

BILLS 1981 - 1982

1568

CSHB 689 cont. - CSHB 695

Leg. Finance

1568

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

HB 694

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 694 (1/27/82)

Title Alaska Municipal Bond Bank Authority

Requested by House Le & Commerce Committee

Date 3/5/82

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected \_\_\_\_\_

BRU, Program, Or Subprogram(s) Affected Alaska Municipal Bond Bank Authority

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

SEE ANALYSIS SECTION

|                          | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |       |       |       |       |       |       |
| 200 TRAVEL               |       |       |       |       |       |       |
| 300 CONTRACTUAL          |       |       |       |       |       |       |
| 400 COMMODITIES          |       |       |       |       |       |       |
| 500 EQUIPMENT            |       |       |       |       |       |       |
| 600 LAND & STRUCTURES    |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. |       |       |       |       |       |       |
| TOTAL                    |       |       |       |       |       |       |

FUNDING (Thousands of Dollars)

SEE ANALYSIS SECTION

|                        |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|
| GENERAL FUND           |  |  |  |  |  |  |
| FEDERAL FUNDS          |  |  |  |  |  |  |
| OTHER (Specify Source) |  |  |  |  |  |  |
|                        |  |  |  |  |  |  |
|                        |  |  |  |  |  |  |

POSITIONS

SEE ANALYSIS SECTION

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Municipal Bond Bank Revolving Loan Fund (RLF) established by Sec. 4 of the legislation would require an appropriation to the RLF in the future. More than likely this would be an appropriation of program receipts.

No additional administrative costs are anticipated.

IV. DATE March 5, 1982

PREPARED BY Anselm C. Staack, Treasury Comptroller

AGENCY Dept. of Revenue/Treasury Division

Original: Legislative Finance

PHONE 465-2350

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

*Anselm C. Staack*

HB 694

## COMMENTARY ON PROPOSED LEGISLATION

### Sections 1 and 2 Classified vs. Partially Exempt Employees

Sections 1 and 2 of the proposed bill would make the employees of the Bond Bank (other than the legal counsel and executive secretary, which are already exempted from the classified service) partially exempt employees rather than classified ones. The Bond Bank is a quasi-independent entity, like AIDA, AHFC and the Alaska Power Authority. While the staff of the Power Authority is in the classified service, AIDA, AHFC, the Permanent Fund Corporation and other entities provide ample precedent for making the staff of the Bond Bank exempt or partially exempt employees (in fact, for all three examples given, the entire staffs are wholly exempt). This proposal has limited scope as it applies to only one employee, the secretary to the Executive Director.

### Section 3 Annual Approval of Revenue Debt

Each year the Bond Bank is required to seek approval...by Law...for the level of revenue bonds it may issue in the coming year. This legislation waves that requirement if the total amount of revenue bonds to be issued is less than \$50,000,000. Thus, it retains legislative oversight for "big-ticket" bonding (over \$50,000,000) but passes at the low level. Oversight is still retained in that a total bonding level is established by Law which cannot be exceeded regardless of the annual approval level.

### Section 4 Short-Term Revolving Loan Fund

The Bond Bank makes money for the State. Each year the surplus of its operating revenues over its operating costs is transferred to the State's General Fund. The contemplated source of money for the revolving loan fund is this surplus. It is not counted among the revenue sources of the General Fund since there is nothing a priori that says there will be such a surplus in any given year to be turned over. Thus, it should be rather painless for the Legislature since it takes no money out of the pool of spendable funds that the Legislature is looking at for the operating and capital budgets.

The reason for establishing such a fund in the Bond Bank is that it takes time to put together a large enough bond issue by the Bank so that the costs of issuance are not prohibitive for the municipalities being served. This is especially the case for small municipal borrowings. For instance, suppose a municipality wants to finance an expansion of its water system for \$750,000. This is too small for the Bond Bank to take all by itself to the bond market...the costs of issuance would more than offset the advantage of lower, tax-exempt interest rates. So this financing will have to wait until other municipalities wanting to finance their own projects have also come to the Bond Bank and there is a large enough volume of Bond Bank bonds to be issued so that the costs of issuance do not eat up the tax-exempt advantages. What is this hypothetical municipality going to do during the time the Bond Bank is waiting for other



municipalities to come in and build up to this efficient bonding level? It could simply postpone the project until the Bond Bank is ready to go, but that water improvement might be badly needed by the residents in the affected area. So the municipality might decide to go ahead right away with the project and get interim funding from its friendly bank, but probably that will be at a disadvantageous interest rate compared to that if bonds could be sold right away.

To avoid such choices for the municipalities, the loan fund would allow the Bond Bank to be the source of interim financing, which in turn would permit the local projects to go forward even though there isn't yet enough volume for the Bank to issue bonds efficiently at that time. The figure of \$3,000,000 for such a loan fund is envisioned because it represents a threshold level at which the advantages of tax-exempt bonds clearly outweigh the issuance costs. Thus, while bond issues by the Bank which are larger than \$3,000,000 would be even more efficient in securing tax-exempt advantages for the municipalities, a bond issue of that size would still be worth doing. If the endowment of the fund is less than \$3,000,000 then there would be the risk that small municipalities would be harmed because they can't get acceptable interim financing and the Bond Bank doesn't have a large enough volume to justify going to the bond market at that time.

#### Section 5 Increase in Authorization

The Bond Bank is currently authorized to incur bonded indebtedness up to \$150,000,000. In almost seven years of operation it has issued bonds and met Alaskan city needs up to \$130,000,000. It is now reasonable to boost the Bank's borrowing authority to \$200,000,000. This action, taken by the House Labor and Commerce Committee, is concurred in by the Bond Bank management and Board of Directors.

#### Fiscal Note For Proposed Legislation

Appropriation of Program Receipts annually until a fund of \$3,000,000 is created.

#### RECAP OF SURPLUS RETURNED TO STATE

|       |           |          |
|-------|-----------|----------|
| FY 77 | \$ 45,872 | remitted |
| FY 78 | 143,933   | remitted |
| FY 79 | 140,759   | remitted |
| FY 80 | 460,649   | remitted |
| FY 81 | 1,140,697 | *        |

\* Will be used for revolving fund if appropriated. If not appropriated will be remitted prior to June 30, 1982.



# HOUSE

(11)

3/17/82

Date: 4-13-82

Mr. Speaker:

The Committee on FINANCE has had HB 694

"An Act relating to the Alaska Municipal Bond Bank Authority."

under consideration and ~~-(a majority of the committee)- (the committee)-~~ reports it back with the following recommendations:

[ ] do pass

[ ] do not pass

[ ] do pass with attached amendments(s)

[✓] replace with CS for

HB 694 CL#C

```
[ ] same title
[X] new title
```

and recommends

do pass

[ ] AND attaches a "Letter of Intent"

[ ] New Fiscal Note

[ ] reports it back without recommendation

1.14

[ ] referred to the

Committee

### MEMBERS SIGNING

DO PASS

MEMBERS HAVING

OTHER RECOMMENDATIONS:

Pleasant  
 Mountain  
 1894  
 Jack Fallie  
 Monterey

---

---

---

---

---

---

*Robert M. ...*  
CHAIRMAN

CHAIRMAN

Original sponsor: Rules/Governor

Offered: 3/17/82  
Referred: Finance

1 IN THE HOUSE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 694 (L&C)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Municipal Bond Bank  
7 Authority; and providing for an effective date."

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

9 \* Section 1. AS 39.25.120 is amended by adding a new paragraph to read:  
10 (20) employees and agents, other than the executive secretary  
11 and legal counsel, of the Alaska Municipal Bond Bank Authority.

12 \* Sec. 2. AS 44.85.070 is amended to read:

13 Sec. 44.85.070. STAFF. The bond bank authority shall employ an  
14 executive secretary who may with the approval of the bond bank authority  
15 select and employ additional staff as necessary. Employees and agents of  
16 the bond bank authority other than legal counsel and the executive sec-  
17 retary are in the partially exempt [CLASSIFIED] service under AS 39.25.  
18 In addition to its staff of regular employees, the bond bank authority  
19 may contract for and engage the services of the bond counsel, consul-  
20 tants, experts, and financial advisors the bond bank authority considers  
21 necessary for the purpose of developing information, or conducting  
22 studies, investigations, hearings or other proceedings.

23 \* Sec. 3. AS 44.85.100(b) is amended to read:

24 (b) The bond bank authority shall include in the report required  
25 by (a) of this section an estimate of the amount of revenue bonds of the  
26 bond bank authority to be issued during the fiscal year following the  
27 fiscal year in which the report is submitted [12-MONTH PERIOD]. The bond  
28 bank authority may not issue revenue bonds, other than refunding bonds,  
29 in excess of \$50,000,000 during any 12-month period beginning after



1 June 30, 1981, unless the legislature, by law, approves the estimate  
2 required by this subsection for that 12-month period.

3 \* Sec. 4. AS 44.85 is amended by adding a new section to read:

4 Sec. 44.85.165. MUNICIPAL BOND BANK REVOLVING LOAN FUND ESTAB-  
5 LISHED. There is established in the Department of Revenue a municipal  
6 bond bank revolving loan fund. The municipal bond bank revolving loan  
7 fund consists of money appropriated to it by the legislature. Principal  
8 payments on a loan made under this section shall be returned to the bond  
9 bank revolving loan fund. Interest payments on a loan made under this  
10 section shall be transferred to the general fund as provided by AS 37.-  
11 10.050 - 37.10.060. The bond bank authority may make loans to munici-  
12 palities from the municipal bond bank revolving loan fund. A loan made  
13 under this section

14 (1) may be used only for

15 (A) expenditures authorized to be paid from revenues of  
16 a municipal bond issue if the bonds have been authorized as re-  
17 quired by law but have not been sold;

18 (B) expenditures authorized under a grant from the state  
19 or federal government made after the grant is authorized but before  
20 it is received; or

21 (C) expenditures authorized by a municipal governing  
22 body in anticipation of tax revenues expected to be received during  
23 the period of the loan;

24 (2) shall be for a period of one year or less;

25 (3) may not exceed an amount that, when added to the bor-  
26 rower's outstanding aggregate municipal bond bank revolving loan fund  
27 balance, totals \$1,000,000; and

28 (4) shall bear interest at a rate that is approved by the  
29 bond bank authority by resolution and that is not less than the market



1 rate the authority would have to pay at the time of the loan for notes  
2 issued for a similar purpose.

3 \* Sec. 5. AS 44.85.180(c) is amended to read:

4 (c) Notwithstanding the provisions of (a) and (b) of this section,  
5 the total amount of bond bank authority bonds and notes outstanding at  
6 any one time, except bonds or notes issued to fund or refund bonds or  
7 notes, may not exceed \$200,000,000 [\$150,000,000].

8 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-  
9 070(c).

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS HB 694 (L&C)

Title: An act relating to the Alaska Municipal Bond Bank Authority

Requested by: Rules/Governor

Date: 3/17/82

II. FISCAL DETAIL

Agency Affected: Revenue

Program Category Affected:

BRU, Program, or Subprogram(s) Affected: Municipal Bond Bank Authority

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                         | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|-------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES   | -     | -     | -     | -     | -     | -     |
| 200 TRAVEL              | -     | -     | -     | -     | -     | -     |
| 300 CONTRACTUAL         | -     | -     | -     | -     | -     | -     |
| 400 COMMODITIES         | -     | -     | -     | -     | -     | -     |
| 500 EQUIPMENT           | -     | -     | -     | -     | -     | -     |
| 600 LAND & STRUCTURES   | -     | -     | -     | -     | -     | -     |
| 700 GRANTS, CLAIMS, ETC | -     | -     | -     | -     | -     | -     |
| 800 MISCELLANEOUS       | -     | -     | -     | -     | -     | -     |
| TOTAL                   | -     | -     | -     | -     | -     | -     |

FUNDING (Thousands of Dollars)

|                        |   |      |   |   |   |   |
|------------------------|---|------|---|---|---|---|
| GENERAL FUND           | - | -    | - | - | - | - |
| FEDERAL FUNDS          | - | -    | - | - | - | - |
| OTHER (Specify Source) |   |      |   |   |   |   |
| Program Receipts       | - | 1.14 | - | - | - | - |
| from MBB               | - | -    | - | - | - | - |

POSITIONS

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL TIME | - | - | - | - | - | - |
| PART TIME | - | - | - | - | - | - |
| TEMPORARY | - | - | - | - | - | - |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

The Alaska Municipal Bond Bank has \$1.14 million in program receipts for FY 82. This amount would be used to fund the revolving fund set up in Section 4 of the bill. It is anticipated that a fund of \$3 million would eventually be set up and at that time program receipts would again be re-mitted to the General Fund on an annual basis.

DATE:

PREPARED BY: Denna L. Cline for Dave Rose

AGENCY: Revenue

PHONE: 465-2301

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)



Introduced: 1/27/82  
Referred: Labor & Commerce  
and Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 694

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Municipal Bond Bank  
7 Authority."

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

9 \* Section 1. AS 39.25.120 is amended by adding a new paragraph to read:

10 (20) employees and agents, other than the executive secretary  
11 and legal counsel, of the Alaska Municipal Bond Bank Authority.

12 \* Sec. 2. AS 44.85.070 is amended to read:

13 Sec. 44.85.070. STAFF. The bond bank authority shall employ an  
14 executive secretary who may with the approval of the bond bank authority  
15 select and employ additional staff as necessary. Employees and agents  
16 of the bond bank authority other than legal counsel and the executive  
17 secretary are in the partially exempt [CLASSIFIED] service under AS 39.-  
18 25. In addition to its staff of regular employees, the bond bank author-  
19 ity may contract for and engage the services of the bond counsel, consul-  
20 tants, experts, and financial advisors the bond bank authority considers  
21 necessary for the purpose of developing information, or conducting  
22 studies, investigations, hearings or other proceedings.

23 \* Sec. 3. AS 44.85.100(b) is amended to read:

24 (b) The bond bank authority shall include in the report required  
25 by (a) of this section an estimate of the amount of revenue bonds of the  
26 bond bank authority to be issued during the fiscal year following the  
27 fiscal year in which the report is submitted [12-MONTH PERIOD]. The bond  
28 bank authority may not issue revenue bonds, other than refunding bonds,  
29 in excess of \$50,000,000 during any 12-month period beginning after



June 30, 1981, unless the legislature, by law, approves the estimate required by this subsection for that 12-month period.

