

ALASKA LEGISLATURE

1922

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

1 Renumber the following bill sections accordingly.

2 Page 58, line 13:

3 Delete all material.

4 Renumber the following paragraphs accordingly.

5 Page 77, following line 22:

6 Insert a new bill section to read:

7 **** Sec. 66. AS 44.88.070 is amended to read:**

8 **Sec. 44.88.070. Purpose of the authority.** The purpose of the authority is
9 to promote, develop, and advance the general prosperity and economic welfare of the
10 people of Alaska, to relieve problems of unemployment, and to create additional
11 employment by

12 (1) providing various means of financing and means of facilitating the
13 financing, in cooperation with federal, state, and private institutions, of industrial,
14 manufacturing, export, small business, and business enterprises and the other facilities
15 referred to in AS 44.88.010(a) in the state;

16 (2) owning and operating the enterprises and other facilities described
17 in AS 44.88.172;

18 (3) fostering the expansion of exports of Alaska goods, services, and
19 raw materials;

20 (4) cooperating and acting in conjunction with other organizations,
21 public and private, the objects of which are the promotion and advancement of export
22 trade activities in the state;

23 (5) establishing a source of funding credit guarantees and insurance,
24 not otherwise available, to support export development;

25 (6) providing and cooperating or participating with federal, state, and
26 private institutions to provide actual and potential Alaska exporters, particularly small-
27 and medium-sized exporters, with financial assistance in support of export
28 transactions;

29 (7) carrying out the powers and duties assigned to it under

1 AS 42.45."

2 Renumber the following bill sections accordingly.

3 Page 83, line 3, following "42.45.030":

4 Insert ", 42.45.990(1)"

5 Page 84, line 27, following "REFERENCES.":

6 Insert "(a)"

7 Page 85, line 10:

8 Delete all material.

9 Renumber the following paragraphs of the subsection accordingly.

10 Page 85, following line 15:

11 Insert a new subsection to read:

12 "(b) The revisor of statutes shall change references to "department" to read
13 "authority" in the following statutes: AS 42.45.010, 42.45.020, 42.45.040, 42.45.050,
14 42.45.060, 42.45.100, 42.45.110, 42.45.120, 42.45.140, 42.45.160, 42.45.170, 42.45.180,
15 42.45.200, 42.45.250, 42.45.400, and 42.45.410."

16 Renumber internal references to bill sections in accordance with this amendment. Below are
17 all internal bill section references in this bill:

18 Page 83, line 13

19 Page 85, lines 17, 21, 24, 25, 26, 28, 30, and 31

20 Page 86, lines 1 and 2

May 14, 1999

SENATE FINANCE
COMMITTEE

Amendment Number: #3
Bill Number: HB 40
Sponsor: Adams Date: 5/14/99
Logged In By: Mindy

PROPOSED AMENDMENT TO CSHB 40(FIN) AM:

Sec. 54. AS 44.33.020(11) is amended to read:

(11) if directed by the governor to do so, adopt regulations that authorize the state to participate in the administration of the western Alaska community development quota program to the extent, and in the manner, authorized by Congress, the U. S. Secretary of Commerce, and the North Pacific Fishery Management Council.

moved by Adams
object Torgerson
3y-5n (FAILED)

SENATE FINANCE
COMMITTEE # 4
Amendment Number: # 4 1-LS0056\MA.6
Bill Number: CS HB 40 (FIN) am Lauterbach
Sponsor: Green Date: 5/14/98 5/14/99
Logged In By: Battani

A M E N D M E N T

OFFERED IN THE SENATE
TO: CSHB 40(FIN) am

moved BY SENATOR GREEN
obj. Adams, Tengerson
4y-4m FAILED

- 1 Page 25, following line 22:
- 2 Insert new bill sections to read:
- 3 ** Sec. 14. AS 18.62 is amended by adding a new section to read:
- 4 Sec. 18.62.090. Definition. In this chapter, "department" means the
- 5 Department of Community and Economic Development.
- 6 * Sec. 15. AS 18.63.030 is amended to read:
- 7 Sec. 18.63.030. Fee. The department [COMMISSIONER] shall establish the
- 8 triennial fee for a hazardous painting certificate by regulation. The fee must reflect
- 9 the department's approximate costs or projected costs for the hazardous painting
- 10 certification program.
- 11 * Sec. 16. AS 18.63.100(1) is amended to read:
- 12 (1) "department" means the Department of Community and Economic
- 13 Development [LABOR];"
- 14
- 15 Renumber the following bill sections accordingly.

- 16 Renumber internal references to bill sections in accordance with this amendment. Below are
- 17 all internal bill section references in this bill:

- 18 Page 83, line 13
- 19 Page 85, lines 17, 21, 24, 25, 26, 28, 30, and 31
- 20 Page 86, lines 1 and 2

SENATE FINANCE
COMMITTEE

Amendment Number: #5 1-LS0056WA.7
Bill Number: CSHB 40 (FIN) am Lauterbach ✓
Sponsor: Green Date: 5/14/99 5/14/99
Logged In By: J. Saltares

A M E N D M E N T

OFFERED IN THE SENATE
TO: CSHB 40(FIN) am

moved BY SENATOR GREEN
object Adams
3y-5m FAILED

1 Page 25, lines 23 - 28:

2 Delete all material.

3 Insert new bill sections to read:

4 *** Sec. 14.** AS 18.60 is amended by adding a new section to article 3 to read:

5 **Sec. 18.60.399. Definition.** In AS 18.60.180 - 18.60.399, unless the context
6 otherwise requires, "division" means the division of safety inspections, Department of
7 Public Safety.

8 *** Sec. 15.** AS 18.60 is amended by adding a new section to article 4 to read:

9 **Sec. 18.60.465. Definition.** In AS 18.60.400 - 18.60.465, unless the context
10 otherwise requires, "division" means the division of safety inspections, Department of
11 Public Safety.

12 *** Sec. 16.** AS 18.60.580 is amended to read:

13 **Sec. 18.60.580. Minimum electrical standards.** After the American National
14 Standards Institute approves a new, published edition of the National Electrical Code
15 or a new, published edition of the National Electrical Safety Code, the division of
16 safety inspections, Department of Public Safety, [LABOR] may, by regulation, adopt
17 the most recent codes to constitute the minimum electrical safety standards of the state.

18 *** Sec. 17.** AS 18.60.660 is amended by adding a new paragraph to read:

19 (5) "division" means the division of safety inspections, Department of
20 Public Safety.

21 *** Sec. 18.** AS 18.60.740(4) is amended to read:

22 (4) "inspector" means a qualified inspector employed by, designated by,
23 or under contract to the division [DEPARTMENT OF LABOR].

24 *** Sec. 19.** AS 18.60.740 is amended by adding a new paragraph to read:

25 (5) "division" means the division of safety inspections, Department of

1 Public Safety.

2 * **Sec. 20.** AS 18.60 is amended by adding a new section to article 10 to read:

3 **Sec. 18.60.825. Definition.** In AS 18.60.800 - 18.60.825, "division" means the
4 division of safety inspections, Department of Public Safety.

5 * **Sec. 21.** AS 18.70.081 is amended to read:

6 **Sec. 18.70.081. Approval of fire protection systems.** Before October 30 of
7 each year, the division of safety inspections, Department of Public Safety, shall prepare
8 and make available a list of approved fire protection systems to [THE DEPARTMENT
9 OF COMMUNITY AND REGIONAL AFFAIRS,] the Department of Community
10 [COMMERCE] and Economic Development [,] and the public."

11 Renumber the following bill sections accordingly.

12 Page 77, following line 17:

13 Insert a new bill section to read:

14 ** **Sec. 70.** AS 44.41 is amended by adding a new section to read:

15 **Sec. 44.41.023. Division of safety inspections.** There is established in the
16 Department of Public Safety a division of safety inspections. The Alaska Safety
17 Advisory Council and the position of state fire marshall are included within the
18 division. The division shall perform the duties of the Department of Public Safety
19 that are specified for the

20 (1) state fire marshall; and

21 (2) division of safety inspections under AS 18.60, AS 18.70.081, and

22 AS 45.45.910."

23 Renumber the following bill sections accordingly.

24 Page 77, following line 22:

25 Insert new bill sections to read:

26 ** **Sec. 72.** AS 45.45.910(a) is amended to read:

27 (a) Unless exempted by the division [DEPARTMENT] under (d) of this
28 section, a person may not sell, offer to sell, or otherwise transfer in the course of the

1 person's business a consumer electrical product that is manufactured after August 14,
2 1990, unless the product is clearly marked as being listed by an approved third-party
3 certification program.

4 * **Sec. 73.** AS 45.45.910(d) is amended to read:

5 (d) If a consumer electrical product is a work of art or an item that has an
6 unusual application that makes approval by a third-party certification program not
7 reasonably available, the division [DEPARTMENT] shall upon request exempt the
8 item from (a) of this section. The division [DEPARTMENT] shall establish by
9 regulation guidelines to identify consumer electrical products that qualify for an
10 exemption under this section.

11 * **Sec. 74.** AS 45.45.910(e) is amended to read:

12 (e) The warning label required by this section must be a brightly colored label
13 that contains in simple, direct language a warning that the electrical product is not
14 listed by an approved third-party certification program. The division
15 [DEPARTMENT] shall adopt regulations establishing the exact content, color, design,
16 and use of the warning label.

17 * **Sec. 75.** AS 45.45.910(f) is amended to read:

18 (f) Unless a later version has been adopted by the division [DEPARTMENT]
19 by regulation, a certification program must meet the requirements of ANSI Z-34.1 -
20 1987, American National Standards for Certification - Third-Party Certification
21 Program, published by the American National Standards Institute, in order to qualify
22 as an approved third-party certification program under this section. The division
23 [DEPARTMENT] may adopt by regulation later versions of the American National
24 Standards for Certification - Third-Party Certification Program, as the standard for
25 third-party certification programs under this section. If the division [DEPARTMENT]
26 has adopted a later version, a certification program must meet the requirements of the
27 most recent version adopted by the division [DEPARTMENT] in order to qualify as
28 an approved third-party certification program under this section.

29 * **Sec. 76.** AS 45.45.910(g) is amended by adding a new paragraph to read:

30 (4) "division" means the division of safety inspections, Department of
31 Public Safety."

1 Renumber the following bill sections accordingly.

2 Page 83, line 2, following "REPEALER.":

3 Insert "AS 18.60.660(1), 18.60.660(2), 18.60.740(2), 18.60.740(3);"

4 Page 83, line 11, following "44.47.998;":

5 Insert "AS 45.45.910(g)(3);"

6 Page 84, following line 25:

7 Insert a new bill section to read:

8 **"* Sec. 99. TRANSFERS FROM DEPARTMENT OF LABOR TO DIVISION OF**
9 **SAFETY INSPECTIONS, DEPARTMENT OF PUBLIC SAFETY.** The revisor of statutes
10 shall change references to the "Department of Labor" and "commissioner of labor" to read
11 "division" in the following statutes: AS 18.60.190(a), 18.60.200, 18.60.210(a)(9)(A),
12 18.60.210(c), 18.60.220, 18.60.230, 18.60.240, 18.60.270(a), 18.60.280, 18.60.290, 18.60.300(a),
13 18.60.310, 18.60.315, 18.60.320(a)(4), 18.60.340, 18.60.350, 18.60.360(a), 18.60.360(c),
14 18.60.370, 18.60.395(a), 18.60.420, 18.60.440, 18.60.800(a), 18.60.800(b), and 18.60.820."

15 Renumber the following bill sections accordingly.

16 Renumber internal references to bill sections in accordance with this amendment. Below are
17 all internal bill section references in this bill:

18 Page 83, line 13

19 Page 85, lines 17, 21, 24, 25, 26, 28, 30, and 31

20 Page 86, lines 1 and 2

SENATE FINANCE
COMMITTEE

Amendment Number: #6 1-LS0056MA.8
Bill Number: CSHB 40(FIN) am Lauterbach ✓
Sponsor: Green Date: 5/14/99 5/14/99
Logged In By: J. Salton

A M E N D M E N T

OFFERED IN THE SENATE
TO: CSHB 40(FIN) am

moved BY SENATOR GREEN
obj. Adams
27-6 n FAILED

- 1 Page 26, following line 3:
2 Insert a new bill section to read:
3 **** Sec. 16.** AS 23.05.360(a) is amended to read:
4 (a) There is established within the Department of Law [LABOR] the Alaska
5 labor relations agency. The agency is comprised of six members appointed by the
6 governor and confirmed by the legislature. The term of office of a member is three
7 years. Members serve staggered terms in accordance with AS 39.05.055. A vacancy
8 in an unexpired term shall be filled by appointment by the governor for the remainder
9 of the term. The agency must include two members with a background in
10 management, two members with a background in labor, and two members from the
11 general public. All members must have relevant experience in labor relations
12 matters."
- 13 Renumber the following bill sections accordingly.
- 14 Renumber internal references to bill sections in accordance with this amendment. Below are
15 all internal bill section references in this bill:
- 16 Page 83, line 13
17 Page 85, lines 17, 21, 24, 25, 26, 28, 30, and 31
18 Page 86, lines 1 and 2

N SENATE FINANCE
 COMMITTEE # 7
 Amendment Number:
 Bill Number: CS HB 40(FIN) am
 Sponsor: Jorgensen Date: 5/14/99
 Logged In By: J. K. Hain

AMENDMENT

OFFERED IN THE SENATE
TO: CSHB 40(FIN) am

moved by Parnell
w/o obj. ADOPTED

1 Page 52, lines 18 - 23:

2 Delete:

3 "(a) A loan committee consisting of five [SEVEN] members is established.
 4 The committee is composed of [THE COMMISSIONER OF COMMUNITY AND
 5 REGIONAL AFFAIRS,] the commissioner of community [COMMERCE] and
 6 economic development, the director of management and budget, or the
 7 designees of the commissioner [COMMISSIONERS] or the director, and three.
 8 [FOUR] public members."

