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Cramer  
3/31/98

**CS FOR SENATE BILL NO. 334(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTIETH LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): SENATE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

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

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 \* Section 1. AS 44.19.620(a) is amended to read:

7 (a) The Alaska Human Resource Investment Council is established in the  
8 Office of the Governor. The council consists of the following voting members, not to  
9 exceed 21 [26]:

10 (1) the lieutenant governor or the lieutenant governor's designee;

11 (2) [THE COMMISSIONERS OF COMMERCE AND ECONOMIC  
12 DEVELOPMENT, COMMUNITY AND REGIONAL AFFAIRS, EDUCATION,  
13 HEALTH AND SOCIAL SERVICES, AND LABOR, OR EACH RESPECTIVE  
14 COMMISSIONER'S DESIGNEE;

- 1 (3)] one representative from the University of Alaska;
- 2 ~~(3)~~ [(4)] four additional representatives of education, with one from
- 3 local public education, one from secondary vocational education, one from a
- 4 postsecondary vocational education institution, and one from adult basic education;
- 5 ~~(4)~~ [(5)] four representatives of business and industry, with at least one
- 6 representative from the private industry councils appointed under 29 U.S.C. 1512 and
- 7 subject to reconstitution under 29 U.S.C. 1515;
- 8 ~~(5)~~ [(6)] four representatives of organized labor whom [THAT] the
- 9 governor shall appoint from lists of nominees submitted by recognized state labor
- 10 organizations; the governor may reject a list submitted under this paragraph and
- 11 request that another list be submitted;
- 12 ~~(6)~~ [(7)] at least one representative from an organization representing
- 13 employment and training needs of Alaska Natives;
- 14 ~~(7)~~ [(8)] at least one representative of a community-based service
- 15 organization;
- 16 ~~(8)~~ [(9)] at least one representative who has personal or professional
- 17 experience with developmental disabilities; and
- 18 ~~(9)~~ [(10)] at least one and up to four additional members of the private
- 19 sector to ensure a private sector majority and regional and local representation on the
- 20 council.

21 \* Sec. 2. AS 44.19.620 is amended by adding new subsections to read:

22 (c) The commissioners of commerce and economic development, community

23 and regional affairs, education, health and social services, and labor serve as advisory,

24 nonvoting members of the council.

25 (d) A member of the council under (a) or (c) of this section may appoint a

26 designee to serve in place of the member named in (a) of this section. The member

27 shall appoint the designee in writing.

28 \* Sec. 3. AS 44.19.621(a) is amended to read:

29 (a) Members of the Alaska Human Resource Investment Council other than

30 those listed in AS 44.19.620(a)(1) and ~~(c)~~ [(2)] are appointed by the governor and

31 serve at the pleasure of the governor. The governor may appoint one person to fill

1 two or more of the places listed in AS 44.19.620(a) if the person is qualified in all  
2 of the areas the person represents. A member appointed to fill more than one  
3 place under this subsection is entitled to only one vote and may appoint only one  
4 designee to replace the member in the event the member is unable to attend a  
5 meeting.

6 \* Sec. 4. AS 44.19.621(b) is amended to read:

7 (b) The voting members of the council other than those listed in  
8 AS 44.19.620(a)(1) and (c) [(2)] serve for staggered four-year terms and may serve  
9 until a successor is appointed. An appointment to fill a vacancy shall be made in the  
10 same manner as the original appointment and for the balance of the unexpired term.

11 \* Sec. 5. AS 44.19.622 is amended to read:

12 **Sec. 44.19.622. Compensation.** Members of the Alaska Human Resource  
13 Investment Council listed in or appointed under AS 44.19.620(a), including a designee  
14 of a member attending in place of the member, serve without compensation but are  
15 entitled to per diem and travel expenses authorized by law for boards and commissions  
16 under AS 39.20.18C. Nonvoting members of the council appointed under  
17 AS 44.19.620(b) serve without compensation and are not entitled to per diem and  
18 travel expenses. A commissioner appointed under AS 44.19.620(c) or the  
19 commissioner's designee is entitled to per diem and travel expenses as a state  
20 employee.