\* Sec. 4. AS 44.85 is amended by adding a new section to read:

Sec. 44.85.165. MUNICIPAL BOND BANK REVOLVING LOAN FUND ESTABLISHED. There is established in the Department of Revenue a municipal bond bank revolving loan fund. The municipal bond bank revolving loan fund consists of money appropriated to it by the legislature. Principal payments on a loan made under this section shall be returned to the bond bank revolving loan fund. Interest payments on a loan made under this section shall be transferred to the general fund as provided by AS 37.10.050 -- 37.10.060. The bond bank authority may make loans to municipalities from the municipal bond bank revolving loan fund. A loan made under this section

(1) may be used only for

(A) expenditures authorized to be paid from revenues of a municipal bond issue if the bonds have been authorized as required by law but have not been sold;

(B) expenditures authorized under a grant from the state or federal government made after the grant is authorized but before it is received; or

(C) expenditures authorized by a municipal governing body in anticipation of tax revenues expected to be received during the period of the loan;

(2) shall be for a period of one year or less;

(3) may not exceed an amount which, when added to the borrower's outstanding aggregate municipal bond bank revolving loan fund balance, totals \$1,000,000; and

(4) shall bear interest at a rate which is approved by the bond bank authority by resolution and which is not less than the market

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

rate which the authority would have to pay at the time of the loan for  
notes issued for a similar purpose.



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 26, 1982

The Honorable Joe L. Hayes  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the Alaska Municipal Bond Bank Authority.

The bill amends AS 44.85 by placing the authority's employees, other than the executive secretary and legal counsel, in the partially exempt service (secs. 1 and 2 of the bill), allowing the authority to issue up to \$50,000,000 worth of revenue bonds during any fiscal year without specific legislative authorization (sec. 3 of the bill), and establishing a municipal bond bank revolving loan fund to make loans to municipalities in anticipation of the receipt of revenues from bond issues, state or federal grants, or taxes (sec. 4 of the bill).

The bill amends AS 44.85.100(b), which requires an estimate of the amount of bonds to be issued for the "following 12-month period." The amendment makes it clear that, the estimate required under AS 44.85.100(b) is for the fiscal year following the fiscal year in which the estimate is submitted and not for the 12-month period following the submission of the estimate (sec. 3 of the bill).

Section 4 of the bill adds AS 44.85.165, which establishes a municipal bond bank revolving loan fund. The authority may make a loan of up to \$1,000,000 to a municipality from the fund for expenditures which are authorized in anticipation of the receipt of revenue described in AS 44.85.165(1)(A) -- (C).

Sincerely,

Jay S. Hammond  
Governor



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS HB 694 (L&C)

Title: An act relating to the Alaska Municipal Bond Bank Authority

Requested by: Rules/Governor

Date: 3/17/82

II. FISCAL DETAIL

Agency Affected: Revenue

Program Category Affected:

BRU, Program, or Subprogram(s) Affected: Municipal Bond Bank Authority

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                         | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|-------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES   | -     | -     | -     | -     | -     | -     |
| 200 TRAVEL              | -     | -     | -     | -     | -     | -     |
| 300 CONTRACTUAL         | -     | -     | -     | -     | -     | -     |
| 400 COMMODITIES         | -     | -     | -     | -     | -     | -     |
| 500 EQUIPMENT           | -     | -     | -     | -     | -     | -     |
| 600 LAND & STRUCTURES   | -     | -     | -     | -     | -     | -     |
| 700 GRANTS, CLAIMS, ETC | -     | -     | -     | -     | -     | -     |
| 800 MISCELLANEOUS       | -     | -     | -     | -     | -     | -     |
| TOTAL                   | -     | -     | -     | -     | -     | -     |

FUNDING (Thousands of Dollars)

|                        |   |      |   |   |   |   |
|------------------------|---|------|---|---|---|---|
| GENERAL FUND           | - | -    | - | - | - | - |
| FEDERAL FUNDS          | - | -    | - | - | - | - |
| OTHER (Specify Source) |   |      |   |   |   |   |
| Program Receipts       | - | 1.14 | - | - | - | - |
| from MBB               | - | -    | - | - | - | - |

POSITIONS

|           |   |   |   |   |   |   |
|-----------|---|---|---|---|---|---|
| FULL TIME | - | - | - | - | - | - |
| PART TIME | - | - | - | - | - | - |
| TEMPORARY | - | - | - | - | - | - |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

The Alaska Municipal Bond Bank has \$1.14 million in program receipts for FY 82. This amount would be used to fund the revolving fund set up in Section 4 of the bill. It is anticipated that a fund of \$3 million would eventually be set up and at that time program receipts would again be remitted to the General Fund on an annual basis.

DATE:

PREPARED BY: Debra L. Cline for Dave Rose

AGENCY: Revenue

PHONE: 465-2301

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

## COMMENTARY ON PROPOSED LEGISLATION

### Sections 1 and 2 Classified vs. Partially Exempt Employees

Sections 1 and 2 of the proposed bill would make the employees of the Bond Bank (other than the legal counsel and executive secretary, which are already exempted from the classified service) partially exempt employees rather than classified ones. The Bond Bank is a quasi-independent entity, like AIDA, AHFC and the Alaska Power Authority. While the staff of the Power Authority is in the classified service, AIDA, AHFC, the Permanent Fund Corporation and other entities provide ample precedent for making the staff of the Bond Bank exempt or partially exempt employees (in fact, for all three examples given, the entire staffs are wholly exempt). This proposal has limited scope as it applies to only one employee, the secretary to the Executive Director.

### Section 3 Annual Approval of Revenue Debt

Each year the Bond Bank is required to seek approval...by Law...for the level of revenue bonds it may issue in the coming year. This legislation waves that requirement if the total amount of revenue bonds to be issued is less than \$50,000,000. Thus, it retains legislative oversight for "big-ticket" bonding (over \$50,000,000) but passes at the low level. Oversight is still retained in that a total bonding level is established by Law which cannot be exceeded regardless of the annual approval level.

### Section 4 Short-Term Revolving Loan Fund

The Bond Bank makes money for the State. Each year the surplus of its operating revenues over its operating costs is transferred to the State's General Fund. The contemplated source of money for the revolving loan fund is this surplus. It is not counted among the revenue sources of the General Fund since there is nothing a priori that says there will be such a surplus in any given year to be turned over. Thus, it should be rather painless for the Legislature since it takes no money out of the pool of spendable funds that the Legislature is looking at for the operating and capital budgets.

The reason for establishing such a fund in the Bond Bank is that it takes time to put together a large enough bond issue by the Bank so that the costs of issuance are not prohibitive for the municipalities being served. This is especially the case for small municipal borrowings. For instance, suppose a municipality wants to finance an expansion of its water system for \$750,000. This is too small for the Bond Bank to take all by itself to the bond market...the costs of issuance would more than offset the advantage of lower, tax-exempt interest rates. So this financing will have to wait until other municipalities wanting to finance their own projects have also come to the Bond Bank and there is a large enough volume of Bond Bank bonds to be issued so that the costs of issuance do not eat up the tax-exempt advantages. What is this hypothetical municipality going to do during the time the Bond Bank is waiting for other



municipalities to come in and build up to this efficient bonding level? It could simply postpone the project until the Bond Bank is ready to go, but that water improvement might be badly needed by the residents in the affected area. So the municipality might decide to go ahead right away with the project and get interim funding from its friendly bank, but probably that will be at a disadvantageous interest rate compared to that if bonds could be sold right away.

To avoid such choices for the municipalities, the loan fund would allow the Bond Bank to be the source of interim financing, which in turn would permit the local projects to go forward even though there isn't yet enough volume for the Bank to issue bonds efficiently at that time. The figure of \$3,000,000 for such a loan fund is envisioned because it represents a threshold level at which the advantages of tax-exempt bonds clearly outweigh the issuance costs. Thus, while bond issues by the Bank which are larger than \$3,000,000 would be even more efficient in securing tax-exempt advantages for the municipalities, a bond issue of that size would still be worth doing. If the endowment of the fund is less than \$3,000,000 then there would be the risk that small municipalities would be harmed because they can't get acceptable interim financing and the Bond Bank doesn't have a large enough volume to justify going to the bond market at that time.

#### Section 5 Increase in Authorization

The Bond Bank is currently authorized to incur bonded indebtedness up to \$150,000,000. In almost seven years of operation it has issued bonds and met Alaskan city needs up to \$130,000,000. It is now reasonable to boost the Bank's borrowing authority to \$200,000,000. This action, taken by the House Labor and Commerce Committee, is concurred in by the Bond Bank management and Board of Directors.

#### Fiscal Note For Proposed Legislation

Appropriation of Program Receipts annually until a fund of \$3,000,000 is created.

#### RECAP OF SURPLUS RETURNED TO STATE

|       |           |          |
|-------|-----------|----------|
| FY 77 | \$ 45,872 | remitted |
| FY 78 | 143,933   | remitted |
| FY 79 | 140,759   | remitted |
| FY 80 | 460,649   | remitted |
| FY 81 | 1,140,697 | *        |

\* Will be used for revolving fund if appropriated. If not appropriated will be remitted prior to June 30, 1982.



Original sponsor: Rules/Governor

Offered: 3/17/82  
Referred: Finance

1 IN THE HOUSE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 694 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Municipal Bond Bank  
7 Authority; and providing for an effective date."

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

9 \* Section 1. AS 39.25.120 is amended by adding a new paragraph to read:

10 (20) employees and agents, other than the executive secretary  
11 and legal counsel, of the Alaska Municipal Bond Bank Authority.

12 \* Sec. 2. AS 44.85.070 is amended to read:

13 Sec. 44.85.070. STAFF. The bond bank authority shall employ an  
14 executive secretary who may with the approval of the bond bank authority  
15 select and employ additional staff as necessary. Employees and agents of  
16 the bond bank authority other than legal counsel and the executive sec-  
17 retary are in the partially exempt [CLASSIFIED] service under AS 39.25.  
18 In addition to its staff of regular employees, the bond bank authority  
19 may contract for and engage the services of the bond counsel, consul-  
20 tants, experts, and financial advisors the bond bank authority considers  
21 necessary for the purpose of developing information, or conducting  
22 studies, investigations, hearings or other proceedings.

23 \* Sec. 3. AS 44.85.100(b) is amended to read:

24 (b) The bond bank authority shall include in the report required  
25 by (a) of this section an estimate of the amount of revenue bonds of the  
26 bond bank authority to be issued during the fiscal year following the  
27 fiscal year in which the report is submitted [12-MONTH PERIOD]. The bond  
28 bank authority may not issue revenue bonds, other than refunding bonds,  
29 in excess of \$50,000,000 during any 12-month period beginning after

1 rate the authority would have to pay at the time of the loan for notes  
2 issued for a similar purpose.

3 \* Sec. 5. AS 44.85.180(c) is amended to read:

4 (c) Notwithstanding the provisions of (a) and (b) of this section,  
5 the total amount of bond bank authority bonds and notes outstanding at  
6 any one time, except bonds or notes issued to fund or refund bonds or  
7 notes, may not exceed \$200,000,000 [\$150,000,000].

8 \* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-  
9 070(c).



Introduced: 1/27/82  
Referred: Labor & Commerce  
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 694

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Municipal Bond Bank  
7 Authority."

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

9 \* Section 1. AS 39.25.120 is amended by adding a new paragraph to read:

10 (20) employees and agents, other than the executive secretary  
11 and legal counsel, of the Alaska Municipal Bond Bank Authority.

12 \* Sec. 2. AS 44.85.070 is amended to read:

13 Sec. 44.85.070. STAFF. The bond bank authority shall employ an  
14 executive secretary who may with the approval of the bond bank authority  
15 select and employ additional staff as necessary. Employees and agents  
16 of the bond bank authority other than legal counsel and the executive  
17 secretary are in the partially exempt [CLASSIFIED] service under AS 39.-  
18 25. In addition to its staff of regular employees, the bond bank author-  
19 ity may contract for and engage the services of the bond counsel, consul-  
20 tants, experts, and financial advisors the bond bank authority considers  
21 necessary for the purpose of developing information, or conducting  
22 studies, investigations, hearings or other proceedings.

23 \* Sec. 3. AS 44.85.100(b) is amended to read:

24 (b) The bond bank authority shall include in the report required  
25 by (a) of this section an estimate of the amount of revenue bonds of the  
26 bond bank authority to be issued during the fiscal year following the  
27 fiscal year in which the report is submitted [12-MONTH PERIOD]. The bond  
28 bank authority may not issue revenue bonds, other than refunding bonds,  
29 in excess of \$50,000,000 during any 12-month period beginning after



1 June 30, 1981, unless the legislature, by law, approves the estimate  
2 required by this subsection for that 12-month period.

3 \* Sec. 4. AS 44.85 is amended by adding a new section to read:

4 Sec. 44.85.165. MUNICIPAL BOND BANK REVOLVING LOAN FUND ESTAB-  
5 LISHED. There is established in the Department of Revenue a municipal  
6 bond bank revolving loan fund. The municipal bond bank revolving loan  
7 fund consists of money appropriated to it by the legislature. Principal  
8 payments on a loan made under this section shall be returned to the bond  
9 bank revolving loan fund. Interest payments on a loan made under this  
10 section shall be transferred to the general fund as provided by AS 37.-  
11 10.050 -- 37.10.060. The bond bank authority may make loans to munici-  
12 palities from the municipal bond bank revolving loan fund. A loan made  
13 under this section

14 (1) may be used only for

15 (A) expenditures authorized to be paid from revenues of  
16 a municipal bond issue if the bonds have been authorized as re-  
17 quired by law but have not been sold;

18 (B) expenditures authorized under a grant from the state  
19 or federal government made after the grant is authorized but before  
20 it is received; or

21 (C) expenditures authorized by a municipal governing  
22 body in anticipation of tax revenues expected to be received during  
23 the period of the loan;

24 (2) shall be for a period of one year or less;

25 (3) may not exceed an amount which, when added to the bor-  
26 rower's outstanding aggregate municipal bond bank revolving loan fund  
27 balance, totals \$1,000,000; and

28 (4) shall bear interest at a rate which is approved by the  
29 bond bank authority by resolution and which is not less than the market

1 rate which the authority would have to pay at the time of the loan for  
2 notes issued for a similar purpose.  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29



THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

HB 694

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 694 (1/27/82)

Title Alaska Municipal Bond Bank Authority

Requested by House Labor & Commerce Committee

Date 3/5/82

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected

BRU, Program, Or Subprogram(s) Affected Alaska Municipal Bond Bank Authority

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

SEE ANALYSIS SECTION

|                          | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |       |       |       |       |       |       |
| 200 TRAVEL               |       |       |       |       |       |       |
| 300 CONTRACTUAL          |       |       |       |       |       |       |
| 400 COMMODITIES          |       |       |       |       |       |       |
| 500 EQUIPMENT            |       |       |       |       |       |       |
| 600 LAND & STRUCTURES    |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. |       |       |       |       |       |       |
| TOTAL                    |       |       |       |       |       |       |

FUNDING (Thousands of Dollars)

SEE ANALYSIS SECTION

|                        |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|
| GENERAL FUND           |  |  |  |  |  |  |
| FEDERAL FUNDS          |  |  |  |  |  |  |
| OTHER (Specify Source) |  |  |  |  |  |  |
|                        |  |  |  |  |  |  |

POSITIONS

SEE ANALYSIS SECTION

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Municipal Bond Bank Revolving Loan Fund (RLF) established by Sec. 4 of the legislation would require an appropriation to the RLF in the future. More than likely this would be an appropriation of program receipts.

