall

24 (1) prepare, submit, and supervise the administration of the plans for
25 vocational education and vocational rehabilitation;

26 (2) select a state director of vocational education;

27 (3) establish the minimum qualifications for teachers, supervisors, or
28 directors;

29 (4) determine the prorated basis on which money shall be available for
30 the salary and necessary travel expenses of the state director of vocational education;

31 (5) consider the advice of the Alaska Human Resource Investment

HRIC FISCAL NOTE

AHRIC FY 96 - 2001 Funding Allocation INTERAGENCY TRANSFERS TO GOVERNOR'S OFFICE						
DEPARTMENT/PROGRAM	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
COMMUNITY AND REGIONAL AFFAIRS	7.0	3.4	3.8	4.2	4.7	5.4
JIC ADMINISTRATION	60.1	120.2	120.2	120.2	120.2	120.2
DCRA TOTAL	67.1	123.6	124.0	124.5	124.9	125.6
DEPARTMENT OF EDUCATION	6.3	3.1	3.4	3.9	4.2	4.8
GCOVE	80.1	150.0	150.0	150.0	150.0	150.0
DOE TOTAL	86.4	153.1	153.4	153.9	154.2	154.8
DEPARTMENT OF LABOR	7.2	3.6	4.0	4.5	4.9	5.6
STEP	110.0	110.0	110.0	110.0	110.0	110.0
DOL TOTAL	117.2	113.6	114.0	114.5	114.9	115.6
DEPARTMENT OF HEALTH & SOCIAL SERVICES	3.0	1.5	1.7	1.9	2.0	2.3
DEPARTMENT OF COMMERCE & ECON DEVELOP	0.7	0.3	0.4	0.4	0.5	0.5
UNIVERSITY OF ALASKA	35.3	17.4	19.4	21.7	24.0	27.3
GRAND TOTAL VIA TRANSFERS	309.6	409.6	412.8	416.8	420.6	426.2

TONY KNOWLES
GOVERNOR



P O Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 24, 1995

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Phillips:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that will establish the Alaska Human Resource Investment Council as the lead state entity to plan and coordinate federal, state, and local employment training and human resource programs. This bill consolidates the functions of three existing councils and commissions into a single council located in the Governor's office to provide coordinated oversight of job training programs throughout the state to ensure effective training that leads to employment of Alaskans.

This bill designs the Alaska Human Resource Investment Council (AHRIC) to meet the federal statutory requirements for a consolidated human resource investment council and is in response to anticipated changes that include the lump sum, block grant funding scenario presently being proposed in Congress. Twenty-one states have currently taken advantage of this option created under Title VII of the 1992 Job Training Partnership Act. It maximizes federal funds and avoids duplication of effort.

The consolidation will increase efficiency and effectiveness of job training and vocational education efforts within the state by combining the existing staff and board members of the State Job Training Coordinating Council, the Employment Security Advisory Council and the Governor's Council on Vocational Education. It reduces the current roster of 35 board and commission members to a maximum of 26. This bill also envisions a key staff position to oversee the development of a collaborative strategic plan, facilitate the transitional phase of the consolidation of the boards, and effect the merging of staff responsibilities in anticipation of major revisions in the Federal funding mechanisms for job training and vocational education.

The Honorable Gail Phillips
March 24, 1995
Page 2

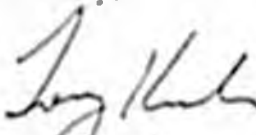
This legislation will provide an economy of scale for the many advisory and oversight groups presently involved in job training, adult, and vocational education; eliminate state agency overlap in planning and data collection; increase the efficiency and effectiveness of existing training programs to meet the changing needs of Alaskan employers through private sector involvement; better prepare Alaskan workers for Alaskan jobs with targeted training programs and recommend policy incentives for employers to seek out and hire Alaskan workers. In addition, the AHRIC will use its resources to open more opportunities for self-sufficiency to those Alaskan families presently receiving Aid to Families with Dependent Children in order to achieve our goal of putting our citizens presently receiving benefits back into the workforce with good jobs in the shortest time possible.