21 \* Sec. 6. AS 44.19.623 is amended to read:

22 **Sec. 44.19.623. Officers.** The Alaska Human Resource Investment Council  
23 shall elect a chair and a vice-chair from among the members listed in or appointed  
24 under AS 44.19.620(a)(4) [AS 44.19.620(a) WHO ARE FROM THE PRIVATE  
25 SECTOR. THEY SHALL ALSO ELECT A VICE-CHAIR]. The chair and vice-chair  
26 serve in their positions at the pleasure of the council.

27 \* Sec. 7. AS 44.19.624 is amended to read:

28 **Sec. 44.19.624. Meetings, quorum, and committees.** (a) The Alaska Human  
29 Resource Investment Council shall meet not more than two times in a calendar year  
30 at the call of the chair to conduct its business. A majority of the members listed in or  
31 appointed to the council under AS 44.19.620(a) constitutes a quorum.

1 (b) The council shall establish an executive committee and four permanent  
2 standing committees as described in (c) - (g) of this section. The chair of a  
3 permanent standing committee must be from the private sector. The council may  
4 establish additional standing committees and special committees or subcommittees,  
5 not necessarily consisting of council members, to advise and assist the council in  
6 carrying out its functions assigned by federal or state statute. The permanent  
7 standing committees are

8 (1) the assessment and evaluation committee;

9 (2) the policy and planning committee;

10 (3) the employment and placement committee; and

11 (4) the workforce readiness committee.

12 \* Sec. 8. AS 44.19.624 is amended by adding new subsections to read:

13 (c) The executive committee consists of the chair and vice-chair of the council,  
14 the immediate past chair of the council, and the chairs of the four standing committees  
15 described in (d) - (g) of this section. The executive committee has the duties and may  
16 exercise the powers of the council between meetings of the council. The executive  
17 committee shall

18 (1) report to the council in a timely fashion on actions taken on behalf  
19 of the council; and

20 (2) supervise the affairs of the council between regular meetings of the  
21 council.

22 (d) The assessment and evaluation committee shall

23 (1) assess and evaluate programs, initiatives, and the delivery of  
24 services to help to ensure equitable distribution of quality education, training, and  
25 employment services statewide, especially to rural areas and to programs serving  
26 economically disadvantaged citizens;

27 (2) call for and monitor the workforce development system for  
28 increased accountability in performance and continuous quality improvement along the  
29 goals and strategies of the council's overall statewide strategic plan for workforce  
30 development;

31 (3) use evaluation and performance measures to gauge customer

- 1 satisfaction within the workforce development system; and
- 2 (4) perform other duties assigned by the council.
- 3 (e) The policy and planning committee shall
- 4 (1) build policies regarding day-to-day operations and long-term
- 5 responsibilities of the council;
- 6 (2) work to increase awareness of the council and its mission
- 7 throughout the state;
- 8 (3) work with all other committees on a statewide strategic plan for
- 9 workforce development; and
- 10 (4) perform other duties assigned by the council.
- 11 (f) The employment and placement committee shall
- 12 (1) ensure the statewide strategic plan for workforce development
- 13 addresses
- 14 (A) customer needs at the local level;
- 15 (B) moving welfare recipients into the workforce;
- 16 (C) promoting the hiring of state residents in jobs that have
- 17 traditionally been filled by out-of-state workers;
- 18 (D) tailoring employment and training programs to suit state
- 19 business, industry, and economic development needs;
- 20 (2) monitor the coordination of service delivery to promote efficiency
- 21 and to prevent overlap of services among programs; and
- 22 (3) perform other duties assigned by the council.
- 23 (g) The workforce readiness committee shall
- 24 (1) provide oversight for training, education, and employment programs
- 25 to ensure the programs are delivering education and training that is relevant to local
- 26 market needs and the career goals of state residents;
- 27 (2) build partnerships between employers and quality workforce training
- 28 programs;
- 29 (3) work to connect the state public and private education systems with
- 30 business, government, and labor to ensure that state residents are receiving workforce
- 31 readiness skills throughout the education process; and

1 (4) perform other duties assigned by the council.