No additional administrative costs are anticipated.

IV. DATE March 5, 1982

PREPARED BY Anselm C. Staack, Treasury Comptroller

AGENCY Dept. of Revenue/Treasury Division

Original: Legislative Finance

PHONE 465-2350

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

*Anselm C. Staack*

HB 694

# COMMITTEE REPORT

## SENATE

4/30/82

FURTHER: None

Date: 5/14/82

Mr. President:

The Committee on FINANCE has had CSHB 695(Rls) am  
establishing the Vocational Education and Employment Training Task Force

under consideration and (a majority of the committee) (the committee)  
reports it back with the following recommendations:

- ☐ do pass ☐ do not pass
- ☐ do pass with attached amendments(s)
- ☒ replace with <sup>S</sup>CS for CSHB 695 (HSS) ☒ same title  
☐ new title
- and recommends DO PASS
- ☐ AND attaches a "Letter of Intent" ☒ New Fiscal Note
- ☐ reports it back without recommendation
- ☐ referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
   
   
   
 

[Signature]  
CHAIRMAN



Original sponsors: Sutcliffe, Hayes  
and Phillips

Offered: 4/30/82  
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 695 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Vocational Education and  
7 Employment Training Task Force; and providing for an  
8 effective date."

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

10 \* Section 1. A Vocational Education and Employment Training Task Force is  
11 established in the Office of the Governor to examine vocational education and  
12 employment training in the state and their relationship to economic develop-  
13 ment in the state, and to recommend legislative or administrative action, or  
14 both, that would improve vocational and technical education and employment  
15 training for the people of the state and would further the economic develop-  
16 ment of the state.

17 \* Sec. 2. MEMBERSHIP. (a) The Vocational Education and Employment  
18 Training Task Force consists of 13 members appointed by the governor as  
19 follows:

20 (1) a member of the governing body of the Alaska State Vocational  
21 Association;

22 (2) a member of the Board of Regents of the University of Alaska;

23 (3) a member of the state Board of Education;

24 (4) a member of a statewide Native organization who is familiar  
25 with the employment needs of rural Alaska Natives;

26 (5) a member of a statewide labor organization;

27 (6) a vocational education teacher from a public secondary school  
28 in the state;

29 (7) a vocational education teacher from a public vocational-

1 technical school or community college in the state;

2 (8) a vocational education student from a community college in the  
3 state;

4 (9) a member of the Alaska Commission on Postsecondary Education;

5 (10) two members from statewide organizations representing in-  
6 dustries with a potential for increased employment opportunities;

7 (11) two members from state agencies.

8 (b) Appointments shall be made with consideration of the availability  
9 and willingness of an appointee to devote the time and effort necessary to  
10 permit the Vocational Education and Employment Training Task Force to func-  
11 tion effectively. Appointments shall be made without regard to political  
12 affiliation, and shall be made, if possible, within 20 days after the effec-  
13 tive date of this Act, or within 20 days after the date of a vacancy in the  
14 membership of the task force.

15 (c) A vacancy on the Vocational Education and Employment Training Task  
16 Force shall be filled in the manner prescribed for initial appointments.

17 (d) The governor shall select one of the members to chair the task  
18 force.

19 \* Sec. 3. COMPENSATION. A member of the Vocational Education and Employ-  
20 ment Training Task Force serves without compensation, but is entitled to the  
21 travel pay and per diem authorized by law for members of boards and commis-  
22 sions under AS 39.20.180.

23 \* Sec. 4. MEETINGS. The Vocational Education and Employment Training  
24 Task Force shall meet as necessary to carry out the duties prescribed in this  
25 Act. The first meeting of the task force shall be convened at the call of  
26 the governor not later than 30 days following appointment of all of the  
27 members of the task force.

28 \* Sec. 5. POWERS AND DUTIES. (a) The Vocational Education and Employ-  
29 ment Training Task Force shall



1 (1) consult with public and private agencies and other relevant  
2 organizations on the current state of policy, planning, evaluation, and  
3 delivery of vocational education and employment training in the state;

4 (2) make recommendations for actions that will

5 (A) improve the structure, policy, planning, delivery, and  
6 evaluation of vocational education and employment training;

7 (B) meet the vocational education and employment training  
8 needs of the people of the state; and

9 (C) further the short-term and long-term economic development  
10 of the state;

11 (3) review existing state and federal law on vocational education  
12 and employment training in order to propose legislative or administrative  
13 action, or both, that implements the recommendations of the task force; and

14 (4) by March 31, 1983, submit a report, with recommendations for  
15 legislation to implement the conclusions of the task force regarding the  
16 operation of vocational education and employment training in the state, to  
17 the state Board of Education, the Board of Regents of the University of  
18 Alaska, the Alaska Commission on Postsecondary Education, the governor, and  
19 the presiding officer of each house of the legislature.

20 (b) The Vocational Education and Employment Training Task Force may  
21 hold public hearings and meetings on its recommendations before submitting  
22 the report required by (a)(4) of this section.

23 \* Sec. 6. TERMINATION. The Vocational Education and Employment Training  
24 Task Force terminates March 31, 1983.

25 \* Sec. 7. EFFECTIVE DATE. This Act takes effect immediately in accor-  
26 dance with AS 01.10.070(c).  
27  
28  
29

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
Bill/Resolution No. Senate CS for CS for HB695(HESS)  
Title "An act establishing the Voc. Ed. & Employ. Training Task Force..."  
Requested by Senate Finance Date 5/13/82

II. FISCAL DETAIL  
Agency Affected Office of the Governor  
Program Category Affected Executive Office  
BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83  | FY 84 | FY 85 | FY 86 | FY 87 |
|--------------------------|-------|--------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |       |        |       |       |       |       |
| 200 TRAVEL               |       | 10,000 | N/A   | N/A   | N/A   | N/A   |
| 300 CONTRACTUAL          |       | 48,700 |       |       |       |       |
| 400 COMMODITIES          |       |        |       |       |       |       |
| 500 EQUIPMENT            |       |        |       |       |       |       |
| 600 LAND & STRUCTURES    |       |        |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. |       |        |       |       |       |       |
| TOTAL                    |       | 58,700 |       |       |       |       |

FUNDING (Thousands of Dollars)

|                        |  |        |  |  |  |  |
|------------------------|--|--------|--|--|--|--|
| GENERAL FUND           |  | 58,700 |  |  |  |  |
| FEDERAL FUNDS          |  |        |  |  |  |  |
| OTHER (Specify Source) |  |        |  |  |  |  |
|                        |  |        |  |  |  |  |
|                        |  |        |  |  |  |  |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Fiscal note based on information contained in the April 2, 1982 Memorandum from Jonathan Sherwood, House Research Staff, to Rep. Sutcliffe. (attached)

IV. DATE 5/13/82

PREPARED BY Senator Stimson

AGENCY Senate Finance

PHONE 465-3702/3713

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)





ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

April 2, 1982

MEMORANDUM

TO: Representative Eric Sutcliffe

FROM: Jonathan Sherwood *JWS*  
Research Staff

RE: Research Request 82-108  
Fiscal Note for CSHB 695

Pat Lawler of your office requested that we estimate the fiscal impact of the provisions of the Health, Education, and Social Services Committee Substitute for House Bill 695. This bill establishes a temporary Board of Employment Training and Vocational Education to provide a plan for the creation of a permanent Board of Employment Training and Vocational Education. We have calculated the following costs:

|                      |                 |
|----------------------|-----------------|
| Travel               | \$10,000        |
| Contractual Services | <u>\$48,700</u> |
| TOTAL                | \$58,700        |

EXPLANATION OF COSTS

Travel: This represents the cost of air fare and per diem for board members traveling to board meetings. In computing the travel costs we have made the following assumptions:

- (1) the Board will consist of three members from Anchorage, two members from Fairbanks, one member from Bethel, and one member from Juneau;
- (2) the board will meet four times, twice in Anchorage and twice in Juneau, and that the meetings will last for two days;
- (3) travel and per diem costs will increase by 10% from current levels as a result of inflation.

Contractual Services: According to Section 4 of CSHB 695, the Board is authorized to contract for staff and services. We estimate the following contractual costs:

Representative Sutcliffe  
April 2, 1982  
Page Two

|                     |                 |
|---------------------|-----------------|
| Consultant study    | \$44,300        |
| Secretarial support | \$ 1,900        |
| Printing            | <u>\$ 2,500</u> |
| TOTAL               | \$48,700        |

We computed these estimates with the following assumptions:

- (1) the Board will contract with a private consultant to assist in preparing a plan as specified in Section 3 of CSHB 695;
- (2) completion of the plan, including a draft report and a final report, will require approximately six months, with the consultant spending a total of five working months on the plan;
- (3) the consultant's fee is \$50 per hour, including all expenses except travel costs and the printing of the final report;
- (4) the consultant is located in Juneau, and will attend all board meetings;
- (5) the Board will require a secretary to transcribe the minutes of the meeting, handle official correspondence, and make arrangements for the Board meetings; approximately six days of secretarial support is required for every Board meeting;
- (6) the secretary will be paid the equivalent salary of a range 12A;
- (7) one thousand copies of the final report on the Board's plan will be printed at a cost of \$2.50 per copy.

---

The appendix on the following page provides our computation of costs. If you have any questions, or if we can be of further assistance, please do not hesitate to contact us.

JS/bf



## APPENDIX

### Board Travel

|                              | <u>Total</u> |
|------------------------------|--------------|
| 3 Anchorage members          |              |
| 2 trips to Juneau @ \$296    | \$1776       |
| 4 days per diem @ \$67       | 804          |
| 1 Bethel member              |              |
| 2 trips to Anchorage @ \$270 | 540          |
| 4 days per diem @ \$80       | 320          |
| 2 trips to Juneau @ \$566    | 1132         |
| 4 days per diem @ \$67       | 268          |
| 2 Fairbanks members          |              |
| 2 trips to Anchorage @ \$176 | 704          |
| 4 days per diem @ \$80       | 640          |
| 2 trips to Juneau @ \$354    | 1416         |
| 4 days per diem @ \$67       | 536          |
| 1 Juneau member              |              |
| 2 trips to Anchorage @ \$296 | 592          |
| 4 days per diem @ \$80       | 320          |
| Subtotal                     | \$9048       |
| plus 10% inflation           | 905          |
| Total                        | \$9953       |

### Consultant Cost

#### Basic Fee

5 months @ \$50 per hour

5 months(173 hours per month) x \$50 per hour = \$43,250

#### Travel

|                            |     |
|----------------------------|-----|
| 2 trips to Anchorage @ 296 | 592 |
| 4 days per diem @ \$80     | 320 |
| plus 10% inflation         | 91  |

Total \$44,253

APPENDIX (continued)

Secretarial Support

4 meetings @ 6 days work per meeting = 24 days  
salary @ \$1716 per month (21.6 days)

$$24 \text{ days} \times \frac{\$1716}{21.6 \text{ days}} = \underline{\$1,907 \text{ Total}}$$

Printing

1000 copies @ \$2.50 per copy = \$2,500

goes w 5/13/82 FN





ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

April 2, 1982

MEMORANDUM

TO: Representative Eric Sutcliffe  
FROM: Jonathan Sherwood JWS  
Research Staff  
RE: Research Request 82-108  
Fiscal Note for CSHB 695

Pat Lawler of your office requested that we estimate the fiscal impact of the provisions of the Health, Education, and Social Services Committee Substitute for House Bill 695. This bill establishes a temporary Board of Employment Training and Vocational Education to provide a plan for the creation of a permanent Board of Employment Training and Vocational Education. We have calculated the following costs:

|                      |                 |
|----------------------|-----------------|
| Travel               | \$10,000        |
| Contractual Services | <u>\$48,700</u> |
| TOTAL                | \$58,700        |

EXPLANATION OF COSTS

Travel: This represents the cost of air fare and per diem for board members traveling to board meetings. In computing the travel costs we have made the following assumptions:

- (1) the Board will consist of three members from Anchorage, two members from Fairbanks, one member from Bethel, and one member from Juneau;
- (2) the board will meet four times, twice in Anchorage and twice in Juneau, and that the meetings will last for two days;
- (3) travel and per diem costs will increase by 10% from current levels as a result of inflation.

Contractual Services: According to Section 4 of CSHB 695, the Board is authorized to contract for staff and services. We estimate the following contractual costs:

Representative Sutcliffe  
April 2, 1982  
Page Two

|                     |                 |
|---------------------|-----------------|
| Consultant study    | \$44,300        |
| Secretarial support | \$ 1,900        |
| Printing            | <u>\$ 2,500</u> |
| TOTAL               | \$48,700        |

We computed these estimates with the following assumptions:

- (1) the Board will contract with a private consultant to assist in preparing a plan as specified in Section 3 of CSHB 695;
  - (2) completion of the plan, including a draft report and a final report, will require approximately six months, with the consultant spending a total of five working months on the plan;
  - (3) the consultant's fee is \$50 per hour, including all expenses except travel costs and the printing of the final report;
  - (4) the consultant is located in Juneau, and will attend all board meetings;
  - (5) the Board will require a secretary to transcribe the minutes of the meeting, handle official correspondence, and make arrangements for the Board meetings; approximately six days of secretarial support is required for every Board meeting;
  - (6) the secretary will be paid the equivalent salary of a range 12A;
  - (7) one thousand copies of the final report on the Board's plan will be printed at a cost of \$2.50 per copy.
- 

The appendix on the following page provides our computation of costs. If you have any questions, or if we can be of further assistance, please do not hesitate to contact us.

