

SB

142

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/21/95

FURTHER:

DATE TURNED INTO OFFICE: 4-25-95

The Finance Committee considered **SENATE BILL NO. 142**

Establishing the Alaska Human Resource Investment Council and transferring certain functions of other entities to the council; establishing a planning mechanism for employment training and other human resource investment needs; etc.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS SB 142 (STA)
- attached amendment(s) _____
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill
same title
new title
House Bill
same title
attached
new title

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>[Signature]</i>	<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
#1 U&P	1/95	0	0
#2 DOE	1/95	0	0
#3 DC+RA	1/95	0	0
#4 DOL	1/95	0	0
#5 DN+SS	1/95	0	0
#6 DC+ED	1/95	0	0
#7 GOVERNOR	1/95	0	0

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's Budget

FISCAL NOTE

No. 2

Bill Version: SB142

(S) Publish Date: 3/27/95

REPORTED CURRENT YEAR

FISCAL YEAR 4-70-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: Establishing an Alaska Human Resource Investment Council

BRU: Education Program Support

Component: Adult and Vocational Education Administration

Sponsor: Governor Knowles

Requester: _____

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)

FEDERAL RECEIPTS						
FEDERAL MATCH						
FEDERAL						
STATE OF PROGRAM RECEIPTS						
STATE OF MMTA						
OTHER						
TOTAL	00	00	00	00	00	00

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY95) impact \$ 00

ATTACHMENTS (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 AHRIIC from existing funds available for that purpose.

Prepared by: Vince Barry, Director Phone: 465-8489
 Division: Education Program Support Date: March 20, 1995
 Approved by: Commissioner *[Signature]* Date: Shirley Holloway, Ph.D.
 Agency: Education Date: March 20, 1995

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STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

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

Revision Date: 3-25-95 Dept. Affected: Community & Regional Affairs
Title: An Act creating the AK Human Resource Invest. Council BFLU: Employ/Training/Rural Development
Sponsor: Governor Component: JPTA
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:

FUNDS		(Thousands of Dollars)				
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/M-T-A						
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: \$ _____

ATTACHMENTS: (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: Ronald Henderson, Director Phone: 465-4720
Division: Administrative Services Date: 3/27/95
Approved by: Commissioner Ronald Henderson for Mike Iversen Date: 3/27/95
Agency: Community & Regional Affairs

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

REPORTED
FD 1-25-95

BILL NO.

No. 4
Bill Version: 58142
(S) Publish Date: 3-27-95

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

Department Affected: Labor
BAC: Employment Security
Component: Employment/Unemployment Services
COMPONENT SERIAL NO. 1907

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						
CHANGE IN REVENUE						
FUND SOURCE #						

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF Program Receipt						
1006 GF MHA						
Other						
TOTAL	00	00	00	00	00	00

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 within existing funds.

Prepared by: Rebecca J. Nance, Director Phone: 465-2712
Division: Employment Security Division Date: 3/7/95

Approved by Commissioner: Tom Cashen, Commissioner
Agency: Department of Labor Date: 3/7/95

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 5
Bill Version: SB142
(S) Publish Date: 3-27-95

Revision Date: _____
Title: An Act establishing the Alaska Human Resource
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/Revenue:

(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
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CHANGES IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

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:

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: 0.0

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

Jim Nordlund
Public Assistance

Phone: (907) 465-2488

Date: 03/17/95

Approved by Commissioner: Karla Purden, Commissioner

Agency: Department of Health & Social Services

Karla Purden
Department of Health & Social Services

Date: 3/17/95

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FISCAL NOTE

No. 10

Bill Version: SB 142

(S) Publish Date: 3-27-

**STATE OF ALASKA
1995 LEGISLATIVE SESSION**

BILL

Revision Date: <u>March 17, 1995</u>	Department: <u>Commerce and Economic Development</u>
Title: <u>An Act creating the Alaska Human Resources</u>	BRU: <u>Economic Development</u>
Investment Council: _____	Component: <u>Economic Development</u>
Sponsor: <u>Governor</u>	
Requestor: <u>Rules Committee</u>	COMPONENT SERIAL NO. <u>801</u>

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 95	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)					
*002 Federal Receipts						
*003 GF Match						
*004 General Fund						
*005 GF/Program Receipts						
*006 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 DCEI. I absorb the cost, no additional funding is requested.