9 Insert:

10 "(a) A loan committee consisting of five [SEVEN] members is established.
 11 The committee is composed of the executive director of the Alaska Energy
 12 Authority [COMMISSIONER OF COMMUNITY AND REGIONAL AFFAIRS, THE
 13 COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT], the
 14 director of management and budget, or the designees or the executive director
 15 [COMMISSIONERS] or the director, and three [FOUR] public members.

16 * Sec. 48. AS 42.45.080(c) is amended to read:

17 (c) The executive director of the Alaska Energy Authority
 18 [COMMISSIONER OF COMMUNITY AND REGIONAL AFFAIRS] serves as chair
 19 of the committee. The committee may elect other officers as necessary. A
 20 majority of the members of the committee constitute a quorum and may exercise
 21 the powers of the committee.

22 * Sec. 49. AS 42.45.990 is amended by adding a new paragraph to read:

23 (6) "authority means the Alaska Energy Authority."

24 Renumber the following bill sections accordingly.

25 Page 58, line 13:

26 Delete all material.

27 Renumber the following paragraphs accordingly,

28 Page 77, following line 22:

29 Insert two new bill sections to read:

30 * Sec. 66. AS 44.83.070 is amended to read:

1 **Sec. 44.83.070. Purpose of the authority.** The purpose of the authority
2 is to promote, develop, and advance the general prosperity and economic
3 welfare of the people of the state by providing a means of financing and
4 operating power projects and facilities that recover and use waste energy and by
5 carrying out the powers and duties assigned to it under AS 42.45.

6 * Sec. 67. AS 44.83.080 is amended to read:

7 **Sec. 44.83.080. Powers of the authority.** In furtherance of its corporate
8 purposes, the authority has the following powers in addition to its other powers:

- 9 (1) to sue and be sued;
- 10 (2) to have a seal and alter it at pleasure;
- 11 (3) to make and alter bylaws for its organization and internal management;
- 12 (4) to adopt regulations governing the exercise of its corporate powers;
- 13 (5) to improve, equip, operate, and maintain power projects;
- 14 (6) to issue bonds to carry out any of its corporate purposes and powers,
15 including the establishment or increase of reserves to secure or to pay the bonds
16 or interest on them, and the payment of all other costs or expenses of the
17 authority incident to and necessary or convenient to carry out its corporate
18 purposes and powers;
- 19 (7) to sell, lease as lessor or lessee, exchange, donate, convey, or encumber
20 in any manner by mortgage or by creation of any other security interest, real or
21 personal property owned by it, or in which it has an interest, when, in the
22 judgment of the authority, the action is in furtherance of its corporate purposes;
- 23 (8) to accept gifts, grants, or loans from, and enter into contracts or other
24 transactions regarding them, with any person;
- 25 (9) to deposit or invest its funds, subject to agreements with bondholders;
- 26 (10) to enter into contracts with the United States or any person and, subject
27 to the laws of the United States and subject to concurrence of the legislature,
28 with a foreign country or its agencies, for the financing, operation, and
29 maintenance of all or any part of a power project, either inside or outside the
30 state, and for the sale or transmission of power from a project or any right to the
31 capacity of it or for the security of any bonds of the authority issued or to be
32 issued for the project;
- 33 (11) to enter into contracts with any person and with the United States, and,
34 subject to the laws of the United States and subject to the concurrence of the

1 legislature, with a foreign country or its agencies for the purchase, sale,
2 exchange, transmission, or use of power from a project, or any right to the
3 capacity of it;

4 (12) to apply to the appropriate agencies of the state, the United States, and to
5 a foreign country and any other proper agency for the permits, licenses, or
6 approvals as may be necessary, and to maintain and operate power projects in
7 accordance with the licenses or permits, and to obtain, hold, and use the licenses
8 and permits in the same manner as any other person or operating unit;

9 (13) to enter into contracts or agreements with respect to the exercise of any
10 of its powers, and do all things necessary or convenient to carry out its corporate
11 purposes and exercise the powers granted in this chapter;

12 (14) to recommend to the legislature

13 (A) the pledge of the credit of the state to guarantee repayment of all or any
14 portion of revenue bonds issued to assist in construction of power projects;

15 (B) an appropriation from the general fund

16 (i) for debt service on bonds or other project purposes; or

17 (ii) to reduce the amount of debt financing for the project.

18 (15) to carry out the powers and duties assigned to it under AS 42.45.

19 Renumber the following bill sections accordingly.

20 Page 83, line 3, following "42.45.030":

21 Insert ", 42.45.990(1)"

22 Page 84, line 27, following "REFERENCES.":

23 Insert "(a)"

24 Page 85, line 10:

25 Delete all material.

26 Renumber the following paragraphs of subsection accordingly.

27 Page 85, following line 15:

28 Insert a new subsection to read:

29 "(b) The revisor of statutes shall change references to "department" to
30 read "authority" in the following statutes: AS 42.45.010, 42.45.020, 42.45.040,
31 42.45.050, 42.45.060, 42.45.100, 42.45.110, 42.45.120, 42.45.140, 42.45.160,
32 42.45.170, 42.45.180, 42.45.200, 42.45.250, 42.45.400, and 42.45.410."

33 Renumber internal references to bill sections in accordance with this amendment.

34 Below are all internal bill section references in this bill:

- 1 Page 83, line 13
- 2 Page 85, lines 17, 21, 24, 25, 26, 28, 30, and 31
- 3 Page 86, lines 1 and 2

moved by Wilken
object Target Sec 1 -
WITHDRAWN
w/o obj. ADOPTED

SENATE FINANCE COMMITTEE

AMENDMENT No. # 8

By WILKEN

To: SEC 53 SENATE BILL No. HB 40

To: _____ SENATE BILL No. _____

Page 56

SEC 44.33.010 LINE 15-21

EXEMPT ALASKA RAILROAD
CORPORATION.

SENATE FINANCE
COMMITTEE
Amendment Number: #9
Bill Number: CS HB 40 (FIN) am
Sponsor: Torgerson Date: 5/14/99
Logged In By: Aboltani

I-LS0056MA.4
Lauterbach -
5/11/99

AMENDMENT

OFFERED IN THE SENATE

TO: CSHB 40(FIN) am

By Senator Torgerson

By Request

*moved by Parnell
w/o obj. ADOPTED*

1 Page 83, line 4:

2 Delete "AS 44.29.020(a)(14);"

3 Page 83, line 13, following "44.19.627;":

4 Insert "AS 44.29.020(a)(14);"

5

6 Page 86, line 1, following "Act,":

7 Insert "the amendment made to AS 44.27.020(3) and (4) by sec. 51 of this Act,"

8 Page 86, line 2, following "63,":

9 Insert "73 - 76,"

*called in by
Tommy G...
10:05 pm*

moved Leman
obj. Adams, Wilkerson
FAILED

Amendment

SENATE FINANCE
COMMITTEE #10
Amendment Number: #10
Bill Number: CSHB40(FIN)am
Sponsor: Leman Date: 5/14/99
Logged In By: J. Gottlieb

to: CSHB 40 (Fin) am

sen. leman moved to rescind
sen. wilkerson subject
4y - fin RESCINDED
5y - (Leman, Phillips, Donley,
Annell, Torgerson)
3y - (Wilkerson, Adams, Kelly)
(Green - absent)
ADOPTED

Throughout the bill:

Delete "Department of Education and Child Development"

Replace with "Department of Education"

SENATE FINANCE
COMMITTEE
Amendment Number: _____
Bill Number: _____
Sponsor: _____ Date: _____
Logged In By: _____

AMENDMENT

OFFERED IN SENATE FINANCE COMMITTEE
TO: SCS HB 40 (FIN) am

BY: SENATOR LEMAN

Conceptual Amendment to replace the "Department of Education and Child Development" with the "Department of Education and Children's Services" wherever it appears in the bill.

1-LS0056N
Lauterbach ✓
5/11/99

SENATE CS FOR CS FOR HOUSE BILL NO. 40()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES KOHRING, Cowdery, Austerman, Therriault, Harris, Mulder

A BILL

FOR AN ACT ENTITLED

1 "An Act merging certain departments in the executive branch of state
2 government; changing the names of certain departments in the executive branch
3 of state government; transferring duties among departments and offices in the
4 executive branch of state government; providing that certain discretionary duties
5 formerly performed by the Department of Community and Regional Affairs are
6 mandatory in the department to which those duties are transferred; relating to
7 the licensing of child care facilities; relating to the division of vocational
8 rehabilitation; relating to the Alaska Human Resource Investment Council;
9 adjusting the membership of certain multi-member bodies; providing that a
10 certain commissioner may designate department employees to serve in the
11 commissioner's place on a board, council, or similar entity; providing for advice
12 to be given by a department head to the governor and other commissioners on

1 the delivery of government services to rural areas and providing for
2 recommendations to be made to the governor and other commissioners by that
3 same commissioner about policy changes that would affect rural governments and
4 rural affairs; relating to the federal community development quota program;
5 eliminating references to the division of tourism; eliminating a reference to
6 manpower training programs; eliminating references to the director and deputy
7 director of international trade; eliminating the requirement for a local advisory
8 committee for consideration of rural electrification loans; and providing for an
9 effective date."

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

11 * Section 1. AS 03.05.011 is amended to read:

12 Sec. 03.05.011. Powers and duties of commissioner of natural resources
13 [ENVIRONMENTAL CONSERVATION]. (a) To carry out the requirements of
14 this title, the commissioner of natural resources [ENVIRONMENTAL
15 CONSERVATION] may issue orders, regulations, permits, quarantines, and embargoes
16 relating to

17 (1) examination and inspection of premises containing products,
18 articles, and commodities carrying pests;

19 (2) establishment of quarantines for eradication of pests and diseases
20 in livestock;

21 (3) tests and analyses that may be made and hearings that may be held
22 to determine whether the commissioner will issue a stop order or quarantine;

23 (4) meat or poultry offered or sold to or by a wholesaler;

24 (5) standards of sanitation and handling methods for all phases of
25 slaughtering and processing meat and poultry;

26 (6) labeling and grading of milk and milk products and standards
27 of sanitation for dairies offering to the public or selling milk or milk products to
28 at least the minimum of current recommendations of the United States Public

1 **Health Service pasteurized milk ordinance as it may periodically be revised;**

2 (7) cooperation with federal and other state agencies;

3 (8) [(5)] regulation of fur farming; for purposes of this paragraph, "fur
4 farming" means the raising of and caring for animals for the purpose of marketing
5 their fur, or **the** animals themselves for breeding stock.

6 (b) The commissioner [OF ENVIRONMENTAL CONSERVATION] shall
7 regulate the farming of elk in a manner similar to the manner in which the
8 commissioner regulates domestic animals and livestock, to the extent that is
9 appropriate.

10 * Sec. 2. AS 03.05 is amended by adding a new section to read:

11 **Sec. 03.05.022. Registration of pesticides and broadcast chemicals.** The
12 department may require the registration of pesticides and broadcast chemicals offered
13 for sale or placed in commerce for use in the state. In this section, "broadcast
14 chemicals" and "pesticides" have the meanings given them in AS 46.03.900.

15 * Sec. 3. AS 03.05.090 is amended to read:

16 **Sec. 03.05.090. Penalty for violation.** A person who violates a provision of
17 this chapter or a regulation, order, or quarantine made under authority of this chapter,
18 or violates a provision of a permit issued under this chapter, or sells seeds failing to
19 meet the labeling requirements, standards, and tests provided for by regulation of the
20 commissioner [OF NATURAL RESOURCES OR THE COMMISSIONER OF
21 ENVIRONMENTAL CONSERVATION] is guilty of a class A misdemeanor for each
22 offense.

23 * Sec. 4. AS 03.45.050 is amended to read:

24 **Sec. 03.45.050. Inspection, quarantine, or destruction of livestock.**
25 Domestic animals and poultry in the state are subject to inspection and test for all
26 diseases [,] and to quarantine, slaughter, or destruction when found to be infected with
27 or suffering from any contagious disease by an inspector of the Animal Disease
28 Eradication Branch, United States Department of Agriculture, or by a qualified
29 inspector authorized by the commissioner [OF ENVIRONMENTAL
30 CONSERVATION] to make inspections and tests of animals. Inspections and tests
31 of animals kept for dairy purposes by dairies that offer their products to the public in

1 the state [,] and inspection and tests of animals kept for private dairy purposes if [,
2 PROVIDED] they are readily accessible [,] shall be made at least once every year, if
3 possible, and all animals not readily accessible for inspection shall be inspected before
4 they are brought into a community where other animals used for dairy purposes are
5 kept. The commissioner may make arrangements with the Animal Disease Eradication
6 Branch, United States Department of Agriculture, for these inspections and tests. In
7 the event that arrangements cannot be made with the Animal Disease Eradication
8 Branch, the commissioner may employ inspectors. Inspections shall be carried on in
9 cooperation with the Animal Disease Eradication Branch and in accordance with its
10 regulations.

