

SB

334

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 24, 1998

FURTHER REFERRALS:

Date of Committee Action: 5/4/98

The FINANCE Committee considered:

CSSB 334(FIN)

CS FOR SENATE BILL NO. 334(FIN)

STATE TRAINING PROGRAMS/HUMAN RES.COUNCIL

“An Act relating to guidelines and standards for state training programs; relating to the Alaska Human Resource Investment Council; extending the termination date of the state training and employment program; and providing for an effective date.”

recommends it be replaced with the following committee substitute HCS CSSB 334 (FIN) the same title a new title

additional referral to _____ Committee

attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept)

APPROVES PREVIOUS: (Dept/Date)

3 fiscal note(s) UA, Labor
Governor

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) (3) SFC for DOE, 4/2/98
IDA, 4/1/98 HSS, 4/2/98

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Gene Ferrisall</u> <u>Therwandt</u>			X	
<u>Eldon Gold</u> <u>Mulder</u>			X	
<u>Terry Martin</u> <u>Martin</u>			X	
<u>Vic Kohring</u> <u>Kohring</u>		X		
<u>Jim Davies</u> <u>Davies</u>	X			
<u>Ben Grussendorf</u> <u>Grussendorf</u>			X	
<u>Al Moses</u> <u>Moses</u>	X			
<u>John Davis</u> <u>DAVIS</u>	X			
<u>Pat Kelly</u> <u>Kelly</u>			X	

CHAIR'S SIGNATURE

Gene Ferrisall

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. CSSB334(FIN)

Revision Date <u>May 4, 1998</u>	Dept. Affected <u>Office of the Governor</u>
Title <u>"An Act relating to guidelines...relating to the</u>	BRU <u>Commissions/Special Offices</u>
Alaska Human Resource Investment Council;..."	Component <u>Human Resource Investment Council</u>
Sponsor <u>Senate Finance</u>	
Requester <u>House Finance</u>	Component Serial No. <u>2055</u>

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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	303.8	303.8	303.8	303.8	303.8	303.8
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						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	303.8	303.8	303.8	303.8	303.8	303.8

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)	303.8	303.8	303.8	303.8	303.8	303.8
TOTAL	303.8	303.8	303.8	303.8	303.8	303.8

Estimate of any current year (FY98) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note reflects the resources necessary, in addition to the existing FY99 AHRIC operating budget, to carry-out the requirements of SB334. Attached is a breakdown of the FY 99 I/A receipts necessary to carryout AHRIC's current and expanded duties under SB334.

AHRIC will rely on the Department of Labor for the development and preparation of the necessary statistical information. The contractual line includes 287.0 for an RSA each year with their Labor Market Information component, to offset their additional Research and Analysis costs, in addition to the fund source change for the 202.0 currently budgeted in that Labor component as I/A from the STEP funds. The note also includes 16.8 to offset the Council's anticipated costs associated with the assessment report.

Prepared by <u>Mike Andrews</u> <i>Mike Andrews</i>	Phone <u>269-7485</u>
Division <u>Human Resource Investment Council</u>	Date <u>5/4/98</u>
Approved by <u>Jim Ayers, Chief of Staff</u>	Date <u>5/4/98</u>
Agency <u>Office of the Governor</u>	

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Breakdown of I/A receipts necessary to the AHRIC's FY99 mandates:

DCRA	250.0	AHRIC	99 Operating	399.2
DOL	106.0		fiscal note	16.8
H&SS	50.0		RSA to Labor	<u>287.0</u>
DOE	50.0			
UofA	45.0		Total	703.0
STEP	<u>202.0</u>			
Total	703.0			

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 334(L&C)

Revision Date: _____
 Title: State Training Programs/
 Human Resource Council
 Sponsor: Senate Finance
 Requestor: House Finance

Department Affected: Labor
 BRU: Administrative Services
 Component: _____
Labor Market Information
COMPONENT SERIAL NO. 336

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES	218.0	218.0	218.0	218.0	218.0	218.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	63.0	63.0	63.0	63.0	63.0	63.0
SUPPLIES	2.0	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	4.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	287.0	283.0	283.0	283.0	283.0	283.0

CAPITAL						
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CHANGE IN REVENUE FUND SOURCE #						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
1007 Interagency Receipts	287.0	283.0	283.0	283.0	283.0	283.0
TOTAL	287.0	283.0	283.0	283.0	283.0	283.0

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY98) impact: \$ none

ANALYSIS: (Attach a separate page if necessary)

(See attached)

Prepared by: Arda Williams, Director Phone: 465-2720
 Division: Administrative Services Division Date: 5/4/98
 Approved by Commissioner: Tom Cashen, Commissioner
 Agency: Department of Labor Date: 5/4/98

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**FISCAL NOTE ANALYSIS
HCS CSSB 334(L&C)**

The \$287.0 includes \$202.0 which currently appears in the component's FY99 operating budget request as Inter-Agency receipts from the STEP component to maintain the Occupational Database (ODB) and to produce the annual STEP program evaluation report. The ODB file is the source for matching programs' participants to employment and earnings after training. There would be no additional cost to maintain this database by the passage of SB334. In fact, the cost to each program would decline as more programs were evaluated using this file.

The additional \$85.0 is necessary for the preparation of the statistical information necessary for the council to evaluate all included programs by the standards set out in section 10(e) paragraphs 1,2, and 3. As Research and Analysis has been involved in wage record matching for many years, the processes and procedures needed to address section 10(e) paragraphs 1, 2,and 3 are in place. It should be noted that funding has not been included to conduct the customer satisfaction surveys as specified in Section10(e) paragraphs 4 and 5.

Additional staff will include one labor economist. The labor economist will be responsible for data file matching, and statistical analysis.

The source of these funds will be an Interagency transfer from the Alaska Human Resource Investment Council.