FY 95	FY 97	FY 98	FY 99	FY 00	FY 01
07	06	04	04	05	05

Prepared By	<u>Guy Bell, Director</u>	Phone	<u>465-2505</u>
Division	<u>Administrative Services</u>	Date	<u>March 17, 1995</u>
Approved by Commissioner	<u>William L. Hensley</u> <i>[Signature]</i>	Date	<u>3/23/95</u>
Agency	<u>Commerce and Economic Development</u>		

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FISCAL NOTE

No. 7

Bill Version: SB 142

(S) Publish Date: 3-27-

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	3.3	6.0	6.0	9.0	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	420.6	426.2

CAPITAL EXPENDITURES						
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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 MMTIA						
OTHER 1007 VA	309.6	409.6	412.8	416.8	420.6	426.2
TOTAL	309.6	409.6	412.8	416.8	420.6	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. Nizich, Director *M. Nizich*

Division: Division of Administrative Services

Phone: 485-2876

Date: 3/20/95

Approved by Commissioner: *David Rawlins*
John Ayers, Chief of Staff

Agency: Office of the Governor

Date: 3/23/95

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Fiscal note assumes 27 member council and Executive Director appointments in early July and two organizational meetings during the transition period from July 1, 1995 to January 1, 1996. It is anticipated that commencing with FY97, the Council will be receiving block grants from the federal government and passing these funds back to the departments.

PERSONAL SERVICES

171.7

First six months Executive Director, balance of staff after 1/1/96. Subsequent fiscal years reflect anticipated merit increases. FISCAL NOTE REQUESTS AUTHORIZATION FOR ONE NEW PCN ONLY. Additional three positions are existing positions that will be transferred from other agencies for the Council staff.

12 months: Executive Director Rg. 23
 6 months: Program Manager Rg. 21
 Research Analyst Rg. 19
 Admin. Assistant Rg. 14

TRAVEL

34.6

Two organizational meetings prior to 1/1/96, and one additional face-to-face meeting. Subsequent years, quarterly meetings. Assumes 10 Anchorage members, 7 Fairbanks members, 5 Juneau Executive Branch commissioners, 5 Juneau public members and two Anchorage council staff members. Current market conditions are enabling travelers to fly to Anchorage at reduced rates. However, long-term continuation of these rates is unknown and fiscal note assumes travel costs at normal airfare. Lower rates will be utilized when available. The Office of the Governor will absorb the costs of administering travel and per diem.

Airfare:

Two Anchorage meetings - 14,704
 Per diem/local trans. - 6,596
 One Juneau meeting - 3,290
 Per diem/local trans. - 4,036

CONTRACTUAL

66.8

Professional Services: - 42,200

labor economist time for
 project and data base analysis

Communication:

Teleconference meetings - 1,750
 (2 meetings first year, subsequent years 1 meetings
 and one statewide public hearing)

204

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Telephone: = 5,000
 (total costs, base/local fixed costs, fax
 1000/mo x 5.0 months first year)

Postage: = 1,300
 (300/mo x 6 months first year)

Transportation:

Freight and express charges
 100/mo x 6.0 (first year) = 600

Advertising/Printing:

Public notice requirements = 2,000

Minor Repair, Maintenance: = 750
 (second and subsequent years)

Rental for office space:
 300 nsf x \$2.15 x 6 mos = 11,610
 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,
 cabling, network and work stations
 software = 17,000

Furniture/Office equipment:

offices/work stations
 file cabinets, bookcases = 5,500
 Fax machine = 2,500
 Mail Machine/Scale = 3,500

304 58142

Assumptions for AHRIC Fiscal Notes:

- Each department with a seat on the AHRIC contributes to the cost of administering the council.
- The primary sources of funding and staff will be the JTC and GCOVE, which the AHRIC replaces.
- The STEP program will cover the cost of the executive director for at least the first year.
- The rest of the cost is shared among the departments on a proportionate basis according to how much each department spends on activities likely to be associated with the AHRIC.
- The University's share will be made up from the School to Work Program.
- The FY 96 fiscal note assumes sunset of the JTC and GCOVE on January 1, 1996 and one half year of interagency transfers to Governor's Office.
- Departments may contribute in kind services such as research or administrative assistance to make up their share.
- Once the legislation is passed, memorandums of agreement will be signed between the departments and Governor's Office detailing cost sharing arrangements.
- It is very likely that within the next two years the AHRIC will administer block grants for workforce development from the federal government and distribute funds back to the departments - thus out year fiscal notes are highly speculative.
- Formation of the AHRIC within the Governor's Office is only the first step in a comprehensive long-term workforce development effort.

4064

20142

April 25, 1995

TO: SENATOR RICK HALFORD

FROM: DAVE REES
AJTC
ALYESKA

SUBJECT: SB 142 HEARING
SENATE FINANCE COMMITTEE
4/25/95

Rick: I am out of town and range of the LIOs so I thought I'd just pass this note along. Most of the testimony I would have made is what I covered two weeks ago in Eagle River. The philosophical basics are covered in the attached but a few bullet points on the value of the HRIC concept are:

- \$800 Million in wages was paid out in 1994 to people living outside of Alaska. (AK DOL reports)
- \$40-50 Million per year in Federal & State training & employment grants is spread out in various programs across 7 agencies.
- 65,000 people in Alaska on welfare with good job training could enter the job markets if targeted toward long-term jobs.
- Closing plants (like Sitka- 300 jobs) & downsizing industry (like Oil - 1000+ jobs) will continue but dislocated workers can move to new or emerging economies with good retraining programs.
- Block grants will provide less money but less strings and absorbed costs: someone will have to decide where dollars go, who delivers, etc.