11 * Sec. 5. AS 03.45.060(c) is amended to read:

12 (c) If the inspector determines that the animal should be slaughtered or
13 destroyed, the inspector may condemn and have the animal slaughtered or destroyed
14 in the manner the inspector determines. Reimbursement may be allowed for the
15 slaughter or destruction of dairy cattle only. In such case, the inspector and the owner
16 shall appraise the dairy cattle at a fair valuation without regard to the disease. Where
17 they cannot agree as to the value of the animal, the owner and inspector may select
18 a disinterested third party to aid in the appraisal. Where they cannot agree on the
19 selection of a third party, a peace officer in the judicial district where the inspection
20 is made may designate a third disinterested party to act with the inspector and owner
21 to determine the value of the animal. The amount realized from the sale of the carcass
22 of the slaughtered animal shall be paid to the owner of the animal, and the inspector
23 shall certify to the commissioner [OF ENVIRONMENTAL CONSERVATION] the
24 name and address of the owner, the date the animal was condemned, the appraised
25 value of the animal, together with the net sum realized from the salvage of the animal
26 [THEREOF,] or that [WHICH] could have been realized.

27 * Sec. 6. AS 03.45.070 is amended to read:

28 **Sec. 03.45.070. Compensation to owners of dairy cattle destroyed; records**
29 **to be kept.** The commissioner [OF ENVIRONMENTAL CONSERVATION] may
30 enter into cooperative agreements with the United States Department of Agriculture for
31 controlling diseases among dairy cattle and may match federal indemnity payments for

1 livestock slaughtered thereunder [,] from any funds available. The commissioner shall
2 keep a record of all payments made, with a copy of the inspector's certification of
3 appraised value and salvage value.

4 * Sec. 7. AS 03.45.080 is amended to read:

5 **Sec. 03.45.080. Record and payment of value of destroyed dairy cattle.**

6 The Department of Administration shall keep a record of the appraised value of all
7 dairy cattle slaughtered or destroyed and of the salvage value of the dairy cattle
8 [THEREOF], stating the date when the animal was slaughtered or destroyed and the
9 name of the inspector who ordered the animal slaughtered or destroyed. The
10 Department of Administration, with the approval of the department [DEPARTMENT
11 OF ENVIRONMENTAL CONSERVATION], shall pay the owner of the animal
12 slaughtered or destroyed two-thirds of the difference between the appraised value and
13 the salvage value of the animal slaughtered or destroyed. The appraised valuation of
14 each slaughtered animal may not exceed \$175 in the first judicial district and not more
15 than \$200 in the second and third judicial districts and not more than \$250 in the
16 fourth judicial district. Payment may not be made if at the time of inspection, test, or
17 destruction, the animal was upon the premises of any person to which it had been sold,
18 shipped, or delivered for the purpose of being slaughtered. Payment may not be made
19 unless the owner has complied with all lawful quarantine regulations.

20 * Sec. 8. AS 03.53.010(b) is amended to read:

21 (b) The following persons are authorized to enforce the provisions of this
22 section:

23 (1) the commissioner [OF ENVIRONMENTAL CONSERVATION];

24 (2) a state employee authorized by the commissioner [OF
25 ENVIRONMENTAL CONSERVATION].

26 * Sec. 9. AS 09.25.110(e) is amended to read:

27 (e) Notwithstanding other provisions of this section to the contrary, the Bureau
28 of Vital Statistics and [,] the library archives in the Department of Education and
29 Child Development [, AND THE DIVISION OF BANKING, SECURITIES, AND
30 CORPORATIONS IN THE DEPARTMENT OF COMMERCE AND ECONOMIC
31 DEVELOPMENT] may continue to charge the same fees that they were [ARE]

1 charging on September 25, 1990, for performing record searches, and may increase the
2 fees as necessary to recover agency expenses on the same basis that was [IS] used by
3 the agency immediately before September 25, 1990. Notwithstanding other
4 provisions of this section to the contrary, the division of banking, securities, and
5 corporations in the Department of Community and Economic Development may
6 continue to charge the same fees that the former Department of Commerce and
7 Economic Development was charging on the effective date of this bill section for
8 performing record searches and may increase the fees as necessary to recover
9 agency expenses on the same basis that was used by the former Department of
10 Commerce and Economic Development immediately before the effective date of
11 this bill section.

12 * Sec. 10. AS 09.65.170(c)(2) is amended to read:

13 (2) "regional development organization" has the meaning given in
14 AS 44.33.895 [AS 44.47.900].

15 * Sec. 11. AS 11.61.195(a) is amended to read:

16 (a) A person commits the crime of misconduct involving weapons in the
17 second degree if the person knowingly

18 (1) possesses a firearm during the commission of an offense under
19 AS 11.71.010 - 11.71.040;

20 (2) violates AS 11.61.200(a)(1) and is within the grounds of or on a
21 parking lot immediately adjacent to

22 (A) a public or private preschool, elementary, junior high, or
23 secondary school without the permission of the chief administrative officer of
24 the school or district or the designee of the chief administrative officer; or

25 (B) a center, other than a private residence, licensed under
26 AS 14.37, AS 47.33, or AS 47.35 or recognized by the federal government for
27 the care of children; or

28 (3) discharges a firearm at or in the direction of

29 (A) a building with reckless disregard for a risk of physical
30 injury to a person; or

31 (B) a dwelling.

1 * Sec. 12. AS 11.61.220(a) is amended to read:

2 (a) A person commits the crime of misconduct involving weapons in the fifth
3 degree if the person

4 (1) knowingly possesses a deadly weapon, other than an ordinary
5 pocket knife or a defensive weapon, that is concealed on the person;

6 (2) knowingly possesses a loaded firearm on the person in any place
7 where intoxicating liquor is sold for consumption on the premises;

8 (3) being an unemancipated minor under 16 years of age, possesses a
9 firearm without the consent of a parent or guardian of the minor;

10 (4) knowingly possesses a firearm

11 (A) within the grounds of or on a parking lot immediately
12 adjacent to a center, other than a private residence, licensed under AS 14.37,
13 AS 47.33, or AS 47.35 or recognized by the federal government for the care
14 of children; or

15 (B) within a

16 (i) courtroom or office of the Alaska Court System; or

17 (ii) courthouse that is occupied only by the Alaska Court
18 System and other justice-related agencies;

19 (C) within a domestic violence or sexual assault shelter that
20 receives funding from the state; or

21 (5) possesses or transports a switchblade or a gravity knife.

22 * Sec. 13. AS 14.20.165 is amended to read:

23 **Sec. 14.20.165. Restoration of tenure rights.** A teacher who held tenure
24 rights and who was retired due to disability under AS 14.25.130, but whose disability
25 (1) has been removed, and the removal of that disability is certified by a competent
26 physician following a physical or mental examination, or (2) has been compensated for
27 by rehabilitation or other appropriate restorative education or training, and that
28 rehabilitation or restoration to health has been certified by the division of vocational
29 rehabilitation of the Department of Labor and Workforce Development
30 [DEPARTMENT], shall be restored to full tenure rights in the district from which the
31 teacher was retired, at such time as an opening for which the teacher is qualified

1 becomes available.

2 * Sec. 14. AS 14.35.020(b) is amended to read:

3 (b) When required by any of the Acts described in AS 14.35.010, the board
4 shall

5 (1) prepare, submit, and supervise the administration of the plans for
6 vocational education [AND VOCATIONAL REHABILITATION];

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

8 (3) establish the minimum qualifications for teachers, supervisors, or
9 directors;

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

12 (5) consider the advice of the Alaska Human Resource Investment
13 Council established by AS 23.15.550 [AS 44.19.620] regarding employment training
14 needs and advise that council in the development of vocational education programs.

15 * Sec. 15. AS 14 is amended by adding a new chapter to read:

16 **Chapter 37. Licensure of Child Care Facilities.**

17 **Sec. 14.37.005. Purpose; applicability.** (a) The purpose of this chapter is
18 to establish and maintain standard levels for services offered to children in child care
19 facilities. The legislature recognizes the responsibility of parents to select and monitor
20 caregivers for their children in order to ensure a reasonably safe and developmentally
21 appropriate child care environment. The child care licensing procedures in this chapter
22 are intended to reduce predictable risk of harm to children and to provide support
23 services to those providing child care services.

24 (b) This chapter and regulations adopted under this chapter apply to facilities

25 (1) for which licensure is required by or under AS 14.37.015; or

26 (2) that are exempt under AS 14.37.015 from licensure but for which
27 a license is issued under AS 14.37.015(c).

28 **Sec. 14.37.010. Powers of department.** (a) The department may

29 (1) license and supervise child care facilities;

30 (2) investigate applicants, licensees, and persons that the department
31 reasonably believes are operating a facility without a license or certification in

1 violation of this chapter;

2 (3) adopt regulations to implement the provisions of this chapter,
3 including regulations establishing certification and licensure procedures, standards, and
4 fees; establishing requirements for operation of facilities licensed under this chapter;
5 and distinguishing between types of child care facilities;

6 (4) enter into agreements with private entities, municipalities, or
7 individuals to investigate and make recommendations to the department for the
8 licensing and supervision of child care facilities under procedures and standards of
9 operation established by the department.

10 (b) The department shall, within 90 days after receiving a written request that
11 it do so, delegate its powers relating to child care facilities under this chapter to a
12 municipality that has adopted an ordinance providing for child care licensing under
13 home rule powers under AS 29.10.010 or as authorized under AS 29.35.200 -
14 29.35.210. A municipality to which these powers have been delegated may adopt, by
15 ordinance, additional requirements for child care facilities operating within its
16 boundaries if the requirements meet or exceed the requirements adopted by the
17 department.

18 **Sec. 14.37.015. License required; exemptions.** (a) A person may not operate
19 a child care facility without a license issued under this chapter unless that facility is
20 exempt from licensure. The following facilities are exempt:

21 (1) a facility in which child care is regularly provided and each child's
22 parent is on the premises within reasonable proximity and accessibility to the child;

23 (2) a facility located on a United States Department of Defense or
24 United States Coast Guard installation that is located on federal property;

25 (3) a recreational program that children are allowed to attend and in
26 which the program assumes no responsibility for care of the children;

27 (4) a daytime therapeutic program of supervised, educational, and
28 rehabilitative services for children with special needs or behavioral problems;

29 (5) a program that is primarily educational and that

30 (A) is certified as a pre-elementary school under department
31 regulations adopted under AS 14.07.020;

1 (B) serves children three years of age or older and is exempt
2 from the department pre-elementary school regulations; or

3 (C) is operated as a headstart preschool that is required to meet
4 the standards established under 42 U.S.C. 9836a:

5 (6) a temporary facility providing care for less than five continuous
6 weeks;

7 (7) a facility regularly providing child care to four or fewer children
8 unrelated to the caregiver;

9 (8) a facility in which the caregiver is a relative of all of the children.

10 (b) In addition to facilities that, under this section, are exempt from licensure,
11 the department, by regulation, may provide for additional exemptions that the
12 department considers appropriate.

13 (c) A person may apply for a license for a facility that is exempt from
14 licensure under this section. The department may issue a license to an applicant under
15 this subsection if the applicant meets the requirements of this chapter and regulations
16 adopted under this chapter.

17 **Sec. 14.37.017. Application for license.** (a) Application for a license to
18 operate a child care facility must be made to the department on a form provided by
19 the department and must be accompanied by all applicable fees established by the
20 department under AS 14.37.010(a)(3).

21 (b) An application submitted under this section must contain at least the
22 following information:

23 (1) the name and address of the applicant and, if the applicant is a
24 corporation, partnership, association, or another form of organization, the name,
25 address, and title of each individual who has an ownership or management interest in
26 the facility; if the applicant is an individual, the application must include the name,
27 age, and driver's license number, if any, of each member of the individual's
28 household;

29 (2) the name, physical location, and mailing address of the facility for
30 which the license is sought;

31 (3) the name and address of the administrator of the facility, if any;

1 (4) evidence that the administrator is an adult with sufficient
2 experience, training, or education to fulfill the duties of an administrator;

3 (5) a release for the administrator and for each other person who is 16
4 years of age or older, as specified by the department by regulation, who will have
5 contact with individuals served by the facility authorizing the department to review all
6 federal, state, and municipal criminal justice information, whether of this state, of a
7 municipality of this state, or of another jurisdiction, medical records, licensing records,
8 and protective services records, identified in regulations adopted under this chapter,
9 that are relevant to the person who is the subject of the release;

10 (6) the number of individuals that will be served in the facility;

11 (7) the type of facility for which the license is sought;

12 (8) copies of all inspection reports and approvals required by state fire
13 prevention and environmental health and safety authorities for operation of the facility,
14 including any variances granted by these authorities;

15 (9) a plan of operation, as required by the department by regulation;

16 (10) a staffing plan that describes the number of people who will work
17 at the facility, staff qualifications, a description of each person's responsibilities, and
18 a supervision schedule for the children in care that meets the requirements established
19 by the department by regulation;

20 (11) evidence that the applicant has completed orientation or training
21 required by the department by regulation; and

22 (12) other information required by the department, by regulation, in
23 order to monitor compliance with this chapter and regulations adopted under this
24 chapter.

25 **Sec. 14.37.020. Provisional license; biennial license.** (a) The department
26 shall issue a provisional license to a new facility that applies under AS 14.37.017 if,
27 after inspection and investigation, the department determines that the application and
28 plan of operation for the facility meet the requirements of this chapter and regulations
29 adopted under this chapter. A provisional license is valid for a period not to exceed
30 one year. The department may extend a provisional license for one additional period
31 not to exceed one year.

1 (b) Before expiration of a provisional license issued under (a) of this section.
2 the department shall inspect and investigate the facility in order to determine whether
3 the facility is operating under the provisional license in compliance with this chapter
4 and applicable regulations.