JS/bf

## APPENDIX

### Board Travel

|                              | <u>Total</u> |
|------------------------------|--------------|
| 3 Anchorage members          |              |
| 2 trips to Juneau @ \$296    | \$1776       |
| 4 days per diem @ \$67       | 804          |
| 1 Bethel member              |              |
| 2 trips to Anchorage @ \$270 | 540          |
| 4 days per diem @ \$80       | 320          |
| 2 trips to Juneau @ \$566    | 1132         |
| 4 days per diem @ \$67       | 268          |
| 2 Fairbanks members          |              |
| 2 trips to Anchorage @ \$176 | 704          |
| 4 days per diem @ \$80       | 640          |
| 2 trips to Juneau @ \$354    | 1416         |
| 4 days per diem @ \$67       | 536          |
| 1 Juneau member              |              |
| 2 trips to Anchorage @ \$296 | 592          |
| 4 days per diem @ \$80       | <u>320</u>   |
| Subtotal                     | \$9048       |
| plus 10% inflation           | <u>905</u>   |
| Total                        | \$9953       |

### Consultant Cost

#### Basic Fee

5 months @ \$50 per hour

5 months(173 hours per month) x \$50 per hour = \$43,250

#### Travel

|                            |           |
|----------------------------|-----------|
| 2 trips to Anchorage @ 296 | 592       |
| 4 days per diem @ \$80     | 320       |
| plus 10% inflation         | <u>91</u> |

|       |          |
|-------|----------|
| Total | \$44,253 |
|-------|----------|



APPENDIX (continued)

Secretarial Support

4 meetings @ 6 days work per meeting = 24 days  
salary @ \$1716 per month (21.6 days)

$$24 \text{ days} \times \frac{\$1716}{21.6 \text{ days}} = \underline{\$1,907 \text{ Total}}$$

Printing

1000 copies @ \$2.50 per copy = \$2,500

Original sponsors: Sutcliffe, Hayes  
and Phillips

Offered: 4/30/82  
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 695 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Vocational Education and  
7 Employment Training Task Force; and providing for an  
8 effective date."

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

10 \* Section 1. A Vocational Education and Employment Training Task Force is  
11 established in the Office of the Governor to examine vocational education and  
12 employment training in the state and their relationship to economic develop-  
13 ment in the state, and to recommend legislative or administrative action, or  
14 both, that would improve vocational and technical education and employment  
15 training for the people of the state and would further the economic develop-  
16 ment of the state.

17 \* Sec. 2. MEMBERSHIP. (a) The Vocational Education and Employment  
18 Training Task Force consists of 13 members appointed by the governor as  
19 follows:

20 (1) a member of the governing body of the Alaska State Vocational  
21 Association;

22 (2) a member of the Board of Regents of the University of Alaska;

23 (3) a member of the state Board of Education;

24 (4) a member of a statewide Native organization who is familiar  
25 with the employment needs of rural Alaska Natives;

26 (5) a member of a statewide labor organization;

27 (6) a vocational education teacher from a public secondary school  
28 in the state;

29 (7) a vocational education teacher from a public vocational-

1 technical school or community college in the state;

2 (8) a vocational education student from a community college in the  
3 state;

4 (9) a member of the Alaska Commission on Postsecondary Education;

5 (10) two members from statewide organizations representing in-  
6 dustries with a potential for increased employment opportunities;

7 (11) two members from state agencies.

8 (b) Appointments shall be made with consideration of the availability  
9 and willingness of an appointee to devote the time and effort necessary to  
10 permit the Vocational Education and Employment Training Task Force to func-  
11 tion effectively. Appointments shall be made without regard to political  
12 affiliation, and shall be made, if possible, within 20 days after the effec-  
13 tive date of this Act, or within 20 days after the date of a vacancy in the  
14 membership of the task force.

15 (c) A vacancy on the Vocational Education and Employment Training Task  
16 Force shall be filled in the manner prescribed for initial appointments.

17 (d) The governor shall select one of the members to chair the task  
18 force.

19 \* Sec. 3. COMPENSATION. A member of the Vocational Education and Employ-  
20 ment Training Task Force serves without compensation, but is entitled to the  
21 travel pay and per diem authorized by law for members of boards and commis-  
22 sions under AS 39.20.180.

23 \* Sec. 4. MEETINGS. The Vocational Education and Employment Training  
24 Task Force shall meet as necessary to carry out the duties prescribed in this  
25 Act. The first meeting of the task force shall be convened at the call of  
26 the governor not later than 30 days following appointment of all of the  
27 members of the task force.

28 \* Sec. 5. POWERS AND DUTIES. (a) The Vocational Education and Employ-  
29 ment Training Task Force shall



1 (1) consult with public and private agencies and other relevant  
2 organizations on the current state of policy, planning, evaluation, and  
3 delivery of vocational education and employment training in the state;

4 (2) make recommendations for actions that will

5 (A) improve the structure, policy, planning, delivery, and  
6 evaluation of vocational education and employment training;

7 (B) meet the vocational education and employment training  
8 needs of the people of the state; and

9 (C) further the short-term and long-term economic development  
10 of the state;

11 (3) review existing state and federal law on vocational education  
12 and employment training in order to propose legislative or administrative  
13 action, or both, that implements the recommendations of the task force; and

14 (4) by March 31, 1983, submit a report, with recommendations for  
15 legislation to implement the conclusions of the task force regarding the  
16 operation of vocational education and employment training in the state, to  
17 the state Board of Education, the Board of Regents of the University of  
18 Alaska, the Alaska Commission on Postsecondary Education, the governor, and  
19 the presiding officer of each house of the legislature.

20 (b) The Vocational Education and Employment Training Task Force may  
21 hold public hearings and meetings on its recommendations before submitting  
22 the report required by (a)(4) of this section.

23 \* Sec. 6. TERMINATION. The Vocational Education and Employment Training  
24 Task Force terminates March 31, 1983.

25 \* Sec. 7. EFFECTIVE DATE. This Act takes effect immediately in accor-  
26 dance with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
Bill/Resolution No. Senate CS for CS for HB695(HESS)  
Title "An act establishing the Voc. Ed. & Employ. Training Task Force..."  
Requested by Senate Finance Date 5/13/82

II. FISCAL DETAIL  
Agency Affected Office of the Governor  
Program Category Affected Executive Office  
BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83  | FY 84 | FY 85 | FY 86 | FY 87 |
|--------------------------|-------|--------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |       |        |       |       |       |       |
| 200 TRAVEL               |       | 10,000 | N/A   | N/A   | N/A   | N/A   |
| 300 CONTRACTUAL          |       | 48,700 |       |       |       |       |
| 400 COMMODITIES          |       |        |       |       |       |       |
| 500 EQUIPMENT            |       |        |       |       |       |       |
| 600 LAND & STRUCTURES    |       |        |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. |       |        |       |       |       |       |
| TOTAL                    |       | 58,700 |       |       |       |       |

FUNDING (Thousands of Dollars)

|                        |  |        |  |  |  |  |
|------------------------|--|--------|--|--|--|--|
| GENERAL FUND           |  | 58,700 |  |  |  |  |
| FEDERAL FUNDS          |  |        |  |  |  |  |
| OTHER (Specify Source) |  |        |  |  |  |  |
|                        |  |        |  |  |  |  |
|                        |  |        |  |  |  |  |

POSITIONS

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL TIME |  |  |  |  |  |  |
| PART TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Fiscal note based on information contained in the April 2, 1982 Memorandum from Jonathan Sherwood, House Research Staff, to Rep. Sutcliffe. (attached)

IV. DATE 5/13/82 PREPARED BY Senator Stimson  
AGENCY Senate Finance  
Original: Legislative Finance PHONE 465-3702/3713  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)



Original sponsors: Sutcliffe, Hayes  
and Phillips

Offered: 4/16/82  
For Calendar, Saturday  
4/17/82

1 IN THE HOUSE

BY THE RULES COMMITTEE

2 CS FOR HOUSE BILL NO. 695 (Rules) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Vocational Education and  
7 Employment Training Task Force; and providing for an  
8 effective date."

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

10 \* Section 1. A Vocational Education and Employment Training Task Force is  
11 established in the Office of the Governor to examine vocational education and  
12 employment training in Alaska and to recommend legislation that would improve  
13 vocational and technical education and employment training for the people of  
14 the state.

15 \* Sec. 2. MEMBERSHIP. (a) The Vocational Education and Employment  
16 Training Task Force consists of seven members appointed by the governor. The  
17 membership of the task force shall be persons representing business, labor,  
18 and vocational education instructors.

19 (b) Appointments shall be made with consideration of the availability  
20 and willingness of an appointee to devote the time and effort necessary to  
21 permit the Vocational Education and Employment Training Task Force to function  
22 effectively. Appointments shall be made without regard to political affilia-  
23 tion, and shall be made, if possible, within 20 days after the effective date  
24 of this Act, or within 20 days after the date of a vacancy in the membership  
25 of the task force.

26 (c) A vacancy on the Vocational Education and Employment Training Task  
27 Force shall be filled in the manner prescribed for initial appointments.

28 \* Sec. 3. COMPENSATION. A member of the Vocational Education and Employ-  
29 ment Training Task Force serves without compensation, but is entitled to the



1 travel pay and per diem authorized by law for members of boards and commis-  
2 sions under AS 39.20.180.

3 \* Sec. 4. TASK FORCE LEADERSHIP. The Vocational Education and Employment  
4 Training Task Force shall elect one of its members to chair the task force.

5 \* Sec. 5. POWERS AND DUTIES. (a) The Vocational Education and Employment  
6 Training Task Force shall

7 (1) consult with the Department of Education, the University of  
8 Alaska, the Alaska State Advisory Council on Vocational and Career Education,  
9 the Alaska State Vocational Education Planning Council, the Manpower Services  
10 Council, private vocational and technical institutions, and other relevant  
11 organizations on the current state of policy, planning, evaluation, and  
12 delivery of vocational education and employment training in the state;

13 (2) make recommendations to improve the structure, policy, plan-  
14 ning, delivery, and evaluation of vocational education and employment train-  
15 ing;

16 (3) review existing state and federal law on vocational education  
17 and employment training in order to propose legislation that implements the  
18 recommendations of the task force; and

19 (4) by February 1, 1983, submit a report, with recommendations for  
20 legislation to implement the conclusions of the task force regarding the  
21 operation of vocational education and employment training in the state, to  
22 the state Board of Education, the Board of Regents of the University of  
23 Alaska, the governor, and the presiding officer of each house of the legisla-  
24 ture.

25 (b) The Vocational Education and Employment Training Task Force may  
26 hold public hearings and meetings on its recommendations before submitting  
27 the report required by (a)(4) of this section.

28 (c) For the purposes of this section 'vocational education and employ-  
29 ment training' does not include the programs or functions of the Alaska

1 Police Standards Council.

2 \* Sec. 6. STAFF. The Vocational Education and Employment Training Task  
3 Force shall employ staff necessary to carry out its responsibilities under  
4 this Act.

5 \* Sec. 7. TERMINATION. The Vocational Education and Employment Training  
6 Task Force terminates February 28, 1983.

7 \* Sec. 8. EFFECTIVE DATE. This Act takes effect immediately in accor-  
8 dance with AS 01.10.070(c).

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29



## POSITION PAPER

HOUSE BILL NO. 695

House Bill No. 695 is "An Act relating to employment training and vocational education and establishing the Board of Employment Training and Vocational Education; and providing for an effective date."

The intent of this bill is to better plan, coordinate, and standardize the many employment training and vocational education programs in the state in order to foster economic development. This bill would:

- 1) Establish a Board of Employment Training and Vocational Education within the Department of Education. The seven person board would include representatives from business or industry, labor organizations, and training institutions.
- 2) Employ an Executive Director and staff to carry out the Board's responsibilities.
- 3) Require annual and long range statewide plans for employment training and vocational education.
- 4) Establish an Employment Training for Economic Development Fund to be administered by the Board for training programs.

In addition the bill amends several areas of legislation affecting the Departments of Education and Labor.

The Department of Health and Social Services supports the intent of improved planning, coordination and standardization of employment training and vocational education programs. However, the Department of Health and Social Services defers to the Departments of Education and Labor to comment on the specific proposals in this bill.

The Department of Health and Social Services also recommends that training programs which are under DHSS responsibility be exempted from the requirement of this bill. Some of these training programs include the following.

- 1) Division of Family and Youth Services - Work Incentive (WIN) Program - This is a bi-agency effort to reduce welfare dependency by assisting Aid to Families with Dependent Children recipients to become self-sufficient. The Department of Labor provides employment and training services designed to enhance welfare recipients to obtain and retain employment. DHSS provides the social services necessary to prepare and support the registrants and their families as they strive for self-sufficiency. Alaska may soon implement a work experience program for AFDC recipients which will probably utilize the WIN services delivery system but make DHSS the responsible administering agency.



- 2) Office of Alcoholism and Drug Abuse - training for alcohol and drug abuse programs. The State Office of Alcoholism and Drug Abuse has a voluntary certification program with 10 core competencies for alcohol and drug abuse counselors throughout the state.
- 3) Division of Adult Corrections - training for correctional officers and probation officers. The Division of Adult Corrections also has a correctional industries program which is a correctional rehabilitation program designed to develop a work ethic among inmates.
- 4) The Division of Mental Health and Developmental Disabilities - grants for sheltered workshops, prevocational, and vocational training for Mental Health and Developmental Disabilities clients.
- 5) Division of Public Health - Emergency Medical Technicians and Emergency Medical Technician Instructors training programs. Under AS 18.08.080, the Department of Health and Social Services is mandated to prescribe by regulation a course of training or other requirements prerequisite to the issuance of certificates which provide the following:
  - a) certifies that a person meets the training and other requirements as an emergency medical technician;
  - b) authorizes an emergency medical technician certified under this chapter to provide under the written or oral direction of a physician those advanced life support services enumerated on the certificate;
  - c) certifies that a person, organization, or government agency which provides an emergency medical service meets the minimum operating standards prescribed by the department; and
  - d) authorizes an emergency medical service certified under this chapter to provide under written or oral direction of a physician those advanced life support services enumerated on the certificate.

In accordance with its mandate under the above cited statute, the Department of Health and Social Services has promulgated regulations under Title 7, Part 2, Chapter 26 of the Alaska Administrative Code. These regulations have been endorsed by the Department of Public Safety and the Alaska State Medical Board.