FISCAL NOTE

No. 11

STATE OF ALASKA
1998 LEGISLATIVE SESSION

B Bill Version: CSSB 334(FIN)

(S) Publish Date: 4-2-98

Revision Date: _____
Title: An Act relating to guidelines and standards for state training programs; and relating to AHRIC
Sponsor: Senate Finance Committee
Requester: Senate Finance Committee

Dept. Affected: Health & Social Services
BRU: Public Assistance Admin
Component: Alaska Work Programs

Component Serial No. 238

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0					
Travel	0.0					
Contractual	0.0					
Supplies	0.0					
Equipment	0.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	0.0					
1005 GF/Program Receipts	0.0					
1037 GF/Mental Health	0.0					
1091 Designated Program Receipts	0.0					
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: 0.0

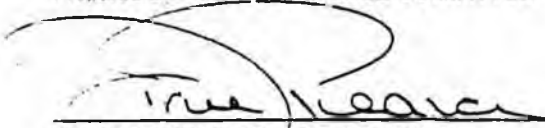
POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Passage of CSSB 334(FIN) does not require an additional appropriation. AS 44.19.626(j) authorizes a payment of a management assessment fee, not to exceed 0.75 percent of the annual operating budget for this component, to the Alaska Human Resources Investment Council.

Prepared By: SENATE FINANCE COMMITTEE


SENATOR DRUE PEARCE, CO-CHAIR

Date: 04/01/98
Phone: 465-4993


SENATOR BERT SHARP, CO-CHAIR

Date: 04/01/98
Phone: 465-3004

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

No. 10

B Bill Version: CSSB 334 (FIN)

(S) Publish Date: 4-2-98

Revision Date: _____
Title: 'An Act relating to guidelines and standards for state training programs; and relating to AHRIC'
Sponsor: Senate Finance Committee
Requester: Senate Finance Committee

Dept. Affected Education
BRU Teaching & Learning Support
Component Education Special Projects
Component Serial No. 173

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0					
Travel	0.0					
Contractual	0.0					
Supplies	0.0					
Equipment	0.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	0.0					
1005 GF/Program Receipts	0.0					
1037 GF/Mental Health	0.0					
1091 Designated Program Receipts	0.0					
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Passage of CSSB 334(FIN) does not require an additional appropriation. AS 44.19.626(j) authorizes a payment of a management assessment fee, not to exceed 0.75 percent of the annual operating budget for this component, to the Alaska Human Resources Investment Council.

Prepared By: SENATE FINANCE COMMITTEE


SENATOR DRUE PEARCE, CO-CHAIR

Date: 04/01/98
Phone: 465-4993


SENATOR BERT SHARP, CO-CHAIR

Date: 04/01/98
Phone: 465-3004

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

No. 2

B Bill Version: CSSB 334 (FIN)

(S) Publish Date: 4-2-98

Revision Date: _____
 Title: 'An Act relating to guidelines and standards for state training programs; and relating to AHRIC'
 Sponsor: Senate Finance Committee
 Requester: Senate Finance Committee

Dept. Affected Education
 BRU Teaching & Learning Support
 Component Social & Supplemental Services

Component Serial No. 56

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0					
Travel	0.0					
Contractual	0.0					
Supplies	0.0					
Equipment	0.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	0.0					
1005 GF/Program Receipts	0.0					
1037 GF/Mental Health	0.0					
1091 Designated Program Receipts	0.0					
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Passage of CSSB 334(FIN) does not require an additional appropriation. AS 44.19.626(j) authorizes a payment of a management assessment fee, not to exceed 0.75 percent of the annual operating budget for this component, to the Alaska Human Resources Investment Council.

Prepared By: SENATE FINANCE COMMITTEE


 SENATOR DRUE PEARCE, CO-CHAIR

Date: 04/01/98
 Phone: 465-4993


 SENATOR BERT SHARP, CO-CHAIR

Date: 04/01/98
 Phone: 465-3004

FISCAL NOTE

No. ?

STATE OF ALASKA
1998 LEGISLATIVE SESSION

B Bill Version: CSSB 334(FIN)

(S) Publish Date: 4-2-98

Revision Date: _____
Title: "An Act relating to guidelines and standards for state training programs; and relating to AHRIC"
Sponsor: Senate Finance Committee
Requester: Senate Finance Committee

Dept. Affected Education
BRU Teaching & Learning Support
Component Quality Schools

Component Serial No. 2147

Expenditures/Revenues		(Thousands of Dollars)				
OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0					
Travel	0.0					
Contractual	0.0					
Supplies	0.0					
Equipment	0.0					
Land & Structures	0.0					
Grants & Claims	0.0					
Miscellaneous	0.0					
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE		(Thousands of Dollars)				
1002 Federal Receipts	0.0					
1003 GF Match	0.0					
1004 GF	0.0					
1005 GF/Program Receipts	0.0					
1037 GF/Mental Health	0.0					
1091 Designated Program Receipts	0.0					
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: 0.0

POSITIONS						
Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Passage of CSSB 334(FIN) does not require an additional appropriation. AS 44.19.626(j) authorizes a payment of a management assessment fee, not to exceed 0.75 percent of the annual operating budget for this component, to the Alaska Human Resources Investment Council.

Prepared By: SENATE FINANCE COMMITTEE


SENATOR DRUE PEARCE, CO-CHAIR

Date: 04/01/98
Phone: 465-4993


SENATOR BERT SHARP, CO-CHAIR

Date: 04/01/98
Phone: 465-3004

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

No. 6
Bill Version: CS SB334 (FIN)
(S) Publish Date: 4/1/98

Revision Date: (Note if correction)
Title: "An Act relating to guidelines and standards for state training programs. AHRIC."
Sponsor: (S) FIN
Requestor: (S) FIN

Department Affected: Administration
BRU: Centralized Administrative Services
Component: Alaska Professional Development Inst.
COMPONENT SERIAL NO. 2266

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 00	FY 01	FY 02	FY 03	FY 04
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 EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ none

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.) Passage of CSSB 334 (FIN) would not require an additional appropriation for the Alaska Professional Development Institute (APDI). Proposed AS 44.19.626(b) [amendment #1-H.1] would require the Department of Administration to pay a management assessment fee of .75% of the APDI annual operating budget to the Alaska Human Resources Investment Council (AHRIC). The fee would be deposited in the human resources investment account in the general fund.

We assume the APDI would pay the management assessment fee for the Department.