5 (c) Before expiration of a provisional license, the department shall issue a
6 biennial license for the facility if (1) after inspection and investigation under (b) of this
7 section, the department finds that the facility is operating in compliance with and
8 meets the licensure requirements of this chapter and regulations adopted under this
9 chapter; (2) none of the grounds for revocation set out in AS 14.37.130(a)(2) exist; and
10 (3) all applicable fees have been paid. The department shall prepare a summary report
11 of its findings and recommendations for issuance of a biennial license.

12 (d) The issuance of a license by the department does not obligate the
13 department to support the facility financially.

14 **Sec. 14.37.025. Denial of license; right to appeal.** (a) If the department
15 denies an application for a license or decides not to issue a biennial license, the
16 department shall hand deliver to the prospective licensee, or mail to the prospective
17 licensee by certified mail, return receipt requested, a notice of denial of licensure. The
18 notice must contain a summary of the department's reasons for denial of the license
19 and a form for requesting a hearing under (b) of this section.

20 (b) A prospective licensee who was denied licensure may appeal the
21 department's decision by requesting a hearing, on the form provided by the
22 department, within 15 days after receipt of the notice of denial of licensure.

23 **Sec. 14.37.027. Variances.** (a) The department may grant to an applicant for
24 a license under this chapter, or to a licensee, a variance from a requirement of this
25 chapter or a regulation adopted under this chapter if that person submits to the
26 department, on a form provided by the department, a complete variance request as
27 required by this section. A variance may be granted if

28 (1) the applicant or licensee proposes an alternative means, acceptable
29 to the department, to satisfy the intent of the requirement for which the variance is
30 requested; and

31 (2) the health and safety of children is adequately protected.

- 1 (b) A request for a variance must contain the following information:
- 2 (1) the statute or regulation from which the variance is sought;
- 3 (2) the reasons why the variance is needed;
- 4 (3) the period of time for which the variance is requested;
- 5 (4) the proposed alternative means of satisfying the intent of the
- 6 requirement for which the variance is requested;
- 7 (5) a statement as to how the health and safety of children will be
- 8 protected during the period of the variance; and
- 9 (6) assurance that the conditions of the facility do not present an
- 10 imminent danger to the health or safety of individuals served by the facility.

11 (c) To evaluate a request for a variance, the department shall take one or more

12 of the following actions:

- 13 (1) investigate the statements in the request;
- 14 (2) inspect the facility;
- 15 (3) schedule a conference with the applicant or licensee regarding the
- 16 variance request.

17 (d) The department's decision approving or denying a variance must be in

18 writing, and the department shall provide a copy of the decision to the person

19 requesting the variance. If the department grants the variance, the decision must state

20 the term of and conditions of the variance.

21 (e) If an applicant or licensee violates a condition of a variance granted under

22 this section, the variance is terminated.

23 **Sec. 14.37.029. Content of license; posting.** (a) A license issued under this

24 chapter must state

- 25 (1) the period of time during which the license is in effect;
- 26 (2) the name of the facility;
- 27 (3) the type of facility;
- 28 (4) the name of the licensee;
- 29 (5) the location and mailing address of the facility;
- 30 (6) the number and age range of children that the facility may have in
- 31 care at any time;

- 1 (7) all conditions set by the department;
- 2 (8) variances approved by the department for the duration of the
- 3 license; and
- 4 (9) the address and phone number of the nearest department office that
- 5 is responsible for administering this chapter or of the department representative
- 6 responsible for evaluating that facility under AS 14.37.010(a)(4).

7 (b) A licensee shall post the license in a conspicuous place in the facility,

8 visible to individuals in care and their families and to facility staff. If the department

9 has approved a variance that is not stated on the license, the licensee shall post a copy

10 of the variance near the license.

11 **Sec. 14.37.033. Licenses not transferable.** A license may be issued under

12 this chapter only for the location and person named in the application. A license

13 issued under this chapter may not be transferred to another person or location.

14 **Sec. 14.37.037. Orientation and training.** The department, by regulation,

15 may require that an applicant or licensee complete orientation or training to assist that

16 person in operating under the license.

17 **Sec. 14.37.039. Records required.** (a) In accordance with regulations

18 adopted by the department, a licensee shall keep the records regarding each individual

19 in its care that are necessary to show compliance with this chapter and regulations

20 adopted under this chapter.

21 (b) The department's licensing records, with the names of all individuals in

22 care and parents of minors in care deleted to protect the confidentiality of those

23 individuals, are available for public inspection, except for

24 (1) material made confidential by state or federal statutes or regulations;

25 (2) material that is part of an uncompleted licensing or complaint

26 investigation;

27 (3) records that would deprive an applicant, licensee, or other person

28 of a fair and impartial hearing; and

29 (4) records for which the department determines that disclosure would

30 constitute an unwarranted invasion of personal privacy.

31 (c) A government agency that provides funding to a facility licensed under this

1 chapter may have access to that facility's records in order to conduct an audit.

2 **Sec. 14.37.043. Monitoring; investigation.** (a) By the first anniversary of
3 the effective date of a biennial license, including a renewed biennial license, the
4 licensee shall submit an annual self-monitoring report to the department. The
5 department shall specify, by regulation, the contents of the report.

6 (b) To encourage parents of children in child care facilities to become involved
7 in day-to-day monitoring of the care provided by the facilities, the department shall
8 require licensees to give to parents of children in child care in the licensee's facility
9 a summary of the regulatory requirements that apply to the facility and the
10 department's or department representative's telephone contact number for reporting a
11 concern regarding child care. The department also may provide notice of the
12 telephone contact numbers for reporting child care concerns.

13 (c) The department may conduct an investigation, including announced or
14 unannounced on-site inspections, for ongoing monitoring or to assist in its review of
15 an annual self-monitoring report.

16 **Sec. 14.37.045. Biennial license renewal.** (a) At least 90 days before the
17 expiration date of a biennial license, a licensee who wishes to remain licensed shall
18 submit, on a form provided by the department, an application for renewal of the
19 license and any associated variances.

20 (b) Before expiration of a biennial license, the department or its representative
21 shall inspect a facility that is the subject of a renewal application.

22 (c) The department shall renew a biennial license if the department finds that

23 (1) the licensee

24 (A) either is in compliance with this chapter and regulations
25 adopted under this chapter or is substantially in compliance and has
26 implemented a plan of correction, approved by the department, that is designed
27 to bring the facility into full compliance; and

28 (B) has maintained the facility in good repair and is in
29 compliance with all state fire safety and environmental health and safety code
30 requirements;

31 (2) the ground for revocation set out in AS 14.37.130(a)(2) does not

1 exist; and

2 (3) all applicable fees have been paid.

3 (d) If the licensee submits a renewal application within the time period
4 required by the department by regulation, but the department is unable to complete its
5 review before the expiration date of the biennial license, the license is automatically
6 extended for six months or until the department completes its review and either
7 approves or denies the application, whichever occurs first.

8 (e) If the department decides to approve an application for renewal, but finds
9 that the applicant is not in compliance with a provision of this chapter, a regulation
10 adopted under this chapter, or a condition on the license, the department, as a
11 condition on the renewed biennial license, shall require the applicant to correct any
12 violations and provide the department with verification of compliance.

13 (f) If the department denies an application for renewal, it shall provide the
14 applicant with a notice of denial of application. The notice must contain a written
15 statement of the reasons for denial and a form for requesting a hearing under (g) of
16 this section.

17 (g) An applicant whose application is denied may appeal the department's
18 decision, on the form provided by the department, by requesting a hearing within 15
19 days after receipt of the notice of denial of application.

20 **Sec. 14.37.047. Notice of changes.** (a) A licensee shall provide the
21 department with written notice of a change of mailing address at least 14 days before
22 the effective date of the change.

23 (b) A licensee shall notify the department within 24 hours after having
24 knowledge of a conviction or indictment, presentment, or charging by information or
25 complaint of an administrator, regular volunteer, staff person, or member of the
26 licensee's household for a violation of the following laws or the laws of another
27 jurisdiction with similar elements:

28 (1) offenses against the family and vulnerable adults under AS 11.51;

29 (2) perjury under AS 11.56.200;

30 (3) offenses included in the definition of "serious offense" under
31 AS 12.62.900.

1 (c) A licensee shall notify the department at least 20 days before the effective
2 date of a decision to relinquish the license.

3 (d) A licensee shall notify the department at least 20 days before the date on
4 which the licensee wishes to change the number of children in care or hours of
5 operation.

6 (e) A licensee shall notify the department no later than one day after signing
7 a contract for sale of the licensed facility.

8 (f) A licensee shall notify the department at least 30 days before the licensee
9 wishes to change the location of the facility.

10 **Sec. 14.37.105. Complaints.** (a) A person who believes that a provision of
11 this chapter, a regulation adopted under this chapter, or a condition of a license issued
12 under this chapter has been violated may file a verbal or written complaint with the
13 department.

14 (b) The department shall investigate all complaints filed under this section
15 unless the department reasonably concludes that the complaint is without merit.

16 (c) After an investigation under this section, the department shall prepare a
17 written report of investigation and shall mail a copy to the licensee or other person
18 who is the subject of the complaint, and to the complainant if requested. If the
19 department determines that a violation of this chapter, a regulation adopted under this
20 chapter, or a condition of a license issued under this chapter has occurred, the
21 department's report of investigation must contain the following:

22 (1) a description of the violation;

23 (2) a citation to the provision of this chapter or the regulation that has
24 been violated, if applicable; and

25 (3) either

26 (A) a date by which the violation must be corrected and a
27 verification of compliance submitted to the department; or

28 (B) a plan of correction.

29 (d) A licensee may submit to the department a written response regarding a
30 report of investigation relating to that facility. The department shall retain the written
31 response in the licensing file.

1 (e) A licensee may not take retaliatory action against a person who files a
2 complaint. A complainant against whom retaliatory action has been taken may recover
3 treble damages in a civil action upon a showing that the action was taken in retaliation
4 for the filing of a complaint.

5 **Sec. 14.37.110. Investigations; search warrants.** (a) An applicant for a
6 license, or a licensee, shall cooperate with the department for purposes of licensing
7 investigations, investigations relating to ongoing monitoring of the facility, or
8 investigations under AS 14.37.105 by

9 (1) permitting representatives of the department to inspect the facility,
10 review records, interview staff, and interview individuals in care; and

11 (2) providing to the department information and documentation
12 requested by the department to determine compliance with this chapter and regulations
13 adopted under this chapter.

14 (b) Following an investigation relating to ongoing monitoring of a facility or
15 relating to a facility that the department believes is operating without a license in
16 violation of this chapter, the department shall prepare and distribute a written report
17 of investigation as described in AS 14.37.105(c), and the facility may submit a
18 response as described in AS 14.37.105(d).

19 (c) The department may seek a search warrant to inspect a facility if

20 (1) the department has probable cause to believe that the facility is
21 operating without a license in violation of this chapter and the facility operator refuses
22 to allow an inspection by the department; or

23 (2) the licensee refuses to allow an inspection of the facility by the
24 department.

25 **Sec. 14.37.120. Enforcement action.** (a) During an investigation under this
26 chapter, the department may, by written notice, suspend operations of the facility if the
27 department has reasonable cause to believe that a violation is occurring that presents
28 an imminent danger to the health or safety of the individuals in care. A suspension
29 under this subsection continues for the time period set by the department and may
30 continue until the department issues a report of investigation under AS 14.37.105(c)
31 or 14.37.110(b).

1 (b) If, after an investigation under this chapter, the department has determined
2 that a violation of this chapter or a regulation adopted under this chapter has occurred
3 or a ground for revocation or nonrenewal set out in AS 14.37.130 exists, has issued
4 a report of investigation under AS 14.37.105(c) or 14.37.110(b), and has determined
5 that voluntary compliance or a plan of correction is not appropriate, the department
6 may take one or more of the following enforcement actions as the department
7 considers appropriate:

8 (1) delivery of a warning notice to the licensee or other person who is
9 the subject of the investigation;

10 (2) modification of the term of an existing license or reduction of the
11 number of children for whom care can be provided;

12 (3) suspension of operations of the facility for a period of time set by
13 the department;

14 (4) suspension of new enrollment in the facility for a period of time set
15 by the department;

16 (5) nonrenewal of the license;

17 (6) revocation of the license;

18 (7) issuance of an order requiring immediate closure of the facility;

19 (8) assessment of an administrative fine of up to \$500 for each day a
20 violation continues, not to exceed a total of \$5,000 for a violation.

21 (c) The department shall provide the licensee or other person who is the
22 subject of an investigation with written notice of the department's decision under (b)
23 of this section to take enforcement action. The notice must contain a form for
24 requesting a hearing under (d) of this section and must describe

25 (1) the condition, if any, in the facility that constitutes a violation of
26 this chapter or a regulation adopted under this chapter;

27 (2) each enforcement action that will be taken;

28 (3) the licensee's or other person's right to appeal the department's
29 decision to take an enforcement action described in (b)(2) - (8) of this section.

30 (d) A licensee or other person to whom a notice has been provided under (a)
31 or (c) of this section may appeal the department's decision to impose an enforcement

1 action described in (a) or (b)(2) - (8) of this section by filing a written request for a
2 hearing, on the form provided by the department, within 15 days after receipt of the
3 notice of enforcement action.

4 (e) Unless the violation that prompted enforcement action under (b) of this
5 section presents an imminent danger to the health or safety of the individuals in care,
6 an enforcement action described in a notice provided under (c) of this section may not
7 be imposed until

8 (1) the time period for requesting a hearing under (d) of this section has
9 passed without a hearing being requested; or

10 (2) the department makes a final decision following a hearing requested
11 under (d) of this section.