This bill has already cleared Randy's State Affairs Committee and has no fiscal notes attached to it, since the funding is from the Federal grants or the STEP administration. It seems that this would be appropriate to consider waiving through to help ensure an "early" passage in the Senate.

Thanks
Dave

Post-it® brand fax transmittal memo X27		# of pages = 2	
To: Sen. Rick Halford	From: Dave Rees		
Attn: John Swartz	Attn: Alaska - Sen. Finance		
Dept:	Phone: 278-1411 x 4179		
Fax: 465-4928	Fax: 659-2940		

SB 142 / HB 280

"The Alaska Human Resource Investment" Policy Bill

The bill:

- Creates a Council based on a workforce development policy: recognizes the connection between human resource development and economic development.
- Prepares Alaska for the on-coming changes in Federal block grants for employment and training, as well as an opportunity to provide a more focused and coordinated approach to our State programs.
- Puts an advisory body in place at the Governor's shoulder to marshal our programs and our available resources to get people into the workforce.
- Focuses on the "seamless" approach to workforce preparation, whether it's the school-to-work transition, the welfare-to-work entry or retraining of a changing workforce.
- Provides a Council with over-sight and guidance to look across the economy, that firms programs that aren't targeted, that assures that Alaskans are not behind the curve for new jobs in new or changing markets.
- Establishes a private-sector dominated council to assure that the workforce preparation is real, and is being systematically prepared for jobs that exist when people are trained.

The first three councils to be merged are the Alaska Job Training Council, the Governor's State Council on Vocational Education, and the Employment Securities Council. While each of these groups have done well in carrying out both the Federal mandates that established them, as well as the State directives from the Governor or the cabinet, there has never been a broad-based council that looks across the employment, education and job-training activities of the State and its institutions. Several states now have these HRICs and are finding the payoffs from having this broader role: more efficiencies, less redundancy and a bigger bang for the buck.

We need a reality-based, systematic way to prepare our Alaskan workforce, to assure that Alaskans get Alaskan jobs, that we have the workforce to support and entice economic development. If we can be better at engaging people in the process of preparing for work, we will solve many of our problems of welfare, crime and prisons, and put more control of Alaska in the hands of Alaskans.

Please support these bills. The AHRIC will get us started.

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.

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

142
P O Box 110001
Juneau, Alaska 99811 0001
(907) 461-3500
Fax (907) 461-3532

March 24, 1995

The Honorable Drue Pearce
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

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 38 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 Drue Pearce

March 24, 1995

Page 2

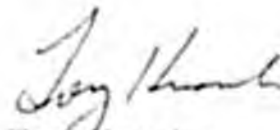
This legislation will provide an economy of scale for the many advisory and oversight groups presently involved in job training, adult, and vocational education; eliminate state agency overlap in planning and data collection; increase the efficiency and effectiveness of existing training programs to 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

SUMMARY OF FISCAL NOTES

SB 142

NUMBER	DEPARTMENT	DATE	AMOUNT
1	University of Alaska	3/20/95	-0-
2	DOE	3/20/95	-0-
3	DC&RA	3/20/95	-0-
4	DOL	3/17/95	-0-
5	DH&SS	3/17/95	-0-
6	DC&ED	3/17/95	-0-
7	OFFICE OF THE GOVERNOR	3/23/95	309.6

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 3/28/95

FURTHER: Finance

Date of 5-Day Notice: 4/6/95
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4-21-95

State Affairs Committee considered SB 142

Establishing the Alaska Human Resource Investment Council; etd.

for

Finance

and recommends:

- be replaced with CS SB 142 (STA)
- adopt previous CS
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:
 - same title
 - new title
- House Bill:
 - same title
 - technical title
 - new: SCR _____

SIGNING OR PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
<i>[Signature]</i>	✓				
CHAIR: <i>[Signature]</i>	✓				

PREVIOUS FISCAL NOTE(S):

Department	Date	Zero	Fiscal
GOV	3/23		309.6
DCFD	3/17	✓	
OHSS	3/17	✓	
LABOR	3/17	✓	
DCRA	3/20	✓	
DOE	3/20	✓	
U of A	3/20	✓	

APPROPRIATION -- no fiscal note

PREVIOUS FISCAL NOTE(S)*

Department	Date	Zero	Fiscal

*include fiscal notes accompanying Governor's bill