The council will be made up of at least 15 percent representation from education, 15 percent representation from industry, and 15 percent representation from labor, as well as other representation that will bring valuable input to the human resources strategic planning process. The bill also dictates that a private sector majority will sit on this board to insure that employers and labor have dynamic involvement in designing effective programs.

A full year of transition is proposed to insure the orderly transfer of functions from existing councils and commissions to AHRIC. The councils and their volunteer members will plan an orderly consolidation and contribute to the development of a long range strategic plan. The Governor's Office staff member will compile and facilitate this development. Thirteen additional state and federal programs may be considered during this period for inclusion under the advisory provisions of AHRIC.

Enactment of this bill would enable the state to promote an efficient, effective, and integrated system of employment education and training programs and services. I urge your support of the bill.

Sincerely,


Tony Knowles
Governor

ALASKA HUMAN RESOURCE INVESTMENT COUNCIL

SECTIONAL ANALYSIS

Section 1 of this bill sets out the legislative findings and the purpose for formulating the AHRIC. The findings specifically address the importance of developing an integrated strategic planning process to look at the state's myriad training and educational programs in order to promote a most effective Alaskan work force that is prepared for Alaskan jobs.

Section 2 directs the state Board of Education to consider the advice of the AHRIC regarding employment training needs and to advise the AHRIC in the development of vocational education programs. Section 3 makes a member of AHRIC a member of the Alaska Commission on Postsecondary Education, replacing a member of the Council on Vocational Education. The latter council, which is not created in state law, will be dissolved by governor's administrative order. Section 4 includes the AHRIC as a state board or commission whose membership is subject to the conflict of interest reporting requirements of AS 39.50.

Section 5 establishes the AHRIC in the Office of the Governor and sets out the membership of the council. Membership will be reduced from 38 today to at least 23 , and up to 26, representatives from state agencies, education, labor, industry, community organizations, and at least one representative with a knowledge of developmental disabilities. One to four additional, undesignated positions are provided to assure a private sector majority on the council and to assure regional and local representation. The lieutenant governor and specified commissioners are members of the council. The governor would appoint the other members of the council, who would serve for staggered four-year terms. Additional nonvoting members could be appointed to the council. The governor is to ensure that the individuals appointed to the council have the expertise needed to perform the functions of the council.

Section 5 also establishes the AHRIC as the state planning and coordinating entity for certain state programs that are administered under a number of federal provisions. The functions of the AHRIC would include the facilitation of statewide human resources planning and the coordination of employment training and education programs. The AHRIC would assume the duties and functions of the state councils that currently direct or advise the agencies that operate the federal programs. The AHRIC also would submit a biennial strategic plan to the governor and the legislature and monitor the implementation of the strategic plan. Subject to legislative appropriation, the budget for the council is to be drawn from money available to the programs that are coordinated by the council.

Sections 6 through 15 provide statutory and session law changes for consistency with the shift of responsibilities to the AHRIC, including deletion of references to the State Job Training Coordinating Council. Section 15 would repeal statutory provisions that establish or refer to the Employment Security Advisory Council. Under sec. 22, the repeal would take effect January 1, 1996, after a transition period under sec. 16 during which functions will be transferred to the AHRIC. Other councils whose duties or functions are to be assumed by the AHRIC, including the State Job Training Coordinating Council, would be dissolved by administrative order as of January 1, 1996, since they are not established in state statute.

As set out in sec. 16, during the transition period the boards and councils that oversee the federal and state program functions that would be assumed by the AHRIC would hold joint meetings to facilitate the transfer of duties. As specified in sec. 20, the transition provisions have an immediate effective date. Under sec. 21, the statutory provisions creating and transferring functions to the AHRIC take effect July 1, 1995. During this year of transition existing councils and commissions will continue to provide for the requirements of existing Federal accounting and reporting requirements in order to maximize our program revenues. In addition they will plan an orderly sunset of their responsibilities and empower the AHRIC to assume their duties with an effective date no later than July 1, 1996.

Sections 18 and 19 set out two reporting requirements that would constitute the immediate tasks of the AHRIC. One report is to address the consolidation of state human resources programs and the other is to make recommendations on the role that the private industry councils, created under the federal Job Training Partnership Act, may play in the alliance of human resource programs. Both reports are to be prepared and submitted no later than July 1, 1996.