12 (f) If a hearing is requested under (d) of this section, the department's decision
13 following the hearing is a final administrative order.

14 (g) If a hearing is not requested under (d) of this section, the department's
15 notice of enforcement action constitutes a final administrative order, which the
16 department may seek the court's assistance in enforcing.

17 (h) A licensee whose license was revoked or not renewed under this section
18 may not reapply for licensure under this chapter until after the time period, if any, set
19 by the department in its final administrative order. If a time period is not set by the
20 department, the revocation or nonrenewal is permanent, and the former licensee may
21 not again apply for licensure under this chapter.

22 (i) Assessment of an administrative fine under this section does not preclude
23 imposition of a criminal penalty under AS 14.37.820.

24 **Sec. 14.37.130. Grounds for license revocation or nonrenewal.** (a) In
25 addition to the ground of violation of this chapter or a regulation adopted under this
26 chapter, the department may revoke or decline to renew a license issued under this
27 chapter on one or more of the following grounds:

28 (1) failure to submit a timely and complete renewal application;

29 (2) the indictment or charging by information or complaint, or a
30 criminal conviction within the last 10 years, of the licensee or administrator, member
31 of the licensee's household who is present in the facility at any time the facility is in

1 operation, regular volunteer, or staff person for

2 (A) a felony;

3 (B) a misdemeanor crime of assault, reckless endangerment,
4 contributing to the delinquency of a minor, or misconduct involving a
5 controlled substance; or

6 (C) the crime of perjury, as defined in AS 11 or the laws of
7 another jurisdiction;

8 (3) the conviction, indictment, presentment, or charging of the licensee
9 or an administrator, member of the licensee's household who is present in the facility
10 at any time the facility is in operation, regular volunteer, or staff person at any time
11 for a violation or attempted violation of an offense included in the definitions of
12 "serious offense" under AS 12.62.900;

13 (4) obtaining or attempting to obtain or retain a license under this
14 chapter by fraudulent means, misrepresentation, or by submitting false information;

15 (5) failure to correct a violation noted in a report of investigation
16 provided under AS 14.37.105(c) or 14.37.110(b);

17 (6) failure to comply with a final administrative order issued by the
18 department under AS 14.37.120.

19 (b) A licensee may voluntarily relinquish the license or withdraw an
20 application for renewal.

21 **Sec. 14.37.800. Administrative procedure.** The administrative adjudication
22 provisions of AS 44.62 (Administrative Procedure Act) apply to an appeal from a
23 department decision under this chapter relating to denial, involuntary conditioning, or
24 revocation of a license, suspension of operations or admissions, or assessment of an
25 administrative fine.

26 **Sec. 14.37.810. Immunity from liability.** (a) A person operating under
27 agreement with the department under AS 14.37.010(a)(4) is immune from civil liability
28 that might otherwise be incurred or imposed for acts or omissions that occurred during
29 the performance of the person's duties on behalf of the department if the person was
30 operating within the scope of the duties delegated to the person under the agreement.

31 (b) The department and its employees are not liable for civil damages as a

1 result of an act or omission in the licensing, monitoring, or supervision of a facility
2 licensed under this chapter. This subsection does not preclude liability for civil
3 damages as a result of gross negligence or reckless or intentional misconduct.

4 **Sec. 14.37.820. Penalty.** A person who violates a provision of this chapter
5 or a regulation adopted under this chapter is guilty of a class B misdemeanor.

6 **Sec. 14.37.900. Definitions.** In this chapter,

7 (1) "administrator" means an individual who has general administrative
8 charge and oversight of a facility;

9 (2) "child" means an individual under 18 years of age, and includes an
10 individual who is a relative of a care provider or administrator;

11 (3) "child care" means, care, supervision, and provision of
12 developmental opportunities, with or without compensation, to a child who does not
13 have a parent present;

14 (4) "child care facility" means a place where child care is regularly
15 provided for children under 12 years of age for periods of time that are less than 24
16 hours in duration unless nighttime care is authorized by the department;

17 (5) "criminal justice information" has the meaning given in
18 AS 12.62.900;

19 (6) "department" means the Department of Education and Child
20 Development;

21 (7) "facility" means the administration, program, and physical plant of
22 a child care facility;

23 (8) "licensee" means a person to whom a license has been issued under
24 this chapter;

25 (9) "parent" means a birth or adoptive parent or a legal guardian;

26 (10) "relative" means an individual who is related to another through
27 any of the following relationships, by blood, adoption, or marriage: parent,
28 grandparent, great grandparent, brother, sister, stepparent, stepsister, stepbrother,
29 cousin, aunt, uncle, great-aunt, great-uncle or step-grandparent;

30 (11) "serious offense" has the meaning given in AS 12.62.900.

31 * **Sec. 16.** AS 14 is amended by adding a new chapter to read:

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Chapter 38. Head Start, Child Care, and Day Care.

Article 1. Head Start.

Sec. 14.38.010. Operation of Head Start programs. The Department of Education and Child Development shall operate the head start funding program governed by 42 U.S.C. 9835.

Article 2. Day Care Assistance.

Sec. 14.38.100. Powers and duties. (a) The department shall

(1) implement and administer a program to assist in providing day care for the children of low and moderate income families according to the requirements of AS 14.38.100 - 14.38.199;

(2) establish standards of eligibility for day care benefits;

(3) contract for the care of children of eligible families;

(4) establish procedures to periodically review the needs of families receiving day care benefits;

(5) provide notification to the local government body of the request for a contract with a day care facility.

(b) The department may

(1) adopt regulations necessary for the performance of its duties under AS 14.38.100 - 14.38.199;

(2) contract with other entities to perform duties of the department under AS 14.38.100 - 14.38.199 within an area specified by the department; within an area, the department shall give higher priority to contracting with municipalities than with other organizations.

Sec. 14.38.110. Administrative costs of program contractors. To defray administrative expenses, a contractor under AS 14.38.100(b) may only retain \$1,000 or 12 percent, whichever is greater, of the day care assistance program funds it receives from the department under the contract.

Sec. 14.38.120. Conditions of receipt of benefits. Benefits may be paid for the care of children of a low or moderate income family only if a parent or guardian, because of the day care, is freed to work or to seek work or to attend school. Benefits may not be paid for the care of children of a family where one parent or guardian is

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not working, actively seeking work, or attending school and is physically and mentally capable of caring for the children.

Sec. 14.38.130. Eligibility of families for benefits. The department shall determine the eligibility of families for day care benefits on the basis of the following factors:

- (1) income of the family including salary, alimony, child support, retirement benefits, social security, and any other source of income;
- (2) number of children in the family;
- (3) whether there is one parent or guardian solely responsible for the care of the family.

Sec. 14.38.140. Contributions by parent or guardian. The department shall develop a sliding fee scale based on the factors listed in AS 14.38.130 for purposes of determining the amount to be contributed by the parent or guardian for child care. The contribution of the parent or guardian shall be paid to the day care facility.

Sec. 14.38.150. Placement; payment by state. (a) Parents or guardians shall select the day care facility for the care of their children.

(b) Benefits shall be paid by the department directly to the municipality or organization contracting with the day care facility.

Article 3. Child Care Grants.

Sec. 14.38.160. Child care grant program. (a) A child care grant program is established in the department to provide state assistance in the operation of child care facilities. The department shall provide grants for the operation of child care facilities, including private nonprofit child care facilities. Participation in the program is optional.

(b) To qualify for a grant under (a) or (d) of this section, the child care facility must

- (1) be currently licensed under AS 47.35 and applicable municipal licensing requirements;
- (2) participate in the day care assistance program under AS 14.38.100 - 14.38.199; and
- (3) provide care under a payment system as provided in (g) of this

1 section.

2 (c) A grant under (a) of this section may not exceed \$50 per month for each
3 child the child care facility cares for, or for each full-time equivalent, as determined
4 by the department. The grant shall be adjusted on a geographic basis by the same
5 factor as funding for a school district is adjusted under AS 14.17.460.

6 (d) In addition to the grants provided in (a) of this section, the department
7 may, subject to appropriations for that purpose, provide by grant or contract for the
8 education and training of child care employees or administrators. To receive a grant
9 or contract under this subsection or to participate in a training program under this
10 subsection, the child care facility must meet all the requirements of (b) of this section.

11 (e) An application for a grant under this section shall be made in the form
12 established by the department.

13 (f) A grant under (a) of this section shall be made monthly or quarterly and
14 shall be based on the monthly average daily full-time equivalent enrollment in the
15 child care facility. If the method of payment for the grant is other than monthly, it
16 shall be at the request of the child care facility with the approval of the department.
17 Based on criteria established by the department, the department may make quarterly
18 advance payments.

19 (g) Each child care facility receiving a grant under (a) or (d) of this section
20 shall assure that at least 15 percent or one of its child care spaces receiving subsidy
21 under this section, whichever is greater, will be made available, if requested, to
22 children eligible for day care assistance under AS 14.38.100 - 14.38.199, whose
23 parents or guardians wish to pay for care based on attendance only.

24 (h) The State Board of Education shall, in consultation with interested child
25 care providers and parents, adopt regulations to carry out the purposes of this section.

26 **Sec. 14.38.199. Definitions.** In AS 14.38.100 - 14.38.199,

27 (1) "child" means a person below 13 years of age, or a minor who has
28 a developmental disability;

29 (2) "child care facility" means an establishment licensed under
30 AS 47.35 including but not limited to day care centers, family day care homes, and
31 schools for preschool age children, which provides care for children not related by

1 blood, marriage, or legal adoption to the owner, operator, or manager of the facility;

2 (3) "day care" means the care, supervision, and guidance of a child or
3 children unaccompanied by a parent or legal guardian on a regular basis for periods
4 of less than 24 hours a day;

5 (4) "day care facility" means a center or home licensed in accordance
6 with the provisions of AS 47.35 or recognized by the federal government for the care
7 of children;

8 (5) "department" means the Department of Education and Child
9 Development;

10 (6) "developmental disability" means a disability under which a person
11 is incapable of self-care, as verified by a physician or licensed or certified psychologist
12 who has examined the person.

13 * Sec. 17. AS 14.38.160(b) is amended to read:

14 (b) To qualify for a grant under (a) or (d) of this section, the child care facility
15 must

16 (1) be currently licensed under AS 14.37 [AS 47.35] and applicable
17 municipal licensing requirements;

18 (2) participate in the day care assistance program under AS 14.38.100 -
19 14.38.199; and

20 (3) provide care under a payment system as provided in (g) of this
21 section.

22 * Sec. 18. AS 14.38.199(2) is amended to read:

23 (2) "child care facility" means an establishment licensed under
24 AS 14.37 [AS 47.35] including but not limited to day care centers, family day care
25 homes, and schools for preschool age children, which provides care for children not
26 related by blood, marriage, or legal adoption to the owner, operator, or manager of the
27 facility;

28 * Sec. 19. AS 14.38.199(4) is amended to read:

29 (4) "day care facility" means a center or home licensed in accordance
30 with the provisions of AS 14.37 [AS 47.35] or recognized by the federal government
31 for the care of children;

1 * Sec. 20. AS 14.42.015(a) is amended to read:

2 (a) There is in the Department of Education and Child Development the
3 Alaska Commission on Postsecondary Education consisting of

4 (1) two members of the Board of Regents of the University of Alaska
5 designated by the members of that body;

6 (2) one person representing private higher education in the state
7 selected jointly by the Boards of Trustees of Alaska Pacific University and Sheldon
8 Jackson College from among their membership;

9 (3) one person representing the Department of Education and Child
10 Development selected by the state Board of Education;

11 (4) four persons broadly and equitably representative of the general
12 public appointed by the governor;

13 (5) one member of the Alaska Human Resource Investment Council
14 established by AS 23.15.550 [AS 44.19.620] designated by the members of that body;

15 (6) one person from the members of the local community college
16 advisory councils appointed by the governor;

17 (7) two members from the legislature, one of whom shall be appointed
18 by the president of the senate and one by the speaker of the house of representatives;

19 (8) one person appointed in accordance with (e) of this section who is
20 a full-time student as defined in AS 14.43.160;

21 (9) one administrator appointed by the governor from a proprietary
22 institution of postsecondary education that has an authorization to operate in the state
23 issued under AS 14.48.

24 * Sec. 21. AS 14.43.148(h)(1) is amended to read:

25 (1) "license"

26 (A) means, except as provided in (B) of this paragraph, a
27 license, certificate, permit, registration, or other authorization that, at the time
28 of issuance, will be valid for more than 150 days and that may be acquired
29 from a state agency to perform an occupation, including the following:

30 (i) license relating to boxing or wrestling under
31 AS 05.10;

- 1 (ii) authorization to perform an occupation regulated
2 under AS 08;
- 3 (iii) teacher certificate under AS 14.20;
- 4 (iv) authorization under AS 18.08 to perform emergency
5 medical services;
- 6 (v) asbestos worker certification under AS 18.31;
- 7 (vi) boiler operator's license under AS 18.60.395;
- 8 (vii) certificate of fitness under AS 18.62;
- 9 (viii) hazardous painting certification under AS 18.63;
- 10 (ix) certification as a municipal correctional,
11 correctional, probation, or parole officer under AS 18.65.245;
- 12 (x) security guard license under AS 18.65.400 -
13 18.65.490;
- 14 (xi) license relating to insurance under AS 21.27;
- 15 (xii) employment agency permit under AS 23.15.330 -
16 23.15.520;
- 17 (xiii) registration as a broker-dealer, agent, or investment
18 adviser under AS 45.55.030;
- 19 (xiv) certification as a pesticide applicator under
20 AS 46.03.320;
- 21 (xv) certification as a storage tank worker or contractor
22 under AS 46.03.375;
- 23 (xvi) certification as a water and wastewater works
24 operator under AS 46.30; and
- 25 (B) does not include
- 26 (i) a commercial fishing license under AS 16.05.480,
27 including a crewmember fishing license;
- 28 (ii) a vessel license issued under AS 16.05.490 or
29 16.05.530;
- 30 (iii) a license issued under AS 14.37 or AS 47.35;
- 31 (iv) a business license issued under AS 43.70;

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- (v) an entry permit or interim-use permit issued under AS 16.43; or
- (vi) a driver's license issued under AS 28.15;

* Sec. 22. AS 16.40.050(d) is amended to read:

(d) Elk imported, exported, or possessed for the purpose of elk farming are subject to the provisions of AS 03 and regulations adopted under AS 03 by the commissioner of natural resources [OR THE COMMISSIONER OF ENVIRONMENTAL CONSERVATION] for domestic animals and livestock [,] to the extent they are made applicable to elk by the commissioner of natural resources [COMMISSIONERS].