While the APDI is authorized an operating budget of \$674.5, in the current FY, it expects revenues of only \$530.0, plus its General Fund appropriation of \$.9. Thus the APDI has and presumably will continue to have sufficient authority to collect additional income to meet the additional expense of the management assessment fee.

We believe the bill would be improved by limiting the management assessment fee to a program's actual revenues rather than its budget. If CSSB 334(FIN) were current law, the assessment based on budget rather than anticipated revenue for FY 98 would be \$5.1 compared to \$4.0. The \$5.1 represents .96% of revenue rather than .75%.

Prepared by: Beverly Resume, Director
Division: Personnel

Phone: 465-4429
Date: _____

Approved by Commissioner: Mark Boyer *[Signature]* 3/21/98
Agency: Department of Administration

Date: _____

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. SCSCSSB334(L&C)
*Revised 5/6/98

Revision Date: 4/24/98
Title: Guidelines/Standards for State Training Programs

Department Affected: University of Alaska
BRU: University of Alaska
Component: Statewide Services

Sponsor: Senate Finance Committee
Requestor: House Finance Committee

COMPONENT SERIAL NO. #730

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	20.0	20.0	20.0	20.0	20.0	20.0
TOTAL OPERATING	20.0	20.0	20.0	20.0	20.0	20.0

CAPITAL						
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REVENUE FD SOURCE						
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FUNDING: (Thousands of Dollars)	FY99	FY00	FY01	FY02	FY03	FY04
1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND	20.0	20.0	20.0	20.0	20.0	20.0
1006 GF/MHTIA						
OTHER						
TOTAL FUNDING	20.0	20.0	20.0	20.0	20.0	20.0

POSITIONS:	FY99	FY00	FY01	FY02	FY03	FY04
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)
This funding is necessary to assess the UA vocational training programs based on the standards included in SB 334.
*Upon further discussions with the Department, this fiscal note has been revised to reflect ongoing surveys of subsequent graduates of the program.

Prepared by: Ann Ringstad, Director Phone: 474-6490
Division: Statewide Government Relations Date: 5/6/98
Approved by: Marvlou Burton, Director *Marvlou Burton*
Agency: Statewide Budget Office Date: 5/6/98

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

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

No. 7
Bill Version: CS SB334(FIN)
(S) Publish Date: 4/1/98

Revision Date: _____
Title: State Training Programs/
Human Resource Council
Sponsor: Senate Finance
Requestor: Senate Finance

Department Affected: Labor
BRU: Administrative Services
Component: Labor Market Information
COMPONENT SERIAL NO. 338

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES	336.0	336.0	336.0	336.0	336.0	336.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	98.0	98.0	98.0	98.0	98.0	98.0
SUPPLIES	4.0	4.0	4.0	4.0	4.0	4.0
EQUIPMENT	9.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	447.0	438.0	438.0	438.0	438.0	438.0

CAPITAL						
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CHANGE IN REVENUE FUND SOURCE #						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
1007 Interagency Receipts	447.0	438.0	438.0	438.0	438.0	438.0
TOTAL	447.0	438.0	438.0	438.0	438.0	438.0

POSITIONS:

FULL-TIME	3.0	3.0	3.0	3.0	3.0	3.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY98) impact: \$ none

ANALYSIS: (Attach a separate page if necessary)

(See attached)

Prepared by: Arbe Williams, Director
Division: Administrative Services Division

Phone: 465-2720
Date: 3/30/98

Approved by Commissioner: Tom Cashen, Commissioner
Agency: Department of Labor

Date: 3/30/98

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SB334
#7

FISCAL NOTE ANALYSIS CSSB 334(FIN)

The \$447.0 includes \$202.0 which currently appears in the component's FY99 operating budget request as Inter-Agency receipts from the STEP component to maintain the Occupational Database (ODB) and to produce the annual STEP program evaluation report. The ODB file is the source for matching programs' participants to employment and earnings after training. There would be no additional cost to maintain this database by the passage of SB334. In fact, the cost to each program would decline as more programs were evaluated using this file.

The additional \$245.0 is necessary for the preparation of the statistical information necessary for the council to evaluate all included programs by the standards set out in section 10(e). As Research and Analysis has been involved in wage record matching for many years, the processes and procedures needed to address section 10(e) paragraphs 1, 2, and 3 are in place. An additional position, at a cost of \$82.5, would be added in order to meet the provisions of paragraphs 1, 2 and 3.

Section 10(e) paragraphs 4 and 5 will require direct contact with employers and program participants. It is anticipated that either a telephone or mail survey will be necessary. This type of data collection is labor intensive. It is anticipated that \$162.5 will be needed for this survey and analysis work.

Additional staff will include one labor economist and two statistical clerks. The labor economist will be responsible for data file matching, survey sample design, and statistical analysis. Two statistical clerks will be needed for survey data collection and data file maintenance.

The source of these funds will be an Interagency transfer from the Alaska Human Resource Investment Council.

no/obj
Adopted-

AMENDMENT \\
HCS CSSB 334(L&C) Version 'Q'

Offered to House Finance

Page 7, Line 16

INSERT (the 2nd)

After department, the non public school portions of the following programs:



Northwest Technical Services

3330 Arctic Blvd., Suite 201 • P.O. Box 241921 • Anchorage, Alaska 99503-5943 • (907) 562-1633 • FAX (907) 562-5875

April 23, 1998

VIA FAX ONLY:

(907) 465-2418

(907) 465-3884

Representative Mark Hanley
Representative Gene Therriault
Co-Chairs, Finance Committee
State of Alaska, House of Representatives
Alaska State Capitol, Room 507/511
Juneau, Alaska 99801-1182

Re: SB 334 - A bill Relating to the AHRIC and Program Performance
Measures and Administrative Limitations on Education and Training
Programs.

Dear Representatives Hanley and Therriault:

As former Vice-Chair of the Job Training Council I worked with members of said council in the formation of AHRIC. As a current member of the Anchorage/Mat-Su Private Industry Council, I have been closely following both AHRIC and STEP legislation which has been proposed this session. With SB 334 being referred to the House Finance Committees, I felt it appropriate to express some concerns to you at this time as I believe that SB 334 as currently written could very well defeat your purpose.