ALASKA HUMAN RESOURCE INVESTMENT COUNCIL

SECTIONAL ANALYSIS

Section 1 of this bill sets out the legislative findings and the purpose for formulating the AHRIC. The findings specifically address the importance of developing an integrated strategic planning process to look at the state's myriad training and educational programs in order to promote a most effective Alaskan work force that is prepared for Alaskan jobs.

Section 2 directs the state Board of Education to consider the advice of the AHRIC regarding employment training needs and to advise the AHRIC in the development of vocational education programs. Section 3 makes a member of AHRIC a member of the Alaska Commission on Postsecondary Education, replacing a member of the Council on Vocational Education. The latter council, which is not created in state law, will be dissolved by governor's administrative order. Section 4 includes the AHRIC as a state board or commission whose membership is subject to the conflict of interest reporting requirements of AS 39.50.

Section 5 establishes the AHRIC in the Office of the Governor and sets out the membership of the council. Membership will be reduced from 38 today to at least 23, and up to 26, representatives from state agencies, education, labor, industry, community organizations, and at least one representative with a knowledge of developmental disabilities. One to four additional, undesignated positions are provided to assure a private sector majority on the council and to assure regional and local representation. The lieutenant governor and specified commissioners are members of the council. The governor would appoint the other members of the council, who would serve for staggered four-year terms. Additional nonvoting members could be appointed to the council. The governor is to ensure that the individuals appointed to the council have the expertise needed to perform the functions of the council.

Section 5 also establishes the AHRIC as the state planning and coordinating entity for certain state programs that are administered under a number of federal provisions. The functions of the AHRIC would include the facilitation of statewide human resources planning and the coordination of employment training and education programs. The AHRIC would assume the duties and functions of the state councils that currently direct or advise the agencies that operate the federal programs. The AHRIC also would submit a biennial strategic plan to the governor and the legislature and monitor the implementation of the strategic plan. Subject to legislative appropriation, the budget for the council is to be drawn from money available to the programs that are coordinated by the council.

Sections 6 through 15 provide statutory and session law changes for consistency with the shift of responsibilities to the AHRIC, including deletion of references to the State Job Training Coordinating Council. Section 15 would repeal statutory provisions that establish or refer to the Employment Security Advisory Council. Under sec. 22, the repeal would take effect January 1, 1996, after a transition period under sec. 16 during which functions will be transferred to the AHRIC. Other councils whose duties or functions are to be assumed by the AHRIC, including the State Job Training Coordinating Council, would be dissolved by administrative order as of January 1, 1996, since they are not established in state statute.

As set out in sec. 16, during the transition period the boards and councils that oversee the federal and state program functions that would be assumed by the AHRIC would hold joint meetings to facilitate the transfer of duties. As specified in sec. 20, the transition provisions have an immediate effective date. Under sec. 21, the statutory provisions creating and transferring functions to the AHRIC take effect July 1, 1995. During this year of transition existing councils and commissions will continue to provide for the requirements of existing Federal accounting and reporting requirements in order to maximize our program revenues. In addition they will plan an orderly sunset of their responsibilities and empower the AHRIC to assume their duties with an effective date no later than July 1, 1996.

Sections 18 and 19 set out two reporting requirements that would constitute the immediate tasks of the AHRIC. One report is to address the consolidation of state human resources programs and the other is to make recommendations on the role that the private industry councils, created under the federal Job Training Partnership Act, may play in the alliance of human resource programs. Both reports are to be prepared and submitted no later than July 1, 1995.

SB 142 and HB 280

Alaska Human Resource Investment Council

(AHRIC)



HIGH YIELD INVESTMENT

STRONG ALASKAN BUSINESSES

RESIDENT HIRE

LESS GOVERNMENT

**DO YOU KNOW ...
IN 1993**

... GOVERNMENT COSTS

There were 40 council members on three separate state councils* who met at least 12 times to plan, coordinate and review many of the same programs in job training, vocational education and employment services

... GOVERNMENT BUREAUCRACY

These 3 councils were supported by staff in 3 separate state agencies?