For the most part, the above cited training programs use existing training standards or guidelines. The Department of Health and Social Services is concerned that HB 695 may result in duplication of existing review processes for DHSS grant and training programs. DHSS also uses several program advisory boards which are created by statute, such as for Mental Health and Developmental Disabilities, Alcohol and Drug Abuse, and Emergency Medical Services.

DHSS is concerned that the Board of Employment Training and Vocational Education would duplicate the efforts of these advisory boards. DHSS is also concerned that grantees would have additional standards to comply with for grant approval.

The Department of Health and Social Services supports the intent of HB 695. but recommends that DHSS grant and training programs be exempted from the review and approval or disapproval authority of the proposed Board of Employment Training and Vocational Education.

The Department of Health and Social Services estimates that HB 695 will have no fiscal impact on this department.

Recommended by:

  
Helen D. Beirne Commissioner  
Department of Health and  
Social Services

Date:

2.3.82

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 695

Title "An Act relating to employment training and vocational education"

Requested by Commissioner's Office Date 2-3-82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Health/Public Health

BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    | 0     | 0     | 0     | 0     | 0     | 0     |
| 200 TRAVEL               | 0     | 0     | 0     | 0     | 0     | 0     |
| 300 CONTRACTUAL          | 0     | 0     | 0     | 0     | 0     | 0     |
| 400 COMMODITIES          | 0     | 0     | 0     | 0     | 0     | 0     |
| 500 EQUIPMENT            | 0     | 0     | 0     | 0     | 0     | 0     |
| 600 LAND & STRUCTURES    | 0     | 0     | 0     | 0     | 0     | 0     |
| 700 GRANTS, CLAIMS, ETC. | 0     | 0     | 0     | 0     | 0     | 0     |
| TOTAL                    | 0     | 0     | 0     | 0     | 0     | 0     |

FUNDING (Thousands of Dollars)

|                        |   |   |   |   |   |   |
|------------------------|---|---|---|---|---|---|
| GENERAL FUND           | 0 | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS          | 0 | 0 | 0 | 0 | 0 | 0 |
| OTHER (Specify Source) | 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 |

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE 2-3-82

PREPARED BY Mark Johnson

AGENCY Dept. of Health & Social Services

PHONE 465-3027

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

JCC



Hein  
4/28/82

Original sponsors: Sutcliffe, Hayes  
and Phillips

BY THE HEALTH, EDUCATION, AND  
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 695 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Vocational Education and  
7 Employment Training Task Force; and providing for an  
8 effective date."

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

10 \* Section 1. A Vocational Education and Employment Training Task Force is  
11 established in the Office of the Governor to examine vocational education and  
12 employment training in the state and their relationship to economic develop-  
13 ment in the state, and to recommend legislative or administrative action, or  
14 both, that would improve vocational and technical education and employment  
15 training for the people of the state and would further the economic develop-  
16 ment of the state.

17 \* Sec. 2. MEMBERSHIP. (a) The Vocational Education and Employment  
18 Training Task Force consists of 11 members appointed by the governor as  
19 follows:

20 (1) a member of the governing body of the Alaska State Vocational  
21 Association;

22 (2) a member of the Board of Regents of the University of Alaska;

23 (3) a member of the state Board of Education;

24 (4) a member of the Alaska Postsecondary Commission  
25 with the employment needs of rural Alaska Natives;

26 (5) a member of a statewide labor organization;

27 (6) one vocational education teacher from the secondary public  
28 schools of the state;

29 (7) one vocational education teacher from the postsecondary public

*voc tech  
and community  
colleges*

1 schools in the state;

2 (8) two members from statewide organizations representing in-  
3 dustries with a potential for increased employment opportunities;

4 (9) two members from state agencies, that have policy and program  
5 responsibilities for providing vocational education, employment training, or  
6 employment services.

7 (10) <sup>as student</sup> one member who is involved in voc. edu. programs  
8 (b) Appointments shall be made with consideration of the availability  
9 and willingness of an appointee to devote the time and effort necessary to  
10 permit the Vocational Education and Employment Training Task Force to func-  
11 tion effectively. Appointments shall be made without regard to political  
12 affiliation, and shall be made, if possible, within 20 days after the effec-  
13 tive date of this Act, or within 20 days after the date of a vacancy in the  
14 membership of the task force.

15 (c) A vacancy on the Vocational Education and Employment Training Task  
16 Force shall be filled in the manner prescribed for initial appointments.

17 (d) The governor shall select one of the members to chair the task  
18 force.

19 \* Sec. 3. COMPENSATION. A member of the Vocational Education and Employ-  
20 ment Training Task Force serves without compensation, but is entitled to the  
21 travel pay and per diem authorized by law for members of boards and commis-  
22 sions under AS 39.20.180.

23 \* Sec. 4. MEETINGS. The Vocational Education and Employment Training  
24 Task Force shall meet as necessary to carry out the duties prescribed in this  
25 Act. The first meeting of the task force shall be convened at the call of  
26 the governor not later than 30 days following appointment of all of the  
27 members of the task force.

28 \* Sec. 5. POWERS AND DUTIES. (a) The Vocational Education and Employ-  
29 ment Training Task Force shall

30 (1) consult with public and private agencies and other relevant



1 organizations on the current state of policy, planning, evaluation, and  
2 delivery of vocational education and employment training in the state;

3 (2) make recommendations for actions that will

4 (A) improve the structure, policy, planning, delivery, and  
5 evaluation of vocational education and employment training;

6 (B) meet the vocational education and employment training  
7 needs of the people of the state; and

8 (C) further the short-term and long-term economic development  
9 of the state;

10 (3) review existing state and federal law on vocational education  
11 and employment training in order to propose legislative or administrative  
12 action, or both, that implements the recommendations of the task force; and

13 (4) by March 31, 1983, submit a report, with recommendations for  
14 legislation to implement the conclusions of the task force regarding the  
15 operation of vocational education and employment training in the state, to  
16 the state Board of Education, the Board of Regents of the University of  
17 Alaska, *the Ak. Postsecondary Commission*, the governor, and the presiding officer of each house of the legisla-  
18 ture.

19 (b) The Vocational Education and Employment Training Task Force may  
20 hold public hearings and meetings on its recommendations before submitting  
21 the report required by (a)(4) of this section.

22 \* Sec. 6. TERMINATION. The Vocational Education and Employment Training  
23 Task Force terminates March 31, 1983.

24 \* Sec. 7. EFFECTIVE DATE. This Act takes effect immediately in accor-  
25 dance with AS 01.10.070(c).  
26  
27  
28  
29



SPINSON

fisher pushing on this side

note: Linda Peterson in FBK

4/29:

Rosie Peterson  
586-1736

***Alaska State Advisory  
Council on Vocational  
and Career Education  
and***

***Alaska Vocational Education  
Planning Council***

**Public Opinion  
Survey &  
Public Hearing  
Report**

**November 17, 1981    Juneau, Alaska  
November 18, 1981    Anchorage, Alaska  
November 19, 1981    Fairbanks, Alaska**



## Alaska State Advisory Council on Vocational & Career Education

### MEMBERS

|                   |            |
|-------------------|------------|
| Walt Ward, Chair  | Soldotna   |
| Dick Bower        | Anchorage  |
| Bill Carlson      | Anchorage  |
| Jim E. Carroll    | Juneau     |
| Jeanmarie Crumb   | Anchorage  |
| Jim Evans         | Anchorage  |
| Lynne Hale        | Anchorage  |
| Bob Haverfield    | Fairbanks  |
| Carole Huntington | Galena     |
| Pat Jones         | Cordova    |
| Larry Kingry      | Anchorage  |
| Lou Licari        | Sitka      |
| Jean Marcey       | Palmer     |
| Frank McIlhargey  | Soldotna   |
| Russell H. Moody  | Anchorage  |
| Linda Pearson     | Fairbanks  |
| Elí Reyes         | Juneau     |
| Majorie Schmiede  | Juneau     |
| Betty Smith       | Anchorage  |
| Lottie Sparks     | Glennallen |
| Wayne Taylor      | Nenana     |
| Joan Zimmerman    | Bethel     |

### STAFF

|                          |        |
|--------------------------|--------|
| Rosie Peterson           | Juneau |
| Executive Director       |        |
| Alma Fassel              | Juneau |
| Administrative Assistant |        |

## Alaska Vocational Education Planning Council

### MEMBERS

|                  |            |
|------------------|------------|
| Tom Healy, Chair | Anchorage  |
| Stan Baltzo      | Kodiak     |
| Tom Broderson    | Anchorage  |
| Gerry Butts      | Anchorage  |
| Bill Carlson     | Anchorage  |
| Glenn Erickson   | Juneau     |
| Ivan Gillespie   | Fairbanks  |
| Gerry Hiley      | Juneau     |
| Pete Johnson     | Anchorage  |
| Blake Kazama     | Juneau     |
| Richard S. Lee   | Juneau     |
| Helen Mehrkens   | Juneau     |
| Marcia Nye       | Anchorage  |
| Ron Phipps       | Juneau     |
| Larrae Rocheleau | Metlakatla |
| Wayne Taylor     | Nenana     |
| Gale K. Vick     | Fairbanks  |

### STAFF

|                    |           |
|--------------------|-----------|
| George Genz        | Anchorage |
| Executive Director |           |



# **Public Opinion Survey & Public Hearing Report**

## CONDUCTED BY THE

Alaska State Advisory Council  
on Vocational and Career Education  
and the

Alaska Vocational Education  
Planning Council

## HELD AT

Juneau, Alaska      November 17, 1981

Anchorage, Alaska      November 18, 1981

Fairbanks, Alaska      November 19, 1981

## REPORT PREPARED BY:

Rosie Peterson, Executive Director  
Alaska State Advisory Council  
on Vocational and Career Education



# ***General Introduction***

The Alaska State Advisory Council on Vocational and Career Education is dedicated to the concept of quality vocational education in our State. The Council is composed of twenty-two members appointed by the Governor of the State of Alaska. Evaluation of the State's vocational education delivery system is one of the major functions of the Council.

The Alaska Vocational Educational Planning Council, also a strong supporter of quality vocational programs, is composed of seventeen members appointed by the State Board of Education. One of the major areas of responsibility of the Planning Council is to write the Five-Year Plan for Vocational Education for the State of Alaska.

The Advisory Council and the Planning Council, in an effort to explore the current status of vocational education in the State of Alaska, and to seek recommendations for inclusion in the 1983-1987 Five-Year Plan for Vocational Education, conducted Regional Vocational Education Hearings and a Statewide Public Opinion Survey of business, labor, industry and education representatives.

In years past hearings were conducted after a preliminary draft of the Five-Year Plan had been developed. The Planning Council and the Advisory Council decided that this year was going to be different - that public input would be asked for prior to the development of the plan so that the final document would truly reflect the wants, needs and desires of Alaskans involved and interested in employment training and vocational/technical and career education.

The following report provides the results of the Public Opinion Survey and a synopsis of the comments of the presentors at the Public Hearings.



# Public Opinion Survey

On October 26, 1981, eight hundred and forty-two Public Opinion Surveys on the status of vocational education in the State of Alaska were mailed to: the Governor of the State; members of the Alaska State Legislature; members of the Alaska State Congressional Delegation; employees of the Departments of Labor, Education, Natural Resources, Transportation and Public Facilities, and Community and Regional Affairs; Presidents of the Native Regional Profit Corporations; Regional Representatives of the Alaska Federation of Natives; Presidents of the major oil producing companies operating in Alaska; members of the State Board of Education; members of the University Board of Regents; the President and Chancellors of the University of Alaska system, Alaska School Superintendents; High School Directors of Vocational Education, vocational education teachers, local Chambers of Commerce; local NEA-Alaska Affiliates, selected educational organizations, high school counselors; members of the Alaska State Advisory Council on Vocational and Career Education; members of the Alaska Vocational Education Planning Council; members of the Alaska Private Industry Council; members of the Adult and Continuing Education Council; the Board of Directors of the Alaska State Vocational Association; and the leadership of selected labor unions and organizations.

Completed surveys were received from the following locations:

|                |           |                 |                   |
|----------------|-----------|-----------------|-------------------|
| Anchorage      | Fairbanks | Kodiak          | Sitka             |
| Angoon         | Ft. Yukon | Kotzebue        | Skagway           |
| Aniak          | Galena    | Larsen Bay      | Soldotna          |
| Barrow         | Gambell   | McGrath         | Stone River       |
| Bethel         | Haines    | Naknek          | Thorne Bay        |
| Bristol Bay    | Healy     | Nome            | Tok               |
| Cold Bay       | Homer     | Palmer          | Unalaska          |
| Copper Center  | Hoonah    | Petersburg      | Usibelli          |
| Cordova        | Hydaburg  | Point Hope      | Valdez            |
| Craig          | Juneau    | Russian Mission | Washington, D. C. |
| Delta Junction | Kake      | Sand Point      | Wasilla           |
| Dillingham     | Kenai     | San Jose, Ca.   | Willow            |
| Eagle River    | Ketchikan | Seward          | Yakutat           |

Of the 842 surveys mailed, seventeen were returned for lack of address, and 297, or 36%, were completed and returned to the Advisory Council.

On the following pages you will find the results of that survey.



## *Governance Structure:*

Agree: Disagree: No  
Opinion:

A separate state board for vocational education should be established to develop a coordinated, comprehensive statewide system of vocational training in the State of Alaska.

56%

34 %

10 %

Local vocational advisory committees involving business, industry, and labor are effectively involved in educational planning in my community.

15 %

69%

16 %

## *Program Quality:*

Agree: Disagree: No  
Opinion:

Vocational education training in my community accurately reflects employment needs.

24 %

64 %

12 %

The college in my community is satisfactorily training Alaskans to meet local and state job demands.

17 %

65 %

18 %

There is sufficient cooperation between the high schools, colleges and vocational trade schools in teaching vocational skills in the State of Alaska.

20 %

68 %

12 %

Handicapped and disadvantaged students are provided with the opportunity for vocational education in my community.

47 %

41%

12%

Public understanding and knowledge of both the content and the location of vocational education programs in Alaska is sufficient.