I am General Manager of a private business in Anchorage with employees working in positions from the North Slope to Juneau. I have made education and training one of my principle concerns as I believe that they go hand in hand in building a strong Alaskan economy. It does not help to have jobs if our people are not qualified to fill them.

As you are aware, the Private Industry Council (PIC) exists pursuant to federal legislation - the Job Training Partnership Act. This Act mandates that the private



5/4/98 PN

Mr. Mark Hanley
Mr. Gene Therriault
Co-Chairs, House Finance Committee
April 23, 1998
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sector be given the largest number of seats and chair the PIC. It also gives the PIC the responsibility for oversight of job training monies in its area. Federal limitations on the amount of monies which can be spent on administrative costs for JTPA programs, performance standards and assessment requirements are also set by federal regulation. By adding additional criteria to programs which already have sound evaluation criteria, the administrative burden increases. Perhaps words could be included to the effect that if same or similar standards are required by federal law or regulation is currently in place, new criteria would not be required.

Another area of concern is the new limitation on administration costs to "15% or the federal rate, whichever is lesser" contained in Section 9. With the imposition of additional requirements in 1992 when Congress substantially amended JTPA, they recognized that there would be additional administrative costs associated with the required monitoring. For that reason, they raised the administration cost limit from 15% to 20%. With the amount of follow-up required by these programs, the 20% limit is more realistic. The elimination of the words, "whichever is lesser" would make it clear that the state is not trying to change the ceiling established by the federal regulation leaving PICs caught between state and federal regulations as to the amount of administrative funds they have available for their programs. Further, the imposition of the restriction virtually excludes the private sector from providing any of the training services. This, in turn, will necessitate an increase in governmental positions to provide the training that now rests with private sector contractors.

Section 10 of the proposed legislation would impose a management fee of .75% of annual operating budget on the programs overseen by AHRIC. Currently, JTPA and STEP contributions already finance most of AHRIC's budget, and there does not appear to be a reason to assess an additional management fee. Such a fee will serve to increase the administrative costs of running the programs. However, I do feel that all programs subject to AHRIC oversight or which are represented by guaranteed membership on the AHRIC should contribute to the support of AHRIC. This would alleviate some of the financial pressure currently placed on JTPA and STEP programs.



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This bill, as written, seems to negate the purpose of AHRIC as a steering group to assist in establishing long range goals for training and development of Alaska's people. Instead, it becomes an administrative entity. This shift in function could dramatically impact the level of private sector member involvement.

Finally, I am concerned that the STEP reauthorization has become entangled with the AHRIC legislation. As the reauthorization of STEP is the subject of HB 330 and SB 245, I would strongly support the passage of those two bills as originally submitted or with the modification made in the Senate Labor and Commerce committee. It would be a shame if the reauthorization of a program which works so well for its participants (whose UI taxes pay for it) gets bogged down while the details of the AHRIC bill are being worked out.

I thank you for your time. If I can be of assistance to you in any way in this process, please let me know.

Kind regards,



Mary E. Shields
General Manager

cc: Eldon Mulder, Vice Chair
Richard Foster
Pete Kelly
Vic Kohring
Terry Martin
John Davies
Ben Grussendorf
Carl Moses



AMENDMENT

2

Failed

OFFERED IN THE HOUSE

BY

DAVIES

TO HCS CS SB 334 (L&C)

~~XXXXXXXXXXXXXXXXXXXX~~
THERIAULT

Page 5, line 17, following "exceed"

Delete "the lesser of"

Insert "the greater of"

STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA HUMAN RESOURCE INVESTMENT COUNCIL

TONY KNOWLES, GOVERNOR

3601 'C' STREET, SUITE 380
ANCHORAGE, ALASKA 99503
PHONE: (907) 269-7485
FAX: (907) 269-7489

May 1, 1998

The Honorable Gene Therriault
Finance Committee Co-Chair
Alaska House of Representatives
State Capitol Room 511
Juneau, AK 99801-1182

Dear Representative Therriault:

The Alaska Human Resource Investment Council (AHRIC) requests final improvements to Senate Bill 334, "An Act related to state training programs and the AHRIC..." Our major responsibility is to help build an effective workforce development delivery system that serves Alaska's job seekers and employers. We feel strongly that sections of SB 334 will take the workforce development system in the wrong direction. Our concerns are as follows.

Administrative Cap on Federal JTPA Funds – Section 9. This section directs the AHRIC to adopt regulations that set standards for the percentage of a grant that may be used for administrative costs. Section 9 caps administrative expenses at 15% or the amount permitted under federal requirements, whichever is less. The Job Training Partnership Act programs, which provide the major source of job training funds for workforce development in Alaska, are currently allowed 20% by the federal government. We urge you to amend SB 334 to allow the current federal administrative cap of 20% for JTPA programs. This can be done by removing "the lesser of..." from Sec. 9 (b)(8) or by adding language that excepts federal JTPA programs.

The present administrative money assists Private Industry Councils and their local job training contractors with administrative funds to operate. SB 334 adds more administrative record keeping, performance measures, and system evaluation requirements. Adding performance measurements and then reducing federal funds to achieve performance will not improve service to our customers. Please keep in mind that no state funds are used to operate the JTPA programs.

Program Assessment Fee – Section 10 (j). This subsection imposes a management assessment fee of .75 of 1% on training programs. The intent is to charge all programs for the cost of operating the AHRIC and performing an evaluation of the workforce development system. An across-the-board assessment fee is not a practical method for gathering resources and will not cover actual costs. We hope to introduce a fiscal note for the AHRIC that details where funds would be found among existing program resources, and we request you delete Sec. 10 (j). At a minimum, the bill should include language that assures that programs operated at the

Service Delivery Area level (JTPA & STEP) will not be assessed if departments that administer those programs are assessed.