2 \* Sec. 9. AS 44.19.626(b) is amended to read:

3 (b) The council shall

4 (1) facilitate the development of statewide policy for a coordinated and  
5 effective employment training and education system in this state;

6 (2) identify the human resource investment needs in the state and  
7 develop a plan to meet those needs;

8 (3) review the provision of services and the use of money and resources  
9 by the human resource programs listed in AS 44.19.625;

10 (4) assume the duties and functions of the state councils described  
11 under the laws relating to the federal human resource programs listed in AS 44.19.625;

12 (5) advise the governor, [AND] state and local agencies, and the  
13 University of Alaska on the development of state and local standards and measures  
14 relating to applicable human resource programs;

15 (6) submit, to the governor and the legislature, a biennial strategic plan  
16 to accomplish the goals developed to meet human resource investment needs;

17 (7) monitor for the implementation and evaluate the effectiveness of the  
18 strategic plan developed by the council;

19 (8) adopt regulations that set standards for the percentage of a  
20 grant that may be used for administrative costs; the regulations must clearly  
21 identify and distinguish between expenses that may be included in administrative  
22 costs and those that may not be included in administrative costs; the percentage  
23 allowed for administrative costs may not exceed the lesser of 15 percent or the  
24 amount permitted under the requirements of a federal program, if applicable;

25 (9) report annually to the legislature, by the 30th day of the regular  
26 legislative session, on the performance and evaluation of training programs in the  
27 state subject to review under (f) of this section; and

28 (10) identify ways for agencies operating programs subject to  
29 oversight by the council to share resources, instructors, and curricula through  
30 collaboration with other public and private entities to increase training  
31 opportunities and reduce costs;

1                    (11) [(8)] adopt regulations under AS 44.62 (Administrative Procedure  
2                    Act) to carry out the purposes of AS 44.19.620 - 44.19.627.

3                    \* **Sec. 10.** AS 44.19.626 is amended by adding new subsections to read:

4                    (d) The council shall provide oversight for employment-related education  
5                    training programs operated by the state or operated under contract with the state that  
6                    are described in (f) of this section. The council shall require a training program listed  
7                    in (f) of this section to meet the requirements of this subsection. The council shall,  
8                    by regulation, establish appropriate penalties for programs and individuals who fail to  
9                    meet the requirements of this subsection. The council may recommend to the  
10                    legislature changes to enhance the effectiveness of the training programs it oversees  
11                    under this section. A training program described in (f) of this section funded with  
12                    money appropriated by the legislature must

13                    (1) meet the standards adopted by the council concerning the  
14                    percentage of a grant that may be spent on administrative costs;

15                    (2) be operated by an institution that holds a valid authorization to  
16                    operate issued under AS 14.48 by the Alaska Commission on Postsecondary Education  
17                    if the program is a postsecondary educational program operated by a postsecondary  
18                    educational institution subject to regulation under AS 14.48;

19                    (3) provide to the Department of Labor the information required by the  
20                    department for the preparation of the statistical information necessary for the council  
21                    to evaluate programs by the standards set out in (e) of this section.

22                    (e) The council shall develop standards that encourage agencies to contract for  
23                    training programs that maximize the program's class size. The council shall adopt  
24                    standards for the evaluation of training programs listed in (f) of this section with  
25                    regard to the following:

26                    (1) the percent of former participants who have a job one year after  
27                    leaving the training program;

28                    (2) the median wage of former participants seven to 12 months after  
29                    leaving the program;

30                    (3) the percent of former participants who were employed after leaving  
31                    the training program who received training under the program that was related to their

1 jobs or somewhat related to their jobs seven to 12 months after leaving the training  
2 program;

3 (4) the percent of former participants of a training program who  
4 indicate that they were satisfied with or somewhat satisfied with the overall quality of  
5 the training program;

6 (5) the percent of employers who indicate that they were satisfied with  
7 the quality of the work of new employees who had recently completed the training  
8 program.