12%

84 %

4 %



## *Program Coordination:*

Agree: Disagree: No  
Opinion:

|                                                                                                                                                                                  |     |     |    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|----|
| High schools, colleges and vocational training centers within the same geographical area of the State should work together to coordinate vocational education training programs. | 90% | 9%  | 1% |
| Colleges and vocational training schools should make every effort to coordinate their vocational programs with those in the high schools.                                        | 90% | 6%  | 4% |
| High schools should contract with colleges to deliver in-depth vocational education training programs in areas where colleges do not exist.                                      | 67% | 24% | 9% |

## *Program Delivery:*

Agree: Disagree: No  
Opinion:

|                                                                                                                                                         |     |     |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|----|
| High school youth are too young to decide on a life-time career.                                                                                        | 22% | 77% | 1% |
| Some in-depth vocational training programs are appropriate in the high school setting.                                                                  | 97% | 2%  | 1% |
| Career education should be a part of the K-12 curriculum.                                                                                               | 93% | 5%  | 2% |
| High school vocational education programs should include both career exploration and in-depth vocational training programs.                             | 89% | 10% | 1% |
| Colleges should be the basic providers of vocational education training programs which will give students the necessary skills to enter the job market. | 34% | 63% | 3% |



## Program Planning:

Agree: Disagree: No Opinion:

|                                                                                                                                                                                        |      |      |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|-----|
| Planning for vocational education programs must involve the employing community, i. e. its needs and its evaluation of the workers coming from existing vocational education programs. | 96 % | 3 %  | 1 % |
| Statewide data on vocational education training programs should be gathered every year from all high schools and colleges.                                                             | 83 % | 10 % | 7 % |
| Follow-up studies should be conducted on all students who start and complete a vocational program and the results should be used for future program planning.                          | 86 % | 10 % | 4 % |
| Statewide vocational education plans should be written with objectives which are measurable.                                                                                           | 84 % | 8 %  | 8 % |
| Teacher training institutions should require counselors to take courses in vocational guidance which include knowledge of vocational employment opportunities.                         | 93 % | 4 %  | 3 % |

Do you feel you have the opportunity to provide input to the following education agencies:

Yes No

|                                           |     |     |
|-------------------------------------------|-----|-----|
| Local Public High School Administration   | 81% | 19% |
| Local Board of Education                  | 81% | 19% |
| State Division of Vocational Education    | 42% | 58% |
| State Board for Vocational Education      | 36% | 64% |
| Local Area College Vocational Institution | 48% | 52% |
| University Board of Regents               | 21% | 79% |



# ***Public Hearing Report***

On November 17 and November 19, 1981, Regional Vocational Education Hearings were conducted by the Alaska State Advisory Council on Vocational and Career Education and the Alaska Vocational Education Planning Council in Anchorage, Fairbanks and Juneau. Fifty-four representatives from business, industry, labor organizations and the educational community participated in the hearings.

Following are "Quotable Quotes" from the written and oral testimony presented. Transcripts of the testimony and copies of the written comments may be obtained by request to the Alaska State Advisory Council.





"The state lacks comprehensive vocational education planning."



"In consideration of the agricultural potential of Alaska and its natural resources the need for training individuals in various agricultural skills is mandatory if Alaska is to provide its own labor force to operate its agricultural enterprises. If this is not done it is conceivable that after major development of agriculture has taken place we may find that more jobs for outsiders are created because Alaska does not have the training facilities to provide the expertise needed in our modern agriculture industry."

"I feel we have enough state money that we should look at setting state priorities for employing Alaskans--- in order to place Alaskans in training programs designed to meet the needs of industry."



"There is not an opportunity for vocational education for handicapped children in my community or I just don't know about them. The only one program last we knew of was through the Municipality of Anchorage, picking up trash."

"The opportunity for employment in the higher paying and white collar type of management job has been restricted by the lack of training available on the North Slope."

"All communities, including rural communities, need to be made more aware of the content and the location of vocational education programs in Alaska."



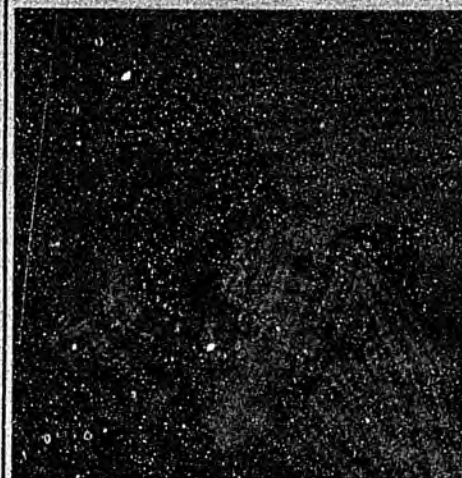


"We don't know what kinds of vocational programs are offered in the state. We do not have a comprehensive picture. We need data for comprehensive planning. We don't even know how many students we have in vocational programs. We can not project at this time the anticipated manpower that these programs will produce. We do not know where students are going after they leave the vocational programs. Do they drop out? How many graduate? We don't know what the students are experiencing when they join the labor force. Are they having problems finding jobs? Are employers satisfied? We do not have any idea of the extent to which our training programs are truly meeting the needs of the employing community."

"Old timers in Alaskan vocational education frequently lament, "We used to get help from the state." We could use some leadership, guidance and assistance---someplace to go when we want to talk out our plans, ideas and evaluations. Frankly, we get this now among ourselves or outside."

"I feel that there isn't enough information sent out to the bush schools on the vocational training programs in this state. I have received only a small amount about the Skills Center in Seward and that is it. I feel that this is a far cry from what should be done."

"We are either going to have to provide additional training to those people or we are going to have to go outside the state and hire the people that do have the expertise."







"All school shop programs should be directed towards a final entry into the local work force. We must teach skills that can be used and not tell the students that they have to go to college to get the skills they need."



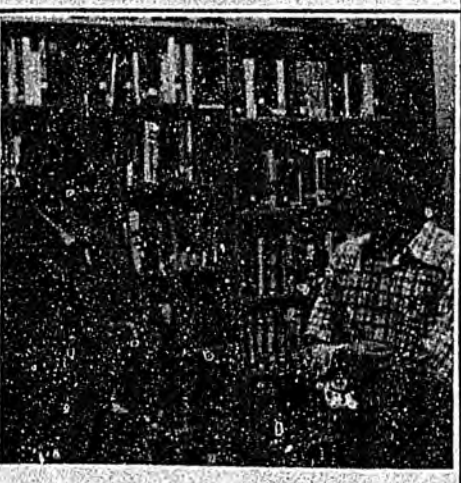
"I would like to see a Vocational Training Center for handicapped people established here in Alaska and hope these people who plan long-range goals will consider this in the Five-Year Plan."

"More extensive assessment of employment needs are required to meet the potential of the handicapped population."



"One of the most complex and expensive areas in vocational education is the facility---and related equipment---necessary for an effective program. A quality vocational program will not exist without recognition of this important problem area and a major state commitment to its solution. There are many ways this can be done---in school, out of school, in community, out of community---but unless the state plan recognizes this---speaks to it---and encourages efforts at the legislative level we will be faced with five more years of frustration."

"Sand Point is a rural town where the students stay and go straight to work fishing. If training in a vocational field is to be, it must happen at the high school level. I feel this is true throughout rural Alaska."



"There are limited opportunities and programs established to provide the handicapped with vocational based curriculum or training."



"We must remember the handicapped constitute a new and emerging work force."

"I feel high school vocational education should include career exploration, some in-depth vocational training and some practical skills. I don't want the consumer and homemaking aspect of Home Economics to be forgotten. In some rural settings consumer and homemaking is the most needed part of the home economics curriculum."

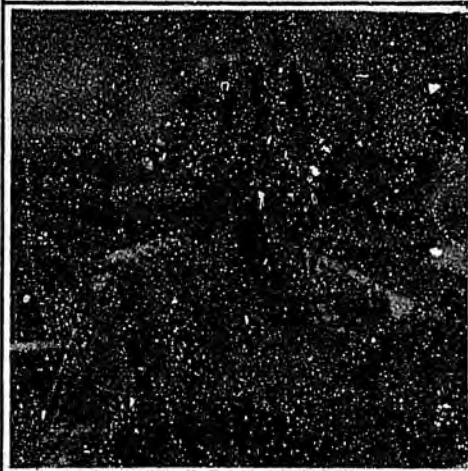
"We need to talk about vocational and technical training at a much earlier age than we do at present."

"After teaching and living in Angoon for 4 1/2 years, I have seen students benefit from our vocational program. Some young people have secured typing and clerk-typist jobs as a result of high school training. Students in industrial arts and home economics programs have learned skills to help them get jobs and to help them in their daily living."

"I am hoping the five year vocational plan is pertinent to the rural as well as the urban setting."

"And last, the need for strong, clear leadership of state vocational education programs. Whenever I read state responses to this cry from the local level, there seems to translate "leadership" as "control". We need leadership, guidance and assistance---not control".

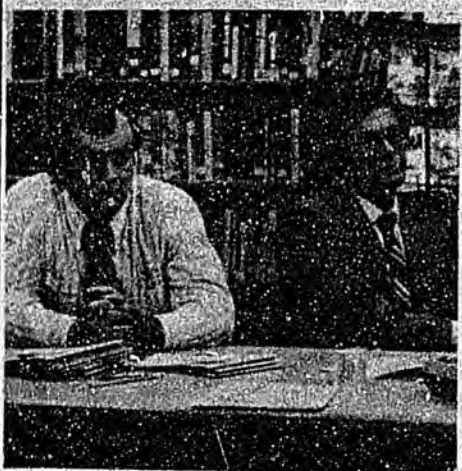
"Professionals would be most encouraged by state recognition of the leadership, planning and financial support by which real accomplishment of vocational objectives would be possible".







"The number of full-time vocational education administrators in Alaska could be counted on two hands."



"I strongly suggest that the vocational Department in Juneau maintain close up-to-date contact with the Department of Labor and vocational teachers for possible employment contact, particularly when and where state funds will be used for highway, airport construction, etc."



"We would like to see more work experience funds available for special education students and more programs at the community college level for special students---especially the developmentally disabled---in the area of independent living skills and vocational programs."



"I am concerned with the level of services provided by the local Vocational Rehabilitation agency in Ketchikan. The services, as related to keeping in touch with the school, are bordering on non-existent. I have a hard time relating to the agency's beginning dealings with students in their Senior year. To me it requires some knowledge and working with the student prior to the second semester of his senior year."

"We really do need vocational English as a second language.....if we are going to seriously consider assisting the employability of a certain segment of the population in Alaska."

"One of the major areas that I think needs to be addressed in the new Five-Year Plan is to develop a better data collection system on the number of students completing programs so that it can be compared with labor market statistics and incorporated into an economic development plan. Vocational institutions need more information to make wise decisions and meet the economic needs of the state."

"Five more years of talk and promise are hardly worth the wait."



# ***Regional Vocational Education Hearing Participants***

## **ANCHORAGE**

Audrey Aanes, 110 E. Third, 99501  
Hattie Arrington, 4203 Ralins Drive  
Frank Bennett, 2906 W. 30th  
Dick H. Bower, 1315 W. 12th Avenue, 99501  
Gerald W. Butts, 2600 DeBarr, 99502  
Bill Carlson, 610 W. 54th Avenue, 99501  
Ron Daugherty, 650 International Airport Road  
Gary Donnelly, 1813 Diomedes, 99504  
James R. Evans, 1941 Kulik Circle, 99501  
Melissa Aber Fouse, c/o Senator Arliss Sturgulewski  
Alien Fison, SRA Box 33L  
Arnold Geiger, SRA Box 1623, 99507  
Eric Henderson, Box AB, Palmer  
Marilyn Ann Hess, Box 11 Crestview Lane, Eagle River  
Larry Kingry, 8320 Exeter Drive, 99507  
Clay McDowall, 110 E. 3rd Avenue, 99501  
Judith S. Moerlein, Star Route, Box 2040, 99507  
Kathe Parker, 4100 Spenard, 99503  
Van R. Quinn, 1758 Karluk Street, 99501  
Robert L. Ruth, 7443 Linden Drive, 99501  
Al Setera, Palmer  
Bettye L. Smith, 5159 Old Seward Highway, 99501  
Pat Spratt, 4218 Irene Drive, 99504  
Deborah W. Stauffer, 5330 Tudortop Circle, 99507  
Mike Syzmanski SRA Box 1304B, 99502  
Marian Thomas, 1618 Elmendorf Drive  
C. H. Williams, 2400 E. 5th Avenue, 99501

## **FAIRBANKS**

Denver Adams, 852A Yak Estates, 99701  
Philip L. Antle, P.O. Box 1250, 99707  
Jim Baird, S.R. Box 30320-B, 99701  
William F. Brown, Box 163, Barrow, 99723  
Dois D. Dallas, SR Box 30140, 99701  
Rod Ever, 504 Jennie, 99701  
Sam Faulkner, P. O. Box 74278, 99707  
Barbara Hakala, Box 51, Kotzebue  
Linda Hulbert, P. O. Box 81402, 99708



Carla A. Kirts, 857-F Yak Estates, 99701  
Julia Looney, P. O. Box 81261, 99707  
Linda Pearson, P.O. Box 81806, 99708  
David Quisenberry, P. O. Box 81842, 99708  
Karen Ryals, 16665 Lena Loop Road, Juneau, 99801  
Allen D. Sevener, Box 336, Barrow, 99723  
Gale K. Vick, SR 50787, 99701

JUNEAU

Jim Carroll, 1624 Glacier, 99801  
Bill Caven, Box 479, Sitka  
Michael Galloway, 3589 Loop Road, 99801  
Gerald Hiley, Box 305, 99824  
Ed James, 3271 Nowell Avenue, 99801  
Rich Lee, 5250 Thane Road, 99801  
Helen Mehrkens, 2992 Linda Avenue, 99801  
Rosie Peterson, 205 North Franklin, 99801  
Ron Phipps, 9361 Lakeview Court, 99801  
Marjorie Schmiede, 1800 Evergreen, 99801  
Vera Skaflested, 2718 Koger Street, 99801



# Acknowledgements

The Alaska State Advisory Council on Vocational and Career Education and the Alaska State Vocational Education Planning Council would like to express their appreciation to the following for their planning and assistance prior to, during and following the Regional Public Hearings held in Anchorage, Fairbanks and Juneau:

## Regional Public Hearings Coordinators:

|               |           |
|---------------|-----------|
| Gerald Butts  | Anchorage |
| Bill Carlson  | Anchorage |
| Linda Pearson | Fairbanks |
| Gale Vick     | Fairbanks |
| Jim Carroll   | Juneau    |
| Ron Phipps    | Juneau    |

## Physical Facilities:

Fairbanks School District  
Juneau Douglas School District  
Plumbers and Steamfitters Union Hall



ALASKA STATE ADVISORY COUNCIL  
ON VOCATIONAL EDUCATION

205 N. FRANKLIN ST., RM. 2  
JUNEAU, AK. 99801

516-1736

BULK RATE  
Permit No. 185

U.S. POSTAGE PAID  
Juneau, Alaska 99801

VOCATIONAL EDUCATION IN ALASKA

A

POSITION PAPER

OF THE

ALASKA STATE VOCATIONAL ASSOCIATION

1981



## ALASKA STATE VOCATIONAL ASSOCIATION

### POSITION PAPER

#### This We Believe

As vocational educators joined together to form a professional association, we believe vocational education is that part of the education system, secondary or postsecondary, which provides the student with knowledge and skills which are unique to and a requirement for job success in a particular occupation or occupational category. We believe vocational education is that part of the career education concept that addresses the "preparation" for employment in those occupations which require other than a baccalaureate or advanced degree for job entry.