Council Operations – Sections 6 and 7. Section 6 refers to council officers. The bill requires that the chair and vice-chair be elected from the Business and Industry-designated members only, which represents 5 members or 20% of the council – as opposed to the original AHRIC legislation (1995) that mandates the chair be elected from the private sector. Private sector includes all non-governmental members, including business and industry, and makes up the majority of council members. Limiting the available candidates for council leadership positions discourages active private sector participation. Some business and industry members may not have time for the responsibilities of elected office, and available candidates will be further reduced. It would be wiser to let the council choose either the chair or vice-chair from business and industry and fill the other office from among all council members.

Section 7 (a) allows the council to meet three times annually. Our experience is that the council must meet 4-5 times annually, depending on the work load, to stay informed about program performance, the implementation of one-stop career centers, welfare reform progress, school-to-work, and national legislation that may impact workforce development. Limiting council meetings to three times annually will save about \$5,000. This could cost the state considerably more in reduced member involvement and time spent bringing council members up to speed. We recommend that you delete Section 7 (a).

Section 7 (b) refers to the existing AHRIC standing committees. This language is unnecessary because the standing committees and their duties are already part of our public bylaws and governing rules. In January, the AHRIC met to review the effectiveness of the current committee structure and to develop a new strategic plan with four goals. The council desires to restructure committees around those goals in order to measure the success of the goals and the performance of the AHRIC itself. Putting restrictions on the council related to committee titles and setting committee duties in statute will not promote dynamic change or innovation. We urge you to delete this section.

A letter from the US Department of Labor Region X, which supports the council's requests and explains their concerns as the federal agency responsible for employment and training, is attached. Thank you for your consideration of these matters.

Sincerely,


John Henderson, Chair

Members of the Alaska Human Resource Investment Council

cc: JTPA SDA Directors, Alaska's PIC Chairs, Senators Pearce and Torgerson
Attachments: US DOL Region X Letter
Council Member Roster (signed letters are available for your review upon request)

U.S. Department of Labor

Employment and Training Administration
1111 Third Avenue, Suite 900
Seattle, Washington 98101-3212



Reply to the Attention of:

10TG JTP-9-1

April 24, 1998

Mr. Mike Andrews, Executive Director
Alaska Human Resource Investment Council
3601 C Street, Suite 380
Anchorage, AK 99503

Dear Mr. Andrews:

This is a follow-up to our letter of April 3, 1998, in which we commented on the voting and non-voting membership provisions in Alaska Senate Bill No. 334 and also indicated that we would be providing additional comments on other aspects of this bill.

Section 3.(a) of the bill permits a qualified member to fill two or more positions on the Council but to vote only once. In addition this person may him(her)self appoint only one designee in the event that the member was unable to attend. The clear intent of the Job Training Partnership Act (JTPA) in permitting Human Resource Investment Councils as alternatives to State Job Training Coordinating Councils was to allow broader discourse and dialogue among the relevant parties in the creation of a comprehensive workforce development system. To ensure this, certain members must be on the Council. The naming of a single person to multiple memberships or seats at the Council that are required in Section 702 in the JTPA Act would be in conflict with the federal legislation because it would have the effect of reducing the interaction and exchange of ideas and opinions on the Council. The practical conflicts that may arise between the federal requirements for human resource investment council membership and multi-position representation as currently permitted by SB 334 relate to the percentage requirements mandated in JTPA Section 702, potential conflicts of interest that might arise, and the equal and proportionate representation called for in JTPA Section 702. In conclusion, if the Legislature chooses to pass this bill as presently written, it will not fulfill the federal requirements for a State Resource Investment Council under Title VII of the Job Training Partnership Act, as amended.

Section 7.(a) of the bill includes the number of allowable meetings of the council in a calendar year. We do not feel it is prudent to arbitrarily limit the number of Council meetings. JTPA Section 122.(a)(4) states "[T]he State council shall meet at such times and in such places as it deems necessary." Our experience over the last 20 or so years with the JTPA State Councils has shown that flexibility in this area is essential. Among the Council's responsibilities are planning for obligations and oversight of programs utilizing millions of dollars annually; ensuring proper and efficient operation and administration of these programs through review of state monitoring, audits and performance analyses; and ensuring overall program integrity

and quality of services. Some matters needing full council approval may not be ready in time for a designated meeting and the council may have to reconvene for review and approval. For certain matters needing full council consideration, an Executive Council meeting in lieu thereof is not an acceptable substitute. We would urge the Legislature to not unduly restrain the council's flexibility to conduct its business and to fulfill its stewardship responsibilities for the JTPA program.

Section 10.(e) of the bill sets forth the performance measures desired by the Legislature. The Legislature is to be commended for its efforts to objectively assess program performance in Alaska's employment and training programs. However, we feel compelled to point that there are already federal JTPA performance measures in place and new measures are being considered before the U.S. Congress in Senate Bill 1186 (The Workforce Investment Performance Act). While much of the intent regarding performance in the two bills is very similar, we would urge the Legislature to not adopt similar but not identical measures. Additional state measures beyond the required measures are always welcome but they also come at a cost. Each distinct measure adds to the administrative burdens of planning and reporting. The JTPA measures have been in use since the inception of JTPA in 1982, and the performance measures contemplated in the pending consolidation bill (SB 1186) have themselves been significantly reduced from the original language because of the need for efficiency and cost-effectiveness. We strongly urge the Alaska Legislature to also seriously consider these same principles in SB 334.

Section 10.(j) of the bill states that "[A] department that operates or contracts for a training program listed in (f) of this section shall pay to the council a management assessment fee not to exceed .75 percent of the program's annual operating budget." We applaud the Legislature's assessing all the council members operating programs under Section 10.(f) an equal percentage fee of the total program funds for which they are responsible. This is very much in keeping with JTPA Section 703(d) which states that "[E]ach State agency participating in a State Council under this title is encouraged to provide funds to support such Council in a manner consistent with its representation on such Council." Currently the JTPA programs contribute to the Council support from the five percent state Title II administration account as well as funds allocated from the eight percent State Education Coordination and Grants account (Reference JTPA Sections 202(c)(1)(A) and 262(c)(1)(A)). These two accounts are state-level accounts and the management fee assessment from the state-level administration account is entirely proper. Our concern is that SB 334 might be construed to mean that sub-State operations will also be subject to the management fee assessment. This could constitute a double or triple assessment simply because JTPA programs are principally operated at the local service delivery area level, and generally not at the state level. Second, the operations of the state council are explicitly to be paid for from the state-level administration set-aside account. The sub-State program operators are not required to maintain the functions of a state-wide council. The federal law is very clear that 77 percent of the funds allotted to any State shall be distributed to service delivery areas within the state, and state activities are to be operated from the remaining 23 percent of the state allotment. Activity such as the

the operation of the state council is actually borne by the five percent state administrative set-aside. In order to prevent conflict between the State and federal legislation, we urge the Legislature to expressly prohibit levying the management assessment fee against the funds allotted to the sub-state areas.