9 (f) The following training programs are subject to the provisions of (d) and (e)  
10 of this section:

11 (1) in the Department of Administration: Alaska Professional  
12 Development Institute, providing continuing education and training for employed  
13 workers;

14 (2) in the Department of Community and Regional Affairs or operated  
15 by the department:

16 (A) One Stop Career Center;

17 (B) Job Training Partnership Act programs, assisting  
18 communities in moving toward a self-sustainable economy and providing  
19 training;

20 (C) state training and employment program (AS 23.15.620),  
21 providing training and employment services for people who are unemployed or  
22 likely to become unemployed, fostering new jobs, and increasing training  
23 opportunities for workers severely affected by fluctuations in the state economy  
24 or adversely affected by technology advances in the workplace;

25 (3) in the Department of Education or operated by the department:

26 (A) employment-related adult basic education;

27 (B) School-to-Work;

28 (C) vocational education and Tech Prep;

29 (D) Alaska Career Information System;

30 (E) high school completion project;

31 (F) Kotzebue Technical Center;

- 1 (G) Alaska Vocational Technical Center;
- 2 (4) in the Department of Health and Social Services: Alaskans on
- 3 Temporary Assistance Plan employment education and job training programs;
- 4 (5) in the Department of Labor:
- 5 (A) unemployment insurance grants provided under the federal
- 6 training relocation assistance program;
- 7 (B) Alaska works programs, assisting with the welfare-to-work
- 8 program;
- 9 (C) state training employment program, coordinated with the
- 10 Department of Community and Regional Affairs.
- 11 (g) The council shall assess the programs listed in this subsection and make
- 12 recommendations to the legislature in its report required under (b)(9) of this section
- 13 about whether to include one or more of these programs under the requirements of (f)
- 14 of this section:
- 15 (1) in the Department of Community and Regional Affairs or operated
- 16 by the department:
- 17 (A) local government assistance training and development,
- 18 including the rural utility business advisory program;
- 19 (B) energy operations, providing training in management and
- 20 administration of electric utilities and bulk fuel storage systems;
- 21 (2) in the Department of Corrections:
- 22 (A) Correctional Academy, training individuals applying for a
- 23 correctional officer position;
- 24 (B) inmate programs, providing vocational technical training and
- 25 education courses for inmates preparing to be released from a correctional
- 26 facility;
- 27 (C) correctional industries program, providing inmates with jobs
- 28 while they are incarcerated;
- 29 (3) in the Department of Environmental Conservation:
- 30 (A) remote maintenance worker program, providing training and
- 31 technical assistance to communities to keep drinking water and sewage disposal

- 1 systems running, and providing on-the-job training to local operators;
- 2 (B) water and wastewater operator training and assistance;
- 3 (C) federal drinking water operator training and certification;
- 4 (4) in the Department of Military and Veterans' Affairs: educational
- 5 benefits for members of the Alaska National Guard and the Alaska Naval Militia;
- 6 (5) in the Department of Public Safety:
- 7 (A) fire service training to maintain emergency training skills
- 8 for existing fire fighter staff and volunteers and individuals interested in
- 9 becoming fire fighters;
- 10 (B) Public Safety Training Academy, training trooper recruits;
- 11 (6) in the Department of Transportation and Public Facilities:
- 12 (A) engineer-in-training program, providing on-the-job training
- 13 for apprentice engineers to enable them to gain the experience necessary to be
- 14 certified;
- 15 (B) statewide transportation improvement program, offered by
- 16 the United States National Highway Institute;
- 17 (C) local technical assistance program, transferring technical
- 18 expertise to local governments;
- 19 (D) Native technical assistance program, transferring technical
- 20 expertise to Native governments;
- 21 (E) border technology exchange program, to coordinate highway
- 22 issues with the Yukon Territory;
- 23 (7) in the Department of Education: vocational rehabilitation client
- 24 services and special work projects;
- 25 (8) in the Department of Labor: employment services, including job
- 26 development, assisting individuals in finding employment, and assisting employed
- 27 individuals in finding other employment.
- 28 (h) The University of Alaska shall evaluate the performance of its training
- 29 programs using the standards set out in (e) of this section and shall provide a report
- 30 on the results to the council for inclusion in the council's annual report to the
- 31 legislature.