* Sec. 23. AS 17.20.005 is amended to read:

Sec. 17.20.005. Powers and duties of commissioner. To carry out the requirements of this chapter, the commissioner may issue orders, regulations, permits, quarantines, and embargoes relating to

(1) food offered to the public or sold, including

(A) inspection of meat, fish, poultry, and other food products;

however, the jurisdiction of the commissioner with respect to meat and poultry exists only when the meat or poultry is offered or sold by a retailer;

(B) standards of sanitation and handling methods for all retail phases of [SLAUGHTERING, PROCESSING.] storing, transporting, displaying, and selling; and

(C) labeling;

(2) control and eradication of pests;

(3) enforcement of hazard analysis critical control point programs for seafood processing that are developed in cooperation with appropriate industry representatives or, to the extent not inconsistent with this chapter or regulations adopted under the authority of this chapter, that are established by regulations of the United States Food and Drug Administration as they may periodically be revised;

(4) [LABELING AND GRADING OF MILK AND MILK PRODUCTS AND STANDARDS OF SANITATION FOR DAIRIES OFFERING TO THE PUBLIC

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OR SELLING MILK OR MILK PRODUCTS TO AT LEAST THE MINIMUM OF CURRENT RECOMMENDATIONS OF THE UNITED STATES PUBLIC HEALTH SERVICE PASTEURIZED MILK ORDINANCE AS IT MAY PERIODICALLY BE REVISED;

(5)] standards and conditions for the operation and siting of aquatic farms and related hatcheries, including

(A) restrictions on the use of chemicals; and

(B) requirements to protect the public from contaminated aquatic farm products that pose a risk to health;

(5) [(6)] monitoring aquatic farms and aquatic farm products to ensure compliance with this chapter and, to the extent not inconsistent with this chapter or regulations adopted under the authority of this chapter, with the requirements of the national shellfish sanitation program manual of operations published by the United States Food and Drug Administration as it may periodically be revised;

(6) [(7)] tests and analyses that may be made and hearings that may be held to determine whether the commissioner will issue a stop order or quarantine;

(7) [(8)] transportation of, use of, disposal of, recalls of, or warnings concerning quarantined or embargoed items;

(8) [(9)] cooperation with federal and other state agencies.

* Sec. 24. AS 18.45.030 is amended to read:

Sec. 18.45.030. Conduct of studies concerning changes in laws and regulations with a view to atomic industrial development. Each of the following departments and agencies of the state are directed to initiate and to pursue continuing studies as to the need for changes in the laws and regulations administered by it that would arise from the presence within the state of special nuclear, by-product, and radioactive materials, from the operation of production or utilization facilities, and from the generation of radiation, and, on the basis of these studies, to make the recommendations for the enactment of laws or amendments to law administered by it, and the proposals for amendments to the regulations issued by it that it considers necessary:

(1) the Department of Health and Social Services particularly as to

1 hazards to the public health and safety;

2 (2) the division of safety inspections, Department of Public Safety,
3 [LABOR] particularly as to hazardous working conditions;

4 (3) the Department of Labor and Workforce Development particularly
5 as to the time and character of proof of claims of injuries and the extent of the
6 compensation allowable;

7 (4) the Department of Transportation and Public Facilities particularly
8 as to the transportation of special nuclear, by-product, and radioactive materials on
9 highways of the state;

10 (5) the Department of Transportation and Public Facilities particularly
11 as to the transportation of special nuclear, by-product, and radioactive materials by
12 common carriers not in interstate commerce and as to the participation by public
13 utilities subject to its jurisdiction in projects for the development of production or
14 utilization facilities for industrial or commercial use;

15 (6) the Department of Community [COMMERCE] and Economic
16 Development particularly as to the insurance of persons and property from hazards to
17 life and property resulting from atomic development;

18 (7) the Department of Fish and Game particularly as to the hazards to
19 the natural resources of the state, including wildlife, and as to the protection of rivers,
20 streams, and airspace from pollution;

21 (8) the Department of Natural Resources particularly as to the hazards
22 involved in the mining of radioactive minerals;

23 (9) departments and agencies the governor directs and for the purposes
24 specified by the governor, and other departments and agencies provided by law.

25 * Sec. 25. AS 18.60.055 is amended to read:

26 **Sec. 18.60.055. Qualifications of safety inspectors [DIVISION OF LABOR**
27 **STANDARDS AND SAFETY]. [AS ESTABLISHED BY AS 23.10.075, THERE IS**
28 **IN THE DEPARTMENT A DIVISION OF LABOR STANDARDS AND SAFETY.]**
29 **Minimum qualifications shall be established by the division for employees of the**
30 **division [DEPARTMENT] acting as safety inspectors under AS 18.60.010 - 18.60.105.**
31 **These qualifications must include, as a minimum requirement, at least five years**

1 general work experience in the field they are assigned to inspect. Training in safety
2 principles, codes, and standards may be substituted for work experience up to a
3 maximum of three years.

4 * Sec. 26. AS 18.60.096 is amended to read:

5 **Sec. 18.60.096. Imminent dangers.** (a) The director of the division of
6 safetv inspections [COMMISSIONER], or a designated agent as authorized by the
7 director [COMMISS' NER], may issue orders restraining a particular condition or
8 practice in any place of employment that constitutes a danger that could reasonably be
9 expected to immediately cause death or serious physical harm. The terms of an order
10 issued under this section may require steps to be taken as necessary to avoid, correct,
11 or remove the imminent danger and may prohibit the employment or presence of an
12 individual in locations or under conditions where imminent danger exists. The terms
13 of the order may allow the presence of individuals necessary to avoid, correct, or
14 remove the imminent danger.

15 (b) When and as soon as a representative of the division [DEPARTMENT]
16 concludes that conditions or practices described in (a) of this section exist in any place
17 of employment, the representative shall inform the affected employees and employer
18 of the danger and that the representative is recommending to the director of the
19 division of safetv inspections [COMMISSIONER], or a designated agent as authorized
20 by the director [COMMISSIONER], the issuance of a restraining order.

21 (c) The attorney general shall, when requested by the director of the division
22 of safetv inspections [COMMISSIONER], seek an injunction in superior court to
23 enforce a restraining order issued under this section.

24 (d) If the director of the division of safetv inspections [COMMISSIONER]
25 arbitrarily or capriciously fails to issue a restraining order under this section, an
26 employee who may be injured by reason of the failure, or the representative of the
27 affected employees, may bring an action against the director [COMMISSIONER] in
28 superior court to compel the director [COMMISSIONER] to issue a restraining order
29 and for further relief as may be appropriate.

30 * Sec. 27. AS 18.60.097 is amended to read:

31 **Sec. 18.60.097. Judicial review.** (a) A person affected by an order of the

1 OSHA Review Board under AS 18.60.093(c) or (e) or of the director of the division
2 of safety inspections [COMMISSIONER] under AS 18.60.096 may obtain a review
3 of the order by filing a notice of appeal in the superior court as provided in Rule 45
4 of the Alaska Rules of Appellate Procedure.

5 (b) The division of safety inspections [DEPARTMENT] may obtain review
6 of an order of the OSHA Review Board under AS 18.60.093(c) or (e) by filing a
7 notice of appeal in the superior court as provided in Rule 45 of the Alaska Rules of
8 Appellate Procedure.

9 (c) An order of the OSHA Review Board under AS 18.60.093(c) or (e) or of
10 the director of the division of safety inspections [COMMISSIONER] under
11 AS 18.60.096 becomes final and is not subject to review by any court if a notice of
12 appeal is not filed with the superior court within the period provided for by the Alaska
13 Rules of Appellate Procedure.

14 (d) An employer seeking judicial review of an order of the OSHA Review
15 Board or of the director of the division of safety inspections [COMMISSIONER]
16 must inform the affected employees of the fact that the employer is seeking judicial
17 review.

18 (e) The court shall review an order of the OSHA Review Board or of the
19 director of the division of safety inspections [COMMISSIONER] on a substantial-
20 evidence basis.

21 * Sec. 28. AS 18.60.180 is amended to read:

22 **Sec. 18.60.180. Regulations.** The division of safety inspections, Department
23 of Public Safety, [LABOR] shall formulate definitions and regulations for the safe and
24 proper construction, installation, repair, use, and operation of boilers and for the safe and
25 proper construction, installation, and repair of unfired pressure vessels. The definitions
26 and regulations must be based upon and shall follow the generally accepted nationwide
27 engineering standards, formulae, and practices established for boiler and unfired pressure
28 vessel construction and safety. The division [DEPARTMENT OF LABOR] may adopt
29 the existing published codification of these definitions and regulations, known as the
30 Boiler Construction Code of the American Society of Mechanical Engineers, and may
31 adopt the amendments and interpretations made and published by that society. The
32 division [DEPARTMENT OF LABOR] shall adopt amendments and interpretations to

1 the code immediately upon their adoption by the American Society of Mechanical
2 Engineers so that the definitions and regulations at all times follow generally accepted
3 nationwide engineering standards.

4 * Sec. 29. AS 18.60 is amended by adding a new section to article 3 to read:

5 **Sec. 18.60.399. Definition.** In AS 18.60.180 - 18.60.399, unless the context
6 otherwise requires, "division" means the division of safety inspections, Department of
7 Public Safety.

8 * Sec. 30. AS 18.60 is amended by adding a new section to article 4 to read:

9 **Sec. 18.60.465. Definition.** In AS 18.60.400 - 18.60.465, unless the context
10 otherwise requires, "division" means the division of safety inspections, Department of
11 Public Safety.

12 * Sec. 31. AS 18.60.580 is amended to read:

13 **Sec. 18.60.580. Minimum electrical standards.** After the American National
14 Standards Institute approves a new, published edition of the National Electrical Code or
15 a new, published edition of the National Electrical Safety Code, the division of safety
16 inspections, Department of Public Safety, [LABOR] may, by regulation, adopt the most
17 recent codes to constitute the minimum electrical safety standards of the state.

18 * Sec. 32. AS 18.60.660 is amended by adding a new paragraph to read:

19 (5) "division" means the division of safety inspections, Department of
20 Public Safety.

21 * Sec. 33. AS 18.60.740(4) is amended to read:

22 (4) "inspector" means a qualified inspector employed by, designated by,
23 or under contract to the division [DEPARTMENT OF LABOR].

24 * Sec. 34. AS 18.60.740 is amended by adding a new paragraph to read:

25 (5) "division" means the division of safety inspections, Department of
26 Public Safety.

27 * Sec. 35. AS 18.60 is amended by adding a new section to article 10 to read:

28 **Sec. 18.60.825. Definition.** In AS 18.60.800 - 18.60.825, "division" means
29 the division of safety inspections, Department of Public Safety.

30 * Sec. 36. AS 18.60.830(a) is amended to read:

31 (a) There is established in the division of safety inspections, Department of
32 Public Safety, [LABOR] the Alaska Safety Advisory Council.

1 * Sec. 37. AS 18.60.830(e) is amended to read:

2 (e) The council shall elect a chair [CHAIRPERSON] and a secretary from
3 among its members, each to serve for a term not to exceed two years. The
4 commissioner of public safety [LABOR] or the designee of the commissioner of
5 public safety [LABOR] shall serve as the executive secretary of the council.

6 * Sec. 38. AS 18.62 is amended by adding a new section to read:

7 **Sec. 18.62.090. Definition.** In this chapter, "department" means the
8 Department of Community and Economic Development.

9 * Sec. 39. AS 18.70.081 is amended to read:

10 **Sec. 18.70.081. Approval of fire protection systems.** Before October 30 of
11 each year the division of safety inspections, Department of Public Safety, shall
12 prepare and make available a list of approved fire protection systems to [THE
13 DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS,] the Department
14 of Community [COMMERCE] and Economic Development [,] and the public.

15 * Sec. 40. AS 23.05 is amended by adding a new section to read:

16 **Sec. 23.05.065. Fees for publications, research data, and other services.**
17 The commissioner may establish by regulation and the department may charge
18 reasonable fees for department publications, research data, and other centralized
19 administrative services to cover the cost of reproduction, printing, mailing, distribution,
20 and other centralized administrative services.