In designing a program to prepare an individual for employment, one or more of the following needs may be the target: (1) initial job entry; (2) updating to keep current with the requirements of the present job; (3) upgrading to a new level within an occupational area; or (4) job change to a different occupational field.

A vocational education program is a combination of specialized classes focused on the knowledge and skills required to succeed in a chosen occupational area. In addition, vocational education curriculum includes content ranging from information relevant in almost every type of work to subject matter applicable only to a particular job.

Comprehensive vocational education programs usually have the following common elements:

- (1) Instructional methods are oriented toward "learning by doing".
- (2) Instructional content is generally derived from occupational and/or task analysis of the target occupations in the community and further directed through an advisory committee made up of employers, supervisors, labor representatives, and workers representing the occupational area.
- (3) Instructors of vocational education classes are experienced and proficient in one or more of the occupations being addressed in the vocational instruction.
- (4) Cooperative education or cooperative work experience classes are offered to "bridge" the step between education and work.
- (5) Specialized classes with each contributing to the basic requirements for job success set forth by the employing community.

- (6) A vocational student leadership organization in which students can apply that which has been learned in the vocational education classes.
- (7) A guidance and counseling program that provides services and resources for career decision making, academic planning and job placement.
- (8) An evaluation system that provides data through student follow-up, employer survey, and other sources to determine the students' ability to meet the requirements of the employing community.

The vocational education program is a very important part of the comprehensive educational program and vice versa. One of the primary purposes of education is to prepare the individual for choosing, entering, succeeding and changing in their respective work life role. Vocational education provides an essential portion of the knowledge and skills needed by individuals choosing occupations requiring other than a baccalaureate or advanced degree.

Likewise, the general education program, and in some instances, the college preparatory program, provides knowledge and skills equally essential to job selection, entry and success. General education is considered to be that portion of the curriculum providing the student with the foundations for living needed by everyone in our society. General education should provide the essential prerequisite knowledge and skill for students to choose and succeed in the vocational education programs.

The vocational education program should be designed to meet a combination of student needs coupled with the realistic projected job force demands for the time the student will complete training.

Vocational education should provide the student with: (1) learning experiences leading to knowledge and skills at a level of proficiency which will permit cost effective performance on the job; (2) human relations skills to bring harmony in working with supervisors, peers, and customers; (3) knowledge and skills to facilitate the transition from the training program to the work world and to maintain employment after it is acquired; and (4) knowledge of the increased options open to the individual.

We believe the planning, implementation, and evaluation of all training and education for occupations must be carried out in a comprehensive manner. The labor market needs and the needs of individuals may be met through a variety of vocational programs. These programs include various government programs such as C.E.T.A., Job Corps, and the many inhouse training programs run by government agencies for their own employees. In addition, there are many vocational programs run by the private sector such as proprietary vocational schools, Alaska Native Corporations, apprenticeship programs, on-the-job training programs, and correspondence study. If the needs of Alaska and its people are to be served through vocational education, the total picture must be considered and planned accordingly. A comprehensive approach to vocational education is critical to the well-being of the vocational education program within the education system.



For Alaska, we see the primary purpose of vocational education to be the preparation of a majority of the people from approximately fifteen years of age through adulthood for job entry, job update, job upgrade or job change. The focus should be upon preparing an individual in an occupational field commensurate with his or her desires and abilities and in which employment opportunities exist.

Of great importance is the role of vocational education in economic and community development. Economic development means new or expanded jobs. Vocational education has the responsibility of preparing Alaskans with the knowledge and skill to fulfill these jobs. This is crucial in the effort to attract new industry or expand existing businesses. It is equally important to assure Alaskans of a chance for the newly created jobs and of a competitive edge over imported labor.

Community development depends upon people having a productive role in the community, having feelings of self worth and a sense of security. Vocational education contributes to this through the adequate preparation of individuals for their productive work roles within the community.

A diverse, high quality program of vocational education readily available and responsive to the people and the job market is critical to Alaska's future.

#### The Needs of Vocational Education

We, the professionals in vocational education, believe that the ideals of a quality vocational education system have not been fully realized in Alaska. This is true, in part, because of the absence of an adequate legislation and statewide administrative policy for vocational education, which could bring a much cleaner sense of purpose and direction to the system. The ultimate success of Alaska's vocational training efforts will depend upon the degree to which a high-level overall policy is developed, a policy to embrace the general goals and acceptable procedures for establishing, operating, maintaining and evaluating vocational education programs.

It is the position of the ASVA that this policy should establish guidelines for the development of an ongoing, comprehensive vocational education plan. A vocational education planning council currently exists in Alaska, under mandate from the Federal Government. However, the role of this council has been quite limited. Presently, the members serve to plan for the allocation of approximately one million dollars in federal vocational education funds. Vocational programs operated under state monies, other governmental offices and through the private sector are not considered in the council's planning efforts because of the jurisdictional questions and lack of a basis for authority to do so. Programs which are totally State funded (the majority of the programs in the State) are not included in Alaska's vocational education plan. State planning guidelines and standards should be established. The federal mandates of the planning council should be reviewed for relevancy to Alaska's needs. Then a planning group (be it the current council or some other group) should be commissioned, and supported by the State, to develop

a plan which is applicable to all vocational education programs in Alaska. Such a plan is needed to prioritize the allocation of vocational education and manpower development resources, based upon the degree to which programs are meeting the employment needs of Alaskans and the labor market demands of Alaska's future economy.

Alaska's comprehensive policy for vocational education should also include direction to state-level administrators for the setting of uniform standards for program operation. Presently, the quality of training can vary widely from one program to the next, often within the same institution. The type of training offered in programs with identical titles can vary widely. For example, one auto mechanics "program" may consist of one course which prepares students to do simple repairs on their own automobiles. Another auto mechanics program may consist of a sequence of courses which prepare students to qualify for entry-level employment. This complicates the students' ability to transfer from a program at the secondary level to another secondary program or into a more advanced postsecondary program. It also complicates the process of determining the degree to which students are being trained for employment.

Since program quality and content can vary so widely, it is impossible to make generalizations about the preparedness of Alaska's vocational education students to accept employment by simply looking at the number of students completing programs of training. Therefore, the ASVA believes that standards should be established for program operation which include: (1) criteria for starting new programs, e.g., local or statewide labor market projections; (2) competency levels to be achieved upon successful completion of programs in each subject area; (3) evaluation criteria for program success, e.g., percentage of completers finding employment, employers' ratings of students' success on the job, and/or testing of student competencies.

Just as the quality of vocational education programs varies widely in Alaska, so do the experience levels and qualifications of vocational education teachers, counselors and administrators. The setting of uniform standards for competence in staff, therefore, is another area which must be addressed by statewide policy. While vocational education is a component of the overall educational program, it is very specialized in many ways; and vocational educators need skills and competencies which are often unique to the field. They not only must be good managers, good teachers and good counselors, but they must also understand such things as how to efficiently operate capital-intensive programs and how to relate education directly associated with quality program leadership by specialists with expertise in the vocational area they are serving. If quality programs are to occur in Alaska, teacher training opportunities must be made available, district and college support must be available for teachers who wish to upgrade their skills, and State standards must be stabilized and followed for the hiring of vocational education teachers, administrators and counselors.



Much of what has been discussed so far has to do with the development of policy which will facilitate good program management, evaluation and accountability. In order to accomplish any of this, it is necessary to consistently collect, compile and analyze a fairly wide range of data on such things as the labor market, student enrollment, student completers, employer satisfaction, equipment and expenditures. Currently, however, much of the data upon which policymakers and administrators need to make informed decisions is simply not available in Alaska. Therefore, the ASVA believes that one of the most pressing needs of Alaska's vocational education system is a comprehensive data collection system, which will allow for the compilation of standardized data on all vocational education programs, including programs offered at the secondary and postsecondary levels. State-level administrators should be required to set data reporting standards for local programs. Data collected should be adequate to answer questions such as:

Who is being served by vocational education programs?

What is being accomplished?

What is the cost?

What programs should be phased out and what new ones should be provided?

The statistics necessary to answer these questions include information on students (including race and sex), program completers, program leavers, expenditures, various projected labor force needs, and student success in employment. Without such basic information, Alaska's vocational education system will never be able to systematically offer training programs which are relevant to current economic conditions and job opportunities.

A viable vocational education system requires more than good management practices and the development of classroom standards. A successful vocational education system will require the development of stronger linkages with the employing community. It is widely recognized that many Alaskan jobs go to migrants from the "lower 48" while Alaskans go unemployed. Economists in the State seem to agree that this is due in part to the fact that many Alaskans simply do not have the requisite skills to qualify for the available jobs. The most appropriate response to this problem is to offer a quality system of vocational training, which can train Alaskans to a level at which they will be competitive with workers from the "outside". This will require a very close cooperative relationship between the schools, other government agencies, and the business community. This relationship can be accomplished in several ways, including: (1) state and local advisory councils which are composed of individuals from business, industrial, governmental and educational backgrounds; (2) cooperative education programs which offer academic credit to vocational education students for on-the-job training; (3) individual teacher contact with employers in their area of training; and (4) strong job counseling and job placement services in the schools.

Additionally, there must be a recognition of the Alaskan workers' need for job change. We are living in an age of rapid change. Studies indicate that the average person will change careers at least once, and perhaps several times, during his or her lifetime. New technologies are constantly making old skills obsolete, and giving rise to new occupations which demand a labor force equipped with new skills. As attempts are made to diversify the State's economy and to develop new industries, Alaska in particular, will demand a highly flexible work force. Educators must be able to meet the challenge of a rapidly changing economic environment by developing innovative approaches to training. Students must receive training which not only prepares them to advance within a particular occupation, but which also allows them to move from one occupation to another, and they must learn the value of continually upgrading their skills.

It is obvious, then, that educational institutions must do more than teach specific job skills in order to adequately prepare students for the world of work. That world is constantly changing. Students must learn to make decisions and to change with their environment. Therefore, the ASVA believes that a viable vocational education program must be part of a supporting career education concept. Career education helps each student understand the world of work, obtain information about the specific educational and job requirements of various careers, and acquire the knowledge and skills necessary to ultimately lead to the choice of a career. A sound career education program will help build, maintain and make greater use of vocational program options.

### Recommendations

We of the Alaska State Vocational Association believe the primary purpose of vocational education is to prepare individuals for employment. In order for Alaska's vocational education program to meet this challenge in an efficient and effective manner it is important that some basic and key changes be made. These changes are summarized in the following comparison chart:

#### A Comparison Chart

| <u>Current Status</u>                                                                                                                                                                  | <u>Recommendation for Future</u>                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Current legislation is vague, addresses vocational education the same as the Federal Law and does not include manpower development as a part of comprehensive vocational education. | 1a. New legislation needs to be enacted to give direction to the development of a statewide comprehensive plan for vocational education.<br><br>1b. New legislation should be enacted to establish one governing body and to develop and oversee statewide policy on comprehensive vocational education. |



### Current Status (cont.)

2. Inconsistent and inadequate statewide policy exists for administering a comprehensive vocational education program.

3. There exists a number of advisory groups, planning groups and oversight groups addressing vocational education and manpower development with little evidence of coordination, cooperation or cost effectiveness.

### Recommendation for Future (cont.)

- 2a. Based upon refined legislation, the governing body/board should develop consistent and appropriate policy to direct the comprehensive vocational education program.
- 2b. Standards should be established to assure quality vocational education programs and consistent programs statewide, based upon the needs of the employing community.
- 2c. Guidelines should be clearly developed for directing the implementation of new programs and the phasing out of ineffective, inefficient or no longer needed programs.
- 2d. Regulations should be developed to enhance articulation and coordination between the various programs within the same geographical area and to guarantee the student's transferability from program to program.
- 2e. Regulations should address the leadership training responsibilities of vocational education and provide for vocational student leadership organizations as an integral part of the comprehensive vocational education program.
- 3a. Re-define roles and responsibilities of advisory, planning and oversight groups.
- 3b. Reorganize these groups to better address roles and responsibilities, and to more efficiently conduct their business.
- 3c. Clarify that these advisory and oversight groups address their recommendations and findings to the governing body/board, but are administratively removed from the control of the body/board or its agents. This check and balance system must be preserved in practice.

#### Current Status (cont.)

4. Certification or standardized requirements for teachers, counselors and administrators of comprehensive vocational education are inconsistent, not enforced, or do not exist.
5. Data concerning the existing vocational and manpower programs, students, past students, and the workforce needs are non-existent or woefully inadequate for management decisions addressing future needs.
6. Current program standards and guidelines are not enforced, are unclear or, in many instances, do not exist to insure that each local vocational education program is closely associated with the potential employing community.

#### Recommendation for Future (cont.)

- 4a. Consistent standards should be developed and enforced for those who staff vocational education programs, based upon knowledge and skill requirements for the technical content being taught and the process of teaching, counseling or administering.
- 4b. Provisions should be developed within the state or through cooperative agreements with institutions of higher education outside the state to provide the required education to meet and maintain certification or personnel standards.
- 4c. Regulations should be set forth to ensure the employing agency actively supports inservice training dedicated to keeping vocational education personnel up-to-date and technically competent.
- 5a. A system should be designed and implemented to gather, process and provide data in a timely fashion on the comprehensive vocational education program (including manpower development, apprenticeship and other such training programs).
- 5b. Establish regulations for local programs to follow in providing consistent, complete, accurate and timely data to the statewide data system.
- 5c. Based upon statutes and statewide policy for comprehensive vocational education, establish the role of manpower forecast data in vocational education program decision making and provide the manpower need data accordingly.
- 6a. Program standards, regulations and guidelines must provide for the input of the employing community in such areas as prioritizing programs for implementation, phasing out, curriculum content, program evaluation, and work experience options. This is usually provided through an advisory committee arrangement.