Lastly, we feel compelled to comment on the establishment of a ceiling of 15 percent on administrative funds as set out in Section 9.(b)(8) of SB 334 for all agencies required to be under the aegis of the Council. Originally Congress set a 15 percent administrative limit also on the JTPA program. However, when the program was amended effective July 1, 1993, it increased the reporting, record-keeping and accountability requirements for the program to such an extent that it permitted sub-State (the local Private Industry Councils and Service Delivery Areas) administrative limitations up to 20 percent. The State administrative limit remains unchanged at five percent. Should the Legislature choose to do this, please be aware that the quality and integrity of the JTPA programs may be jeopardized if inadequate resources are provided for the proper accountability and maintenance of these programs. We urge the Legislature to seriously consider these factors before applying a uniform and arbitrary administrative limit on all programs under the auspices of the Council.

Again thank you for the opportunity to comment on this pending legislation.

Sincerely,



MICHAEL BRAUSER
Regional Administrator

Alaska Human Resource Investment Council Member Roster by Area of Representation

Name	Area of Representation	Title/Organization	Address
Gary Brooks	Organized Labor	Business Manager, IBEW L. U. #1547	2702 Denali Street Anchorage, AK 99503
Tom Cashen	Commissioner/Labor or Designee	Commissioner, Alaska Department of Labor	P.O. Box 21149 Juneau, AK 99802-1149
Fred Esposito (Workforce Readiness Chair)	Education Rep./Postsecondary Vocational Education Institution	Director, Alaska Vocational Technical Center	P.O. Box 889 Seward, AK 99664-0889
Duane French	Personal/Professional Experience with Developmental Disabilities	Director, DOE Division of Vocational Rehabilitation	801 W. 10th St., S. 200 Juneau, AK 99801-1894
Alice Galvin (Policy & Planning Chair)	Private Sector	Supervisor of Educational Services Dept., ATU Telecommunications	3540 Tanglewood Place Anchorage, AK 99517
Don Gilman	Private Sector	Retailer and Consultant	P.O. 2941 Kenai, AK 99611
JoAnn Henderson (AHRIC Chair)	Private Sector	Associate Director, South East Regional Resource Center	17855 Pt. Lena Lp. Rd. Juneau, AK 99801
Shirley Holloway	Commissioner/Education/or designee	Commissioner, Department of Education	801 W. 10th St., S. 200 Juneau, AK 99811-1894
Linda Hulbert (Assessment & Evaluation Chair)	Private Industry Council	Insurance Agent, NY Life Insurance Member, Fairbanks PIC	110 Cushman Street Fairbanks, AK 99701
Mike Irwin	Commissioner/Community & Regional Affairs/or designee	Commissioner, Department of Community & Regional Affairs	P.O. Box 112100 Juneau, AK 99811-2100
Willie Lewis	Organized Labor	Laborers' Int'l Union of No. America Loc. 942 (ret.)	1629 Madison Drive Fairbanks, AK 99509
Ruth Lister (Employment & Placement Chair)	University of Alaska Representative	Director, UAF, Tanana Valley Campus	510 Second Avenue Fairbanks, AK 99701
Karen Perdue	Commissioner/Health & Social Services/or designee	Commissioner, Department of Health & Social Services	P.O. Box 110601 Juneau, AK 99811-0601
David Rees (Past Chair)	Private Sector	Manager, Technical Training and Admin., Alyeska Pipeline Services Co.	18110 Sanctuary Drive Eagle River, AK 99577
Bob Reynolds	Business/Industry	Assistant Director of Alaska Hire, External Affairs, BP Exploration	P.O. Box 196619 Anchorage, AK 99519
Sarah Scanlan (Vice Chair)	Private Sector	Vice President of Corporate Affairs, NANA Development Corp.	1001 East Benson Blvd. Anchorage, AK 99508
Donna Scott	Native Organization Representing Employment & Training	Director, Employment and Training, Tanana Chiefs Conference, Inc. Chair, ANCET	122 First Avenue, Ste. 600 Fairbanks, AK 99701-1867
Deborah Sedwick	Commissioner/Commerce & Economic Development/or designee	Acting Commissioner, Department of Commerce & Economic Development	P.O. Box 110800 Juneau, AK 99811-0800
Barbara Stallone	Business/Industry	Senior Personnel Representative, Federal Express	6050 Rockwell Drive Anchorage, AK 99502
Tim Sunday	Organized Labor	Business Representative for Southeast Alaska, Teamsters Local 959	306 Willoughby Ave Juneau, AK 99801
Fran Ulmer	Lieutenant Governor/or designee	Lieutenant Governor of Alaska	P.O. Box 110015 Juneau, AK 99811-0015
Stephen Vieira	Education Rep./Secondary Vocational Education	Vocational Education Instructor, Sitka High School	611 Biorca Street Sitka, AK 99835
J.C. Wingfield	Organized Labor	Business Manager, Plumbers & Pipefitters Local 375	3568 Geraghty Street Fairbanks, AK 99709

TO: Gene Therriault

Fax Number: 907 465-3757

From: Whit Hicks, Delta/Greely School To Work Coordinator

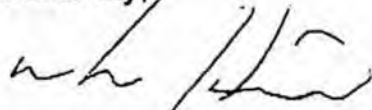
Date: May 1, 1998

Subject: Senate Bill 334

Dear Representative Therriault,

I am concerned about the status of SB 334. Funding for the State Training and Employment Program (STEP) is about to sunset in June. STEP funds are critical to the development of our present and future work force. We are in the process of developing a mine training center in Delta Junction to meet the needs of the growing mining industry in the Interior. The STEP funding will allow us to train and retrain workers for the jobs as they arise. We must prepare Alaskans to fill these job. Please take action on this Bill and do your best to see that these funds are available for training this year. If I can be of any assistance please call me at 907 895-4460 ext. 37. Thank you for your service to our state.