1 (i) The council shall review each program listed in (f) of this section to  
2 determine whether it is in compliance with the standards set out in (d) and (e) of this  
3 section. If the council finds that a program has failed to comply with the standards  
4 set out in (d) and (e) of this section, it shall notify the program director of the failure.  
5 If the program director fails to improve the performance of the program within a  
6 reasonable time, the council shall notify the governor and the legislative budget and  
7 audit committee that the program is out of compliance. A contract entered into by a  
8 state agency relating to a training program set out in (f) and (g) of this section must  
9 contain terms consistent with this section.

10 (j) A department that operates or contracts for a training program listed in (f)  
11 of this section shall pay to the council a management assessment fee not to exceed .75  
12 percent of the program's annual operating budget. The total amount received as  
13 management assessment fees may not exceed the council's authorized budget for the  
14 fiscal year. The council shall, by regulation, establish a method to determine annually  
15 the amount of the management assessment fee. If the amount the council expects to  
16 collect under this subsection exceeds the authorized budget of the council, the council  
17 shall reduce the percentages set out in this subsection so that the total amount of the  
18 fees collected approximately equals the authorized budget of the council for the fiscal  
19 year. The council shall adopt regulations under AS 44.62 (Administrative Procedure  
20 Act) necessary to administer this subsection. A management assessment fee collected  
21 under this subsection shall be deposited in the human resource investment account in  
22 the general fund. The legislature may make appropriations from the account for the  
23 operation of the Alaska Human Resource Investment Council. Nothing in this  
24 subsection creates a dedicated fund.

25 (k) Upon the enactment of a new federal or state program relating to work  
26 force development, the council shall

27 (1) advise the governor and the legislature on whether the council  
28 should provide oversight for the new program under this section; and

29 (2) make recommendations necessary to streamline and coordinate state  
30 efforts to meet the guidelines of the new program.

31 (l) For purposes of this section, "program"

1 (1) does not refer to the overall activities of an individual institution  
2 or individual fields of study or courses that are not associated with programs for which  
3 the council has oversight responsibility;

4 (2) may include a certificate or associate degree course or a course that  
5 is not for credit, whether it is offered by a public or private institute or contracted for  
6 by the private sector, so long as it is related to employment.

7 \* **Sec. 11.** Section 6, ch. 116, SLA 1996, is amended to read:

8 Sec. 6. AS 23.15.620, 23.15.625, 23.15.630, 23.15.635, 23.15.640, 23.15.645,  
9 23.15.651, and 23.15.660 are repealed June 30, 2002 [1998].

10 \* **Sec. 12. TRANSITION.** Notwithstanding the requirement in AS 44.19.623, as amended  
11 by sec. 6 of this Act, that the chair and the vice chair of the council be members of the  
12 council appointed under AS 44.19.620(a)(4), as amended by sec. 1 of this Act, a member who  
13 is serving as chair or vice chair of the council on the day before the effective date of this Act  
14 may continue to serve in that capacity until the expiration of the member's term of office.  
15 However, if the vice-chair is a commissioner of a department of state government, the office  
16 becomes vacant on the effective date of this Act and the council shall elect a vice chair who  
17 meets the requirements of AS 44.19.623, as amended by sec. 6 of this Act.

18 \* **Sec. 13.** This Act takes effect immediately under AS 01.10.070(c).