### Current Status (cont.)

7. Current emphasis in vocational education in Alaska is dominated by the priorities for providing the student with skills for avocational interests, career exploration, career awareness, or in a few instances, for first time job entry.
8. Career education concepts have been introduced to the K-12 educational system in Alaska but very little of the concept has been implemented in the schools; little has been accomplished in tying the career education concept and vocational education program together; little if anything has been done to introduce career education at the postsecondary level; and little commitment exists for career education at the State level in policy and administration of education.

### Recommendation for Future (cont.)

- 6b. The comprehensive vocational education data system must provide for information from the employing community regarding its needs and its assessment of the workers coming from the vocational education program.
- 6c. Program standards and guidelines need to stress the importance of bridging the student's transition from education to work through simulation, work experience and placement programs.
- 7a. The comprehensive vocational education program must focus its efforts on preparing the individual to acquire a job, maintain a job, and upgrade in a job in a career field and leave the avocation, career awareness and career exploration up to other programs within the education system.
- 7b. The comprehensive vocational education program must more adequately address the growing need of Alaskans to have access to training for job update, job upgrade or job change throughout their working lives.
- 7c. The comprehensive vocational education program must address the State of Alaska's priorities for economic and community development and provide the opportunity for Alaskans to acquire the needed vocational training to obtain the newly developing jobs and to support the community and economic base for Alaska.
- 8a. Legislation and statewide policy should be developed and implemented addressing the importance of career education within the comprehensive education system.
- 8b. The regulations and guidelines should place emphasis upon the relationship and interdependency of career education and the comprehensive vocational education program.

Current Status (cont.)

Recommendation for Future (cont.)

- 8c. Career education should be planned and implemented as a concept which is a part of and a responsibility within each level of education, including graduate school, and appropriately a part of every discipline taught in the educational system.

If Alaska's vocational education system is to be expected to fulfill its purpose, policymakers and education/manpower administrators must give serious attention to these needed changes. The Alaska State Vocational Association is prepared and willing to support actions leading to changes which will better serve Alaskans through a comprehensive vocational education program.



TESTIMONY IN REGARD TO CS FOR HB 695

Dr. Vern Oremus  
April 6, 1982

My name is Vern Oremus. I am a professor of vocational education at the University of Alaska, Juneau and director of the statewide program of vocational teacher education for the University of Alaska. I've been involved with vocational education for fifteen years, and in Alaska for the past seven years as a community college director of vocational education, as a community college president, and as a professor of vocational education.

When I first testified in support of HB 695 as originally drafted, I tried to make several points, the main one being that in the seven years I have been involved with vocational education in Alaska I have witnessed a deterioration of programs at the local level and a total lack of coordination at the state level. I will elaborate somewhat on this statement because I think it's important to clearly understand how this bill was developed and why.

First, this bill has been a long time coming. When I first came to Alaska, I was shocked at the status of vocational education at the statewide level. There seemed to be no articulation, no leadership, and worst of all no standards to measure quality or quantity. Today we still have a lack of cooperation between agencies of vocational education; there are no statutes on the books setting standards for vocational programs. Unqualified teachers are being asked, and allowed, to instruct in vocational areas of the public schools, and there continues to be a constant battle between agencies for power, control, and funding.

I firmly believed HB 695 was the most positive step toward solving our ills I have seen in seven years. It's a shame it took vocational educators so long to stand up and say, yes, we need this. You see, vocational educators are not known for being particularly political or for oratory expertise. Vocational educators prefer to do their jobs, practice the trade if you will, and generally let the academic teachers give the speeches and the administrators push the papers. Perhaps that is one of our failings. The point is it takes a lot to make the practicing teacher stand up and say what HB 695 said. HB 695, and now the Committee Substitute, has been a long time coming. I hope you recognize the supporters of this bill from those in opposition. Those who oppose this bill are primarily those agencies affected, those with the most power and influence to lose, while those supporting the bill are the people on the firing line, the practicing teachers through their state association, the program heads, teacher educators, the state advisory council on vocational education, the people who have to make the system work.

It seems strange to me that those most affected by another layer of bureaucracy are asking for it. The reason is simple, the existing bureaucracy isn't doing the job well, or at all.

I work with vocational education at its grass roots level, in the field with practicing teachers. I deal with teachers every day, from Fairbanks to Bethel, Nome, to Ketchikan. I talk to them and I listen. My best sense is they are too busy trying to do their job to testify at hearings like this--but they do care. They are frustrated at having too many bosses in vocational education and seeing no real positive steps being taken; at seeing the constant infighting and turmoil. They see vocational education at the state level changing



direction as with the wind. They don't know what to do, and some don't care anymore. What a shame it is that this issue hasn't been brought to your attention sooner. Perhaps we were all hoping the system would solve its own problems; it obviously hasn't. What has occurred is the political forces within our state in vocational education have become larger, less responsive, and more territorial. Regardless of pledges to work cooperatively, when the chips are down, when dollars and political power are at stake, these forces polarize. I believe the Committee Substitute for HB 695 will solve this problem by finally doing what should have been done years ago, establishing guidelines for one board responsible for all vocational education in Alaska, giving it the power to act and holding it accountable for those actions.

Finally, I'm sure you are aware I've not addressed the substance of the CS for HB 695. Before this hearing is over, I'm confident you will have the bill dissected to your satisfaction. I leave that to others. These bills, HB 695 and the Committee Substitute, may well be the best thing that has happened to vocational education in this state for two reasons. First, it's pointed out a very serious problem and suggested a viable solution. Second, and most important, this bill has breathed new life into the practicing teacher. There is once again a common purpose--pass that bill. For once, I see teachers thinking in terms of "we," not "me." This isn't HB 695, but it's a start and you can't solve a problem unless you start somewhere. I urge its passage.



REPRESENTING  
THE SOUTHERN ALASKA PENINSULA  
THE ALEUTIAN CHAIN  
KODIAK ISLAND  
AND THE PRIBILOF ISLANDS

# Alaska State Legislature

REPRESENTATIVE  
ERIC SUTCLIFFE

HOME  
P.O. BOX 3  
UNALASKA, ALASKA 99685  
(907) 561-1455

WHILE IN JUNEAU  
POUCH V  
JUNEAU, ALASKA 99811  
(907) 465-4940

## MEMORANDUM

TO: Representative Al Adams  
FROM: Representative Eric Sutcliffe  
RE: HB 695 and HB 696  
DATE: April 6, 1982

I think we all would agree that quality employment training is vital if Alaskans are to participate in the economic development of the state. Today there are a number of shortcomings in our employment training system. Symptomatic are the drop-out rates in high schools, our unemployment rate, the lack of coordination between training and real jobs and our unpreparedness in the event of another pipeline-sized project. Employment training is not getting the attention it deserves.

The situation is complicated. Years of ad hoc efforts to provide employment training have created a tangle of programs residing in a number of state agencies, each of which is firmly set on protecting its own turf. Pulling all the disparate elements together and creating a board capable of taking the reins is a big policy decision. This bill would create a temporary board of employment training and vocational education which would review the present situation and design a workable unified employment training system for Alaska. The next legislature will then have the option of accepting the plans and recommendations of this board or not. But at least the next legislature will have some solid information and proposed legislation to act on as it sees fit.

HB 696 is the companion appropriation bill to HB 695. In view of our budget constraints, I asked the House Research Agency to estimate the minimum cost of the tasks outlined in HB 695. Based on their report, I would recommend amending HB 696 to reflect a fiscal note of \$58,700. Attached is the House Research Agency estimate of costs.





ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

April 2, 1982

MEMORANDUM

TO: Representative Eric Sutcliffe  
FROM: Jonathan Sherwood JMS  
Research Staff  
RE: Research Request 82-108  
Fiscal Note for CSHB 695

Pat Lawler of your office requested that we estimate the fiscal impact of the provisions of the Health, Education, and Social Services Committee Substitute for House Bill 695. This bill establishes a temporary Board of Employment Training and Vocational Education to provide a plan for the creation of a permanent Board of Employment Training and Vocational Education. We have calculated the following costs:

|                      |                 |
|----------------------|-----------------|
| Travel               | \$10,000        |
| Contractual Services | <u>\$48,700</u> |
| TOTAL                | \$58,700        |

EXPLANATION OF COSTS

Travel: This represents the cost of air fare and per diem for board members traveling to board meetings. In computing the travel costs we have made the following assumptions:

- (1) the Board will consist of three members from Anchorage, two members from Fairbanks, one member from Bethel, and one member from Juneau;
- (2) the board will meet four times, twice in Anchorage and twice in Juneau, and that the meetings will last for two days;
- (3) travel and per diem costs will increase by 10% from current levels as a result of inflation.

Contractual Services: According to Section 4 of CSHB 695, the Board is authorized to contract for staff and services. We estimate the following contractual costs:

Representative Sutcliffe  
April 2, 1982  
Page Two

|                     |                 |
|---------------------|-----------------|
| Consultant study    | \$44,300        |
| Secretarial support | \$ 1,900        |
| Printing            | <u>\$ 2,500</u> |
| TOTAL               | \$48,700        |

We computed these estimates with the following assumptions:

- (1) the Board will contract with a private consultant to assist in preparing a plan as specified in Section 3 of CSHB 695;
- (2) completion of the plan, including a draft report and a final report, will require approximately six months, with the consultant spending a total of five working months on the plan;
- (3) the consultant's fee is \$50 per hour, including all expenses except travel costs and the printing of the final report;
- (4) the consultant is located in Juneau, and will attend all board meetings;
- (5) the Board will require a secretary to transcribe the minutes of the meeting, handle official correspondence, and make arrangements for the Board meetings; approximately six days of secretarial support is required for every Board meeting;
- (6) the secretary will be paid the equivalent salary of a range 12A;
- (7) one thousand copies of the final report on the Board's plan will be printed at a cost of \$2.50 per copy.

---

The appendix on the following page provides our computation of costs. If you have any questions, or if we can be of further assistance, please do not hesitate to contact us.

JS/bf



## APPENDIX

### Board Travel

|                              | <u>Total</u> |
|------------------------------|--------------|
| 3 Anchorage members          |              |
| 2 trips to Juneau @ \$296    | \$1776       |
| 4 days per diem @ \$67       | 804          |
| 1 Bethel member              |              |
| 2 trips to Anchorage @ \$270 | 540          |
| 4 days per diem @ \$80       | 320          |
| 2 trips to Juneau @ \$566    | 1132         |
| 4 days per diem @ \$67       | 268          |
| 2 Fairbanks members          |              |
| 2 trips to Anchorage @ \$176 | 704          |
| 4 days per diem @ \$80       | 640          |
| 2 trips to Juneau @ \$354    | 1416         |
| 4 days per diem @ \$67       | 536          |
| 1 Juneau member              |              |
| 2 trips to Anchorage @ \$296 | 592          |
| 4 days per diem @ \$80       | 320          |
| Subtotal                     | \$9048       |
| plus 10% inflation           | 905          |
| Total                        | \$9953       |

### Consultant Cost

#### Basic Fee

5 months @ \$50 per hour

5 months(173 hours per month) x \$50 per hour = \$43,250

#### Travel

|                            |     |
|----------------------------|-----|
| 2 trips to Anchorage @ 296 | 592 |
| 4 days per diem @ \$80     | 320 |
| plus 10% inflation         | 91  |

|       |          |
|-------|----------|
| Total | \$44,253 |
|-------|----------|

APPENDIX (continued)

Secretarial Support

4 meetings @ 6 days work per meeting = 24 days  
salary @ \$1716 per month (21.6 days)

$$24 \text{ days} \times \frac{\$1716}{21.6 \text{ days}} = \underline{\$1,907 \text{ Total}}$$

Printing

1000 copies @ \$2.50 per copy = \$2,500



# Vocational education may ease unemployment

by Carol Murkowski  
Times Writer

The United States doesn't have an unemployment problem, says Dr. Roni Posner; it has an employment problem. And vocational education could be the solution.

"On the job ladder, we have a lot of people with minimal skills at the bottom, and a lot of college-trained people at the top," says the American Vocational Association's director of planning and development. "In the middle, where you need technical skills, is where the gap is, and vocational education is the only employment program that can deliver those skills."

Posner is in Anchorage this week for the Alaska State Vocation Association and Alaska School Counselors Association statewide conference, campaigning against proposed federal budget cuts that would eventually end federal funding of vocational education.

"It's disastrous," Posner said flatly in an interview Thursday. President Reagan's proposal that states or private industry will pick up such programs "is ridiculous, and history has shown that," she said.

"The bottom line is that to

achieve the federal objectives of higher employment, you've got to supply federal direction and federal resources."

The 1982 federal budget for vocational education now stands at \$735 million, but the Reagan administration wants to bring the amount down to \$635 million, cut it to \$500 million in 1983, "and eventually, over the next decade, cut all federal contributions to vocational education," Posner said.

"The reason I use the word disastrous is that in most states, including Alaska, federal contributions are like the plug in a bathtub; when you pull it, everything goes down the drain," Posner said.

In Alaska, Posner said, the state has invested \$14 million in vocational education. However, she said, the state has no guidelines of its own, choosing to follow federal guidelines instead. If federal support is pulled, the state will have no focus for its vocational education programs.

However, Posner said, a bill to es-

establish a state board of vocational education is currently before the state Legislature and would be a start in organizing the state programs and setting policy.

"I realize policy is sort of an abstract term, but you're talking about an action plan for the state, and how to improve and expand," she said. "If you put (a state board) into law and form regulations for development and action plans, lots of people in this state will take it and run with it."

Some things an Alaskan vocational education board might do, Posner said, are to:

- Provide incentives for young people to go into business for themselves, instead of relying on jobs from another employer or the government;

- Teach communities to lure industry with the promise of a pool of skilled workers, trained in "quick start" programs such as those in South Carolina, where education and industry work together to design

flexible training programs;

- And have teachers and guidance counselors meet regularly with business and industry representatives, to find out what type of skilled employees are needed.

National vocational education groups and industry are already working together on a number of issues, Posner said, including an increase in skilled technical workers, increased interest in scientific and mathematical skills, and special training for the needy, handicapped and minorities, especially in depressed regions. One of the most important issues, she says, is support of the proposed Defense Production Act, which would provide \$250 million each year for the next five years for military and defense preparedness.

"In the next five years, the president wants to put \$1.4 trillion into (defense) equipment, but if there's nobody to build it or operate it or fix it, we'll be in a lot of trouble," she said.

Anchorage  
Times

March 5, 1982