21 * Sec. 41. AS 23.05.360(a) is amended to read:

22 (a) There is established within the Department of Administration [LABOR] the
23 Alaska labor relations agency. The agency is made up [COMPRISED] of six members
24 appointed by the governor and confirmed by the legislature. The term of office of a
25 member is three years. Members serve staggered terms in accordance with
26 AS 39.05.055. A vacancy in an unexpired term shall be filled by appointment by the
27 governor for the remainder of the term. The agency must include two members with a
28 background in management, two members with a background in labor, and two members
29 from the general public. All members must have relevant experience in labor relations
30 matters.

31 * Sec. 42. AS 23.05.370(a) is amended to read:

32 (a) The agency shall

- 1 (1) establish its own rules of procedure;
- 2 (2) exercise general supervision and direct the activities of staff assigned
- 3 to it by the Department of Administration [DEPARTMENT];
- 4 (3) prepare and submit to the governor an annual report on labor
- 5 relations problems it has encountered during the previous year, including
- 6 recommendations for legislative action; the agency shall notify the legislature that the
- 7 report is available;
- 8 (4) serve as the labor relations agency under AS 23.40.070 - 23.40.260
- 9 (Public Employment Relations Act) and carry out the functions specified in that Act; and
- 10 (5) serve as the railroad labor relations agency for the Alaska Railroad
- 11 under AS 42.40 (Alaska Railroad Corporation Act) and carry out the functions specified
- 12 in that Act.

13 * Sec. 43. AS 23.10.075 is amended to read:

14 **Sec. 23.10.075. Labor standards and safety division.** There is established in

15 the department the division of labor standards and safety. The director of the division

16 is responsible to the commissioner. The director shall administer [AS 18.60.010 -

17 18.60.105 AND] AS 23.10.050 - 23.10.150.

18 * Sec. 44. AS 23.15.010 is amended to read:

19 **Sec. 23.15.010. Administration of vocational rehabilitation [BOARD OF**

20 **VOCATIONAL REHABILITATION].** The commissioner shall [BOARD OF

21 EDUCATION WHICH ADMINISTERS THE PROGRAM OF VOCATIONAL

22 EDUCATION IS DESIGNATED AS THE BOARD OF VOCATIONAL

23 REHABILITATION TO] administer the vocational rehabilitation program.

24 * Sec. 45. AS 23.15.020 is amended to read:

25 **Sec. 23.15.020. Powers and duties of commissioner [BOARD].** (a) The

26 commissioner [BOARD] may cooperate with a federal agency, as provided and

27 required by federal law for vocational rehabilitation.

28 (b) The commissioner [BOARD] shall comply with the federal laws and the

29 conditions necessary to secure the full benefit of the federal vocational rehabilitation

30 laws, and shall do all things necessary to entitle the state to receive the benefits of the

31 federal laws.

32 (c) The commissioner [BOARD] may do all the things and adopt the

1 regulations that are necessary to carry out the federal laws and the purposes of
2 AS 23.15.010 - 23.15.210.

3 * Sec. 46. AS 23.15.030 is amended to read:

4 **Sec. 23.15.030. Appointment of administrative officers.** The commissioner
5 [BOARD] may appoint administrative officers [,] and delegate to them the authority
6 necessary to carry out AS 23.15.010 - 23.15.210.

7 * Sec. 47. AS 23.15.040 is amended to read:

8 **Sec. 23.15.040. Division of vocational rehabilitation established.** The
9 division of vocational rehabilitation is established under the commissioner [BOARD
10 OF VOCATIONAL REHABILITATION] to carry out AS 23.15.010 - 23.15.210.

11 * Sec. 48. AS 23.15.050 is amended to read:

12 **Sec. 23.15.050. Director of vocational rehabilitation.** The commissioner
13 [BOARD] shall appoint a director of the division of vocational rehabilitation. The
14 director has the administrative authority delegated by the commissioner [BOARD] and
15 necessary to carry out AS 23.15.010 - 23.15.210 and the regulations and policies
16 adopted by the commissioner [BOARD].

17 * Sec. 49. AS 23.15.060(a) is amended to read:

18 (a) The commissioner [BOARD ACTING THROUGH THE DIVISION OF
19 VOCATIONAL REHABILITATION] may enter into necessary agreements on behalf
20 of the state with the Secretary of Health and Human Services to carry out the
21 provisions of the federal Social Security Act, as amended, and as it is subsequently
22 amended, relating to the making of determinations of disability under Title II and Title
23 XVI of that Act.

24 * Sec. 50. AS 23.15.160 is amended to read:

25 **Sec. 23.15.160. Gift's.** The commissioner [BOARD] may accept a gift or
26 donation from a public or a private source that is offered unconditionally for carrying
27 out AS 23.15.010 - 23.15.210. The commissioner [BOARD] may accept a conditional
28 gift if, in the judgment of the agency, the conditions are proper and consistent with
29 AS 23.15.010 - 23.15.210.

30 * Sec. 51. AS 23.15 is amended by adding new sections to read:

31 **Article 3A. Alaska Human Resource Investment Council.**

1 **Sec. 23.15.550. Alaska Human Resource Investment Council.** (a) The
2 Alaska Human Resource Investment Council is established in the department. The
3 council consists of the following voting members, not to exceed 26:

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

5 (2) the commissioners of community and economic development,
6 education and child development, health and social services, and labor and workforce
7 development, or each respective commissioner's designee;

8 (3) one representative from the University of Alaska;

9 (4) four additional representatives of education, with one from local
10 public education, one from secondary vocational education, one from a postsecondary
11 vocational education institution, and one from adult basic education;

12 (5) four representatives of business and industry, with at least one
13 representative from the private industry councils appointed under 29 U.S.C. 1512 and
14 subject to reconstitution under 29 U.S.C. 1515;

15 (6) four representatives of organized labor that the governor shall
16 appoint from lists of nominees submitted by recognized state labor organizations; the
17 governor may reject a list submitted under this paragraph and request that another list
18 be submitted;

19 (7) at least one representative from an organization representing
20 employment and training needs of Alaska Natives;

21 (8) at least one representative of a community based service
22 organization;

23 (9) at least one representative who has personal or professional
24 experience with developmental disabilities; and

25 (10) at least one and up to five additional members of the private sector
26 to ensure a private sector majority and regional and local representation on the council.

27 (b) Additional nonvoting members may be appointed to the council from
28 government or nongovernment entities.

29 (c) A member of the council under (a) of this section may appoint a designee
30 to serve in place of the member named in (a) of this section. The member shall
31 appoint the designee in writing.

1 **Sec. 23.15.555. Appointment and term of members.** (a) Members of the
2 Alaska Human Resource Investment Council other than those listed in
3 AS 23.15.550(a)(1) and (2) are appointed by the governor and serve at the pleasure of
4 the governor. The governor may appoint one person to fill two or more of the places
5 listed in AS 23.15.550(a) if the person is qualified in all of the areas the person
6 represents. A member appointed to fill more than one place under this subsection is
7 entitled to only one vote and may appoint only one designee to replace the member
8 in the event the member is unable to attend a meeting.

9 (b) The voting members of the council other than those listed in
10 AS 23.15.550(a)(1) and (2) serve for staggered four-year terms and may serve until a
11 successor is appointed. An appointment to fill a vacancy shall be made in the same
12 manner as the original appointment and for the balance of the unexpired term.

13 (c) The governor shall ensure that individuals appointed to the council have
14 sufficient expertise to effectively carry out the duties of the council. Expertise of the
15 council includes, where appropriate, knowledge of the long-term needs of individuals
16 preparing to enter the work force; the needs of local, state, and regional labor markets;
17 and the methods for evaluating the effectiveness of vocational training programs in
18 serving varying populations.

19 **Sec. 23.15.560. Compensation.** Members of the Alaska Human Resource
20 Investment Council listed in or appointed under AS 23.15.550(a), including a designee
21 of a member attending in place of the member, serve without compensation but are
22 entitled to per diem and travel expenses authorized by law for boards and commissions
23 under AS 39.20.180. Nonvoting members of the council appointed under
24 AS 23.15.550(b) serve without compensation and are not entitled to per diem and
25 travel expenses. A commissioner appointed under AS 23.15.550(a)(2) or the
26 commissioner's designee is entitled to per diem and travel expenses as a state
27 employee.

28 **Sec. 23.15.565. Officers.** The Alaska Human Resource Investment Council
29 shall elect a chair and a vice-chair from among the members listed in or appointed
30 under AS 23.15.550(a)(3). The chair and vice-chair serve in their positions at the
31 pleasure of the council.

1 **Sec. 23.15.570. Meetings, quorum, and committees.** (a) The Alaska Human
2 Resource Investment Council shall meet not more than three times in a calendar year
3 at the call of the chair to conduct its business. A majority of the members listed in
4 or appointed to the council under AS 23.15.550(a) constitutes a quorum.

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

- 12 (1) the assessment and evaluation committee;
- 13 (2) the policy and planning committee;
- 14 (3) the employment and placement committee; and
- 15 (4) the workforce readiness committee.

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

- 21 (1) report to the council in a timely fashion on actions taken on behalf
22 of the council; and
- 23 (2) supervise the affairs of the council between regular meetings of the
24 council.

25 (d) The assessment and evaluation committee shall

- 26 (1) assess and evaluate programs, initiatives, and the delivery of
27 services to help to ensure equitable distribution of quality education, training, and
28 employment services statewide, especially to rural areas and to programs serving
29 economically disadvantaged citizens;
- 30 (2) call for and monitor the workforce development system for
31 increased accountability in performance and continuous quality improvement along the

1 goals and strategies of the council's overall statewide strategic plan for workforce
2 development;

3 (3) use evaluation and performance measures to gauge customer
4 satisfaction within the workforce development system; and

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

6 (e) The policy and planning committee shall

7 (1) build policies regarding day-to-day operations and long-term
8 responsibilities of the council;

9 (2) work to increase awareness of the council and its mission
10 throughout the state;

11 (3) work with all other committees on a statewide strategic plan for
12 workforce development; and

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

14 (f) The employment and placement committee shall

15 (1) ensure the statewide strategic plan for workforce development
16 addresses

17 (A) customer needs at the local level;

18 (B) moving welfare recipients into the workforce;

19 (C) promoting the hiring of state residents in jobs that have
20 traditionally been filled by out-of-state workers;

21 (D) tailoring employment and training programs to suit state
22 business, industry, and economic development needs;

23 (2) monitor the coordination of service delivery to promote efficiency
24 and to prevent overlap of services among programs; and

25 (3) perform other duties assigned by the council.

26 (g) The workforce readiness committee shall

27 (1) provide oversight for training, education, and employment programs
28 to ensure the programs are delivering education and training that is relevant to local
29 market needs and the career goals of state residents;

30 (2) build partnerships between employers and quality workforce training
31 programs;

1 (3) work to connect the state public and private education systems with
2 business, government, and labor to ensure that state residents are receiving workforce
3 readiness skills throughout the education process; and

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

5 **Sec. 23.15.575. Council as state planning entity.** The Alaska Human
6 Resource Investment Council shall act as the lead state planning and coordinating
7 entity for state human resource programs administered under

8 (1) 29 U.S.C. 1501 - 1792b (Job Training Partnership Act);

9 (2) 20 U.S.C. 2301 - 2471 (Carl D. Perkins Vocational and Applied
10 Technology Education Act);

11 (3) 20 U.S.C. 1201 - 1213d (Adult Education Act);

12 (4) 29 U.S.C. 49 - 491-1 (Wagner - Peyser Act);

13 (5) 42 U.S.C. 681 - 687 (Job Opportunities and Basic Skills Training
14 Program) for needy families with children under the Social Security Act;

15 (6) the employment program established under 7 U.S.C. 2015(d)(4)
16 (Food Stamp Act of 1977);

17 (7) all federal programs designated as successors to the programs listed
18 in (1) - (6) of this section; and

19 (8) all state laws involving employment training, vocational education,
20 workforce development, and community service.

21 **Sec. 23.15.580. Functions of the council.** (a) As the lead state planning and
22 coordinating entity, the Alaska Human Resource Investment Council has responsibility,
23 to the extent authorized by federal and state law, for planning and coordinating federal,
24 state, and local efforts in human resource programs in this state related to employment
25 training, including the work activities of the Alaska temporary assistance program
26 under AS 47.27.

27 (b) The council shall

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

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

1 (3) review the provision of services and the use of money and resources
2 by the human resource programs listed in AS 23.15.575;

3 (4) assume the duties and functions of the state councils described
4 under the laws relating to the federal human resource programs listed in AS 23.15.575;

5 (5) advise the governor, state and local agencies, and the University of
6 Alaska on the development of state and local standards and measures relating to
7 applicable human resource programs;

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

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

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

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

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

24 (11) adopt regulations under AS 44.62 (Administrative Procedure Act)
25 to carry out the purposes of AS 23.15.550 - 23.15.585.

26 (c) The council may receive money designated for human resource programs
27 and may disburse money, including grants, to human resource projects in accordance
28 with AS 37.07 (Executive Budget Act). The council may enter into partnership
29 agreements through appropriate administrative agencies with private industry training
30 entities within the state in order to facilitate the coordination of training opportunities.

31 (d) The council shall provide oversight for the planning and coordination of

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

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

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

15 (3) provide to the Department of Labor and Workforce Development
16 the information required by the department for the preparation of the statistical
17 information necessary for the council to evaluate programs by the standards set out in
18 (e) of this section.