Sincerely,



Whit Hicks

BACKGROUND INFORMATION

Human Resource Investment Councils (HRICs) are fundamentally different from most federally authorized governing councils. As indicated by the variety of commissions and councils discussed in the Organization and Function section, many federal human resource programs require states to establish citizen groups to advise the governor on relevant state policy and the use of federal funds. The programs often fund similar or complementary employment-related services that serve sometimes overlapping populations. Federally-funded programs, for the most part, go about their job in a totally independent fashion, resulting in a fragmented response to the people who need their help.

Unlike these program-specific councils, an HRIC is responsible for the development of policy that cuts across all clients and programs in the workforce investment system. The main objective of an HRIC is to create a system that fundamentally changes the focus of education, training, and employment services to meet the needs of business and labor. If established, issues which an HRIC must address include:

1. reviewing the provision of services and use of funds for applicable programs and advising the governor on methods to coordinate the services and funds,
2. advising the governor on the development and implementation of program measures and outcomes that would be applied on both the state and local level, and
3. carrying out the duties and functions of the previous program-specific councils.

In addition to mandated responsibilities, an HRIC may perform the following additional functions:

1. identifying the human investment needs in the state and recommending to the governor goals for meeting those needs,
2. preparing and recommending to the governor a strategic plan to meet goals, and
3. monitoring the implementation of and evaluating the effectiveness of the strategic plan.

1992 federal legislation formally recognized the HRIC concept as part of the JTPA program

The 1992 amendments to the Job Training Partnership Act (JTPA) allows states to create HRICs which can incorporate several federally-mandated councils. Prior to the 1992 amendments, eleven states had already recognized a need to better coordinate their employment training programs and had formed "super councils." The super councils were often composed of representatives of the various state agencies involved in workforce development and of representatives from business and labor. States implemented the super councils to meet the immediate and unique needs of its businesses and citizens by investing workforce development resources according to state and local priorities. According to a report prepared by the National Alliance of Business, "states acknowledge it is becoming politically difficult to justify long term investments in system infrastructure when the public need and demand is job creation."

The enactment of the 1992 amendments enabled states to receive federal funding for HRICs that fall within the federal framework. Existing councils had to restructure to satisfy the amendment in order to capitalize on funding available from multiple federal programs. Other states chose to forgo the funding from multiple programs and instead maintained their existing structure. States without councils continued to explore the HRIC concept and created their own councils. HRICs have been formed by executive order, state statute, or in some cases first by executive order then by statute. Appendix A summarizes the characteristics of 19 HRICs and super councils formed as of May 1994.

An HRIC may obtain the services of professional, technical, and clerical staff as may be needed to carry out its functions. An HRIC may use the federal funding available under the applicable federal laws and regulations governing each program

over which it exercises control. Funding and resources may also be available from state and local agencies. State agencies are encouraged to provide funds for its support in a manner consistent with its representation on the council. Membership on an HRIC is prescribed in the federal amendments to the JTPA (see inset above).

States establishing HRICs or super councils seem to have a vision of creating a customer-driven system.⁶ These states felt the service delivery for their array of programs was unfriendly to both types of customers. Before developing councils, many states examined their workforce development programs. The states wanted to gain an understanding of how many employment and training programs were available, the profile of customers served, and how programs were offered. Once an understanding was obtained of problems inherent in the existing delivery system, states felt they could design an HRIC whose primary mission was to fix the identified problems and continuously fine tune their system to meet the everchanging needs of their customers.

Alaska has at least 15 different state programs related to employment, training, and education. Appendix B provides a profile of clients served by various state agencies in fiscal year 1993. In addition, employment and training programs are offered by the federal

Council Membership

The 1992 JTPA Amendments specify that the membership of a human resource investment council include:

- the head of each state agency responsible for the administration of an applicable federal human resource program
- one or more representatives from each of the following (totaling at least 15% of the council):
 - ✓ local public education institutions
 - ✓ post-secondary institution
 - ✓ secondary or post-secondary vocational educational institutions
 - ✓ community based organization
- representatives from business and industry (totaling at least 15 percent of the membership of the council) including representatives from Private Industry Coun.

⁶Customers are typically defined as both workers and employers.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

April 13, 1998

SUBJECT: Sectional Summary of CSSB 334(FIN) (State training programs)

TO: Senator Drue Pearce
Krag Johnson

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 charges the membership of the Alaska Human Resource Investment Council by removing the commissioners named in paragraph (2) from full membership.

Sec. 2 makes those commissioners who were removed from membership on the council under bill sec. 1, "advisory, nonvoting members." Subsection (d) permits any member of the council to appoint a designee. The appointment must be made in writing.

Sec. 3 permits the governor to appoint one member of the council to fill two or more of the places on the council if the person appointed is qualified for all of them.

Sec. 4 is a conforming amendment, made necessary by the change brought about by bill secs. 1 and 2 to the status of the commissioner members of the council.

Sec. 5 clarifies that designees and the nonvoting commissioners may receive per diem and travel.

Sec. 6 limits the selection of a vice chair to the four members who are appointed as representatives of business and industry.

Sec. 7 limits meetings of the full council to two times in a calendar year and directs the council to establish an executive committee and four permanent standing committees. The committee chairs must be from the private sector.

Sec. 8 describes the members and duties of the executive committee and the duties of the four permanent standing committees.

Senator Druc Pearce
April 13, 1998
Page 2

Sec. 9 directs the council to adopt regulations that set standards for the percentage of a grant that may be used for administrative costs. There is a maximum of 15 percent or the amount permitted under federal requirements, whichever is less. Paragraph (9) directs the council to report annually to the legislature. Paragraph (10) directs the council to identify ways to increase training opportunities and reduce costs by sharing.