... ALASKAN BUSINESSES

Alaska's private sector employed 71% of the state's work force**?

... ALASKAN HIRE

Alaska's work force contained 75,000 nonresident workers? At the same time there were 50,000 Alaskans drawing unemployment!

*Alaska Job Training Council, Governor's Council on Vocational and Career Education, Employment Security Advisory Council

**excludes the self-employed

**... IN 1995
AHRIC WILL:**

... PRODUCE HIGH YIELD GOVERNMENT INVESTMENT

- AHRIC needs **NO STATE GENERAL FUND \$**. Current Federal law permits creation of this council with existing federal \$ that will be redirected from 3 councils to one.
- AHRIC has the same duties as 3 current councils, **PLUS MORE**. It merges the focus of 3 councils in one clear direction.
- AHRIC reduces the number of separate council meetings from 12 to 4. This is a 75% reduction in the current number of meetings with costs.

... CREATE LESS GOVERNMENT (3→1/3→1/40→26)

- AHRIC rolls 3 state councils into 1.
- AHRIC moves staff support from 3 state offices to 1.
- AHRIC reduces 40 council seats to no more than 26. This is 65% of current membership.

... STRENGTHEN ALASKAN BUSINESSES

- A majority of the seats on AHRIC are for private sector businesses and industries, the same folks who hire Alaskan residents.
- A job-ready Alaskan work force attracts development and so strengthens the local economy and the Alaskan business.

... INCREASE RESIDENT HIRE

- Private sector Alaskan businesses want to hire Alaskan residents, but they need job-ready workers.
- AHRIC will see to it that resident workers are trained for Alaskan jobs.

**DO YOU KNOW ...
IN 1993**

... GOVERNMENT COSTS

There were 40 council members on three separate state councils* who met at least 12 times to plan, coordinate and review many of the same programs in job training, vocational education and employment services

... GOVERNMENT BUREAUCRACY

These 3 councils were supported by staff in 3 separate state agencies?

... ALASKAN BUSINESSES

Alaska's private sector employed 71% of the state's work force**?

... ALASKAN HIRE

Alaska's work force contained 75,000 nonresident workers?
At the same time there were 50,000 Alaskans drawing unemployment!

*Alaska Job Training Council, Governor's Council on Vocational and Career Education, Employment Security Advisory Council

**excludes the self-employed

**... IN 1995
AHRIC WILL:**

... PRODUCE HIGH YIELD GOVERNMENT INVESTMENT

- AHRIC needs **NO STATE GENERAL FUND \$**. Current Federal law permits creation of this council with existing federal \$ that will be redirected from 3 councils to one
- AHRIC has the same duties as 3 current councils, **PLUS MORE**. It merges the focus of 3 councils in one clear direction
- AHRIC reduces the number of separate council meetings from 12 to 4. This is a 75% reduction in the current number of meetings with costs

... CREATE LESS GOVERNMENT (3→1/3→1/40→26)

- AHRIC rolls 3 state councils into 1
- AHRIC moves staff support from 3 state offices to 1
- AHRIC reduces 40 council seats to no more than 26. This is 65% of current membership

... STRENGTHEN ALASKAN BUSINESSES

- A majority of the seats on AHRIC are for private sector businesses and industries, the same folks who hire Alaskan residents
- A job-ready Alaskan work force attracts development and so strengthens the local economy and the Alaskan business

... INCREASE RESIDENT HIRE

- Private sector Alaskan businesses want to hire Alaskan residents, but they need job-ready workers
- AHRIC will see to it that resident workers are trained for Alaskan jobs

QUESTIONS ABOUT AHRIC?

Governor's Office of Management & Budget:

Brad Pierce 465-4677

Lieutenant Governor's Office

Bob Rubadeau 465-4083

Alaska Job Training Council

Debra Call 273-8111

Carol Akerelrea 269-4653

Governor's Council on Vocational & Career Education

Jerry Lewis 586-1736

Employment Security Advisory Council

Rebecca Nance 269-2711

Sally Saddler 269-5934