Sec. 10 directs the council to oversee training programs in the state, to require training programs listed in subsection (f) to meet the standards stated in subsections (d) and (e), and to consider whether to recommend to the legislature that the programs listed in (g) should be made to comply with (d) and (e).

Subsection (e) directs the council to develop standards to evaluate the success of individuals who have received training under the programs listed in (f) in securing and retaining gainful employment.

Subsection (f) lists programs in the Departments of Administration, Community and Regional Affairs, Education, Health and Social Services, and Labor that are subject to oversight by the council.

Subsection (g) lists programs in the Departments of Community and Regional Affairs, Corrections, Environmental Conservation, Military and Veterans' Affairs, Public Safety, DOT/PF, Education and Labor that the council may recommend be included in its oversight responsibilities.

Subsection (h) directs the University of Alaska to evaluate its training programs using the standards set out in (e).

Subsection (i) gives the council responsibility for notifying the governor and the Legislative Budget and Audit Committee if a program is out of compliance with the standards set out in (d) and (e).

Subsection (j) imposes a management assessment fee on training programs.

Subsection (k) requires the council to advise the legislature and the governor on whether a new federal or state employment program should be made subject to its oversight.

Sec. 11 extends the state Training and Employment Program to June 30, 2002.

Sec. 12 is a transitional provision for the officers of the council.

Sec. 13 is an immediate effective date.

TC:pl
98-085.plm

Amendments for Senate Bill 334

Commissioners as non-voting members

- Section 1. (a) (2) do not delete. Refers to Commissioners as members
Section 2. (c) delete. Refers to Commissioners as not voting members
Section 5. Line 16. Delete reference to non-voting members

Council Issues:

Election of Officers

Section 6. Delete whole section. Refers to council officers elected from business & industry representative only. The AHRIC recommends that the language state: The Chair or Vice-Chair must be elected from Business & Industry representatives under AS44.19.620 (a)(4).

Meetings

Section 7. Delete section (a). The council recommends not limiting council to only 2 meetings annually.

Executive & Standing Committees

Section 7 (b) The council shall establish and executive committee and four permanent standing committees. The council may establish additional standing committees and special committees or subcommittees, not necessarily consisting of council members, to advise and assist the council in carrying out its functions. Delete all other language. (This reflects current law)

Section 8. Delete line 22 (d) "The assessment and evaluation"... New language:

Committees shall

Delete (d) (4), (e),

(e) (3) Delete "work with all other committees on"... Add "Develop a....."

(e) (4) Delete

(f) Delete, (f) (3), (g)

This allows 4 standing committees with no name, but assures they perform the duties lined out. This holds the council responsible for assuring compliance, but allow flexibility in committee design to be more effective.

Administrative Costs

Section 9. (b)(8). Line 23. Delete [lesser]. Federal programs will not allow the state to restrict approved federal administration costs. The state funded programs and state contribution to funds would be capped at 15%. Some federal programs only allow 5%. This language would not allow programs to go above that cap.

Additional Programs for Evaluation

Section 9. (f) (1). Delete whole clause. Refers to Alaska Professional Development Institute

Section 9. (f)(3) Add - in the Department of Education or operated by the department, the non public school portions of the following programs:

Programs added for assessment

Section 10 (g) add in line 14: of this section, to the extent it does not jeopardized federal funding:

Section 10 (g)(7) - Delete "in the Department of Education: Vocational Rehabilitation client services and special work projects"

Section 10 (h) Line 28. Add -The University of Alaska, Alaska Vocational Technical Center, and Kotzebue Technical Center....

Management Assessment Fee

Section 10 (m) Add - For purposes of this section, annual operating budget

(1) means a program's annual budget less any funds which are specified by the state or federal governments as pass through funds to local education agencies.

Note: Section 10 (j). We would like to keep open the possibility of developing a fiscal note among affected programs using budgeted RSA's under inter-agency agreements in lieu of the .75 of 1% management assessment fee.

Program Definitions

Section 10 (should this be section 11?) Add (3) For purposes of this section, "oversight" refers to directly planning with programs, monitoring, evaluating and assessing programs for performance, and reporting to the Governor, Legislature and the public.

SB 334: STATE TRAINING PROGRAMS/HUMAN RES.COUNCIL – PROGRAM LIST

**PROGRAMS
UNDER AHRIC**

- Alaska Works Program(DHSS)
- Adult Basic Education
- Vocational Education
- Adult & Vocational Education Administration
- School-to-Work
- Vocational Rehabilitation
- Alaska Career Information System (AKCIS)
- JTPA Title IIA
- JTPA Title IIB
- JTPA Title IIC
- JTPA Title III
- State Training & Employment Program (STEP)
- Employment Services
- Veterans Programs
- Labor Market Information Research & Analysis
- Alaska Occupational Information Coordinating Council (AOICC)
- Alaska Works Program (DOL)

SB 334. SECTION F

- One Stop Career Center
- JTPA programs (Titles IIA, IIB, IIC, III)
- STEP in DCRA
- Employment-related adult basic education
- School-to-Work
- Vocational education and tech prep
- Alaska Career Information System (AKCIS)
- High school completion project
- Kotzebue Technical Center
- Alaska Vocational Technical Center
- Alaska Temporary Assistance Program (ATAP) employment education & job training programs
- Unemployment insurance grants under the federal training relocation assistance program
- Alaska Works Program
- STEP in DOL

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DCRA:

- Local government assistance training & development, including the rural utility business advisory program
- Energy operations, providing training in management & administration...

DOC:

- Correctional Academy
- Inmate programs providing vocational technical training and education courses
- Correctional Industries program

DEC:

- Remote maintenance worker program
- Water and wastewater operator training & assistance
- Federal drinking water operator training & certification

DMVA:

- Educational benefits for members of the Alaska National Guard and the Alaska Naval Militia

DPS:

- Fire service training
- Public Safety Training Academy

DOT:

- Engineer-in-training program
- Statewide transportation improvement program
- Local technical assistance program
- Native technical assistance program
- Border technology exchange program

DOE:

- Vocational rehabilitation client services and special work projects

DOL:

- Employment Services

* University of Alaska shall evaluate its training programs and provide results to council to include in assessment.