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

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

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

27 (3) the percent of former participants who were employed after leaving
28 the training program who received training under the program that was related to their
29 jobs or somewhat related to their jobs seven to 12 months after leaving the training
30 program;

31 (4) the percent of former participants of a training program who

1 indicate that they were satisfied with or somewhat satisfied with the overall quality of
2 the training program;

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

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

8 (1) in the Department of Labor and Workforce Development or
9 operated by the department:

10 (A) One Stop Career Center;

11 (B) Job Training Partnership Act programs under 29 U.S.C.
12 1501 - 1792b, assisting communities in moving toward a self-sustainable
13 economy and providing training;

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

19 (D) employment-related adult basic education;

20 (E) School-to-Work;

21 (F) employment training services operated as part of the Alaska
22 Temporary Assistance Program (ATAP);

23 (G) unemployment insurance grants provided under the federal
24 training relocation assistance program;

25 (H) Alaska works programs, assisting with the welfare-to-work
26 program;

27 (I) state training and employment program, coordinated with the
28 Department of Community and Economic Development;

29 (2) in the Department of Education and Child Development or operated
30 by the department, the non-public-school portions of the following programs:

31 (A) high school completion project;

- 1 (B) Kotzebue Technical Center;
2 (C) Alaska Vocational Technical Center;
3 (D) vocational education and Tech Prep;
4 (E) Alaska Career Information System.

5 (g) The council shall assess the programs listed in this subsection and make
6 recommendations to the legislature in its report required under (b)(9) of this section
7 about whether to include one or more of these programs under the requirements of (f)
8 of this section:

9 (1) in the Department of Community and Economic Development or
10 operated by the department:

11 (A) local government assistance training and development,
12 including the rural utility business advisory program;

13 (B) energy operations, providing training in management and
14 administration of electric utilities and bulk fuel storage systems;

15 (2) in the Department of Corrections:

16 (A) Correctional Academy, training individuals applying for a
17 correctional officer position;

18 (B) inmate programs, providing vocational technical training and
19 education courses for inmates preparing to be released from a correctional
20 facility;

21 (C) correctional industries program, providing inmates with jobs
22 while they are incarcerated;

23 (3) in the Department of Environmental Conservation:

24 (A) remote maintenance worker program, providing training and
25 technical assistance to communities to keep drinking water and sewage disposal
26 systems running, and providing on-the-job training to local operators;

27 (B) water and wastewater operator training and assistance;

28 (C) federal drinking water operator training and certification;

29 (4) in the Department of Military and Veterans' Affairs: educational
30 benefits for members of the Alaska National Guard and the Alaska Naval Militia;

31 (5) in the Department of Public Safety:

- 1 (A) fire service training to maintain emergency training skills
2 for existing fire fighter staff and volunteers and individuals interested in
3 becoming fire fighters;
- 4 (B) Public Safety Training Academy, training trooper recruits;
- 5 (6) in the Department of Transportation and Public Facilities:
- 6 (A) engineer-in-training program, providing on-the-job training
7 for apprentice engineers to enable them to gain the experience necessary to be
8 certified;
- 9 (B) statewide transportation improvement program, offered by
10 the United States National Highway Institute;
- 11 (C) local technical assistance program, transferring technical
12 expertise to local governments;
- 13 (D) Native technical assistance program, transferring technical
14 expertise to Native governments;
- 15 (E) border technology exchange program, to coordinate highway
16 issues with the Yukon Territory;
- 17 (7) in the Department of Labor and Workforce Development: vocational
18 rehabilitation client services and special work projects, employment services, including
19 job development, assisting individuals in finding employment, and assisting employed
20 individuals in finding other employment;
- 21 (8) in the Department of Administration: Alaska Professional
22 Development Institute, providing continuing education and training for employed
23 workers.
- 24 (h) The University of Alaska shall evaluate the performance of its training
25 programs using the standards set out in (e) of this section and shall provide a report
26 on the results to the council for inclusion in the council's annual report to the
27 legislature.
- 28 (i) The council shall review each program listed in (f) of this section to
29 determine whether it is in compliance with the standards set out in (d) and (e) of this
30 section. If the council finds that a program has failed to comply with the standards
31 set out in (d) and (e) of this section, it shall notify the program director of the failure.

1 If the program director fails to improve the performance of the program within a
2 reasonable time, the council shall notify the governor and the legislative budget and
3 audit committee that the program is out of compliance. A contract entered into by a
4 state agency relating to a training program set out in (f) of this section must contain
5 terms consistent with this section.

6 (j) A department that operates or contracts for a training program listed in (f)
7 of this section shall pay to the council a management assessment fee not to exceed .75
8 percent of the program's annual operating budget. The total amount received as
9 management assessment fees may not exceed the council's authorized budget for the
10 fiscal year. The council shall, by regulation, establish a method to determine annually
11 the amount of the management assessment fee. If the amount the council expects to
12 collect under this subsection exceeds the authorized budget of the council, the council
13 shall reduce the percentages set out in this subsection so that the total amount of the
14 fees collected approximately equals the authorized budget of the council for the fiscal
15 year. The council shall adopt regulations under AS 44.62 (Administrative Procedure
16 Act) necessary to administer this subsection.

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

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

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

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

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

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

30 **Sec. 23.15.585. Administration.** (a) The governor shall appoint the executive
31 director for the Alaska Human Resource Investment Council. The department shall

1 provide professional, technical, and administrative staff for the Alaska Human
2 Resource Investment Council.

3 (b) Subject to legislative appropriations, and in accordance with AS 37.07
4 (Executive Budget Act), the council's budget is funded from programs for which the
5 council is the lead state planning and coordinating entity under AS 23.15.575.

6 * Sec. 52. AS 23.15.645(b) is amended to read:

7 (b) When a grant is awarded to the council, the department shall annually
8 provide to the council a priority list of targeted projects or services, based on
9 unemployment statistics, unemployment insurance claims, occupational and industrial
10 projections, availability of other training and employment programs, and other relevant
11 data. The department shall also provide annually to the council a priority list of
12 criteria for eligibility to maximize services to those people most in need of training
13 under AS 23.15.620 - 23.15.660. In developing the priority list for targeted projects
14 and services, the department shall solicit comments from the [DEPARTMENT OF
15 COMMUNITY AND REGIONAL AFFAIRS,] Department of Education and Child
16 Development, the [,] Department of Community [COMMERCE] and Economic
17 Development, the University of Alaska, organized labor, the council, and the
18 administrative entities of the substate service delivery areas established for the council.
19 The department shall give preference to projects and services that train individuals in
20 industries identified in the resident hire report required under AS 36.10.130 as
21 employing a disproportionate percentage of nonresident individuals.

22 * Sec. 53. AS 23.15.660(1) is amended to read:

23 (1) "council" means the Alaska Human Resource Investment Council
24 established in AS 23.15.550 [AS 44.19.620];

25 * Sec. 54. AS 23.15 is amended by adding new sections to read:

26 **Article 6. Business Incentive Training Program.**

27 **Sec. 23.15.700. Business incentive training program established.** (a) There
28 is established in the department the business incentive training program. The incentive
29 program shall be administered as a supplement to the Job Training Partnership Act
30 (P.L. No. 97-300).

31 (b) The purpose of the incentive program is to encourage private industry to

1 provide new job opportunities by offering assistance in training the new work force
2 and in retraining existing employees to implement new technologies.

3 **Sec. 23.15.710. Administration.** (a) The Alaska Human Resource Investment
4 Council shall oversee the incentive program. The service delivery areas established
5 under 29 U.S.C. 1511 and subject to redesignation under 29 U.S.C. 1515 shall be used
6 in the administration of the incentive program. The private industry councils appointed
7 under 29 U.S.C. 1512 and subject to reconstitution under 29 U.S.C. 1515 shall serve
8 as the private industry councils for the incentive program.

9 (b) The council shall divide appropriations for the incentive program equally
10 among the private industry councils. If a private industry council lacks sufficient
11 money to fund a proposal, the private industry council may apply to the council for
12 additional funding. The council may approve reallocation of money from one service
13 delivery area to another to fund a particular proposal if it finds that the reallocation
14 will best serve the purposes of the program.

15 (c) The council shall adopt regulations under AS 44.62 (Administrative
16 Procedure Act) to implement AS 23.15.700 - 23.15.810.

17 **Sec. 23.15.720. Business incentive training plan.** (a) A private industry
18 council shall adopt a business incentive training plan for the service delivery area. The
19 plan must extend for two years to coincide with the term for the Job Training
20 Partnership Act (P.L. 97-300) and must contain

21 (1) identification of the entity or entities that will administer the
22 incentive program and be the grant recipient for grants from the state;

23 (2) a description of the services to be provided, including the estimated
24 duration of service and the estimated training cost per participant;

25 (3) procedures for identifying and selecting participants;

26 (4) performance goals established in accordance with standards under
27 AS 23.15.780;

28 (5) procedures for awarding grants to businesses; and

29 (6) the budget for two program years and any proposed expenditures
30 for the succeeding two program years in as much detail as required by the grant
31 administrator designated under AS 23.15.740.

1 (b) If changes in labor market conditions, funding, or other factors require
2 substantial deviation from an approved business incentive training plan, the private
3 industry council and the appropriate elected municipal official or officials shall submit
4 a modification of the plan and the budget for review under AS 23.15.730.

5 **Sec. 23.15.730. Review and approval of business incentive training plan.**

6 The business incentive training plan shall be published and made available for review
7 and comment as an attachment to the job training plan as set out in 29 U.S.C. 1515.
8 The business incentive training plan is subject to review and approval by the governor.

9 **Sec. 23.15.740. Business incentive training grants.** (a) Each private industry
10 council shall designate an administrative entity to be the grant recipient and
11 administrator for the region. An employer may apply to the grant administrator for a
12 business incentive grant if the employer is a private for-profit or nonprofit corporation,
13 partnership, or sole proprietor business. The grant administrator shall review
14 applications and award grants.

15 (b) Each grant administrator is responsible for the allocation of funds and the
16 eligibility of those enrolled in its programs. The grant administrator is responsible for
17 taking action against its subcontractors, subgrantees, and other recipients to eliminate
18 abuses in the programs they are carrying out, and to prevent misuse of funds. If the
19 arrangement is included in an approved job training plan, a grant administrator may
20 delegate the responsibility for determining eligibility under reasonable safeguards,
21 including provisions for reimbursement of costs incurred because of erroneous
22 determinations made with insufficient care.

23 (c) A business incentive training grant shall be used to recruit and train eligible
24 employees for newly created permanent or permanent seasonal positions or to enable
25 existing employees to acquire the skills necessary to qualify the employee to
26 implement new technologies. A business incentive training grant may be used for
27 occupations for which there is a demand in the area served or in another area to which
28 the participant is willing to relocate and for emerging technologies in the state. In
29 selecting recruiting and training programs, the private industry councils and the grant
30 administrators may consider whether the occupation in which recruiting or training is
31 sought is in a sector of the economy that has a high potential for sustained demand or

1 growth.

2 (d) Only individuals eligible under the business incentive training plan and
3 residing in the service delivery area may be participants in employment and training
4 activities funded under the business incentive training program. To be eligible for
5 training or education services under AS 23.15.700 - 23.15.810, immediately before
6 beginning training or education under the program a person shall

7 (1) have been unemployed and

8 (A) receiving unemployment insurance benefits; or

9 (B) have exhausted the right to unemployment insurance
10 benefits within the past three years;

11 (2) be liable to be displaced from work within the next six months
12 because of

13 (A) reductions in overall employment within the business;

14 (B) elimination of the person's current job; or

15 (C) a change in the conditions of the employee's job requiring
16 that, to remain employed, the employee must have substantially different skills
17 that the employee does not now possess; or

18 (3) have worked in a position covered by AS 23.20 at any time during
19 the last three years and be ineligible for unemployment insurance benefits because the
20 person

21 (A) was working in a seasonal, temporary, part-time, or other
22 marginal employment;

23 (B) has insufficient qualifying wages because of limited job
24 opportunities; or

25 (C) is employed, but, because the person is underemployed, the
26 person needs employment assistance and training to obtain full employment.

27 (e) Payments to employers for on-the-job training of participants who
28 experience multiple barriers to employment or are eligible under the Job Training
29 Partnership Act (P.L. 97-300) may not average more than 80 percent of the wages paid
30 by the employer to the participant. Payments to employers for on-the-job training of
31 other participants may not average more than 50 percent of the wages paid by the

1 employer to participants. The payments shall be considered to be in compensation for
2 the extraordinary costs associated with training employees for new positions and the
3 lower productivity of the participants.

4 (f) A grant made under the business incentive training program may not be
5 used to duplicate facilities or services available in the area from federal, state, or local
6 sources unless the business incentive training plan establishes that services or facilities
7 under the program would be more effective or more likely to achieve performance
8 goals.

9 (g) A fee may not be charged for placing an individual in or referring an
10 individual to a training program under AS 23.15.700 - 23.15.810.

11 (h) A business incentive training grant may not be awarded to a program that
12 involves political activities.

13 (i) An employer at whose request a participant is offered training shall fulfill
14 the obligation to offer a successful participant in the business incentive training
15 program a position or promotion, as applicable. A participant is considered successful
16 if the participant satisfactorily completes the training program in which the participant
17 was enrolled.

18 **Sec. 23.15.750. Compensation for participants.** (a) A trainee may not
19 receive a payment for training activities in which the trainee fails to participate.

20 (b) An individual in on-the-job training shall be compensated by the employer
21 at the same rates, including periodic increases, as similarly situated employees or
22 trainees and in accordance with applicable law. However, an individual may not be
23 paid less than the state minimum wage under AS 23.10.065 whether or not the
24 individual is exempt under AS 23.10.055 or 23.10.070.

25 (c) An individual employed in activities authorized under the business
26 incentive training program other than on-the-job training shall be paid wages that are
27 not less than the highest of

28 (1) the state minimum wage under AS 23.10.065;

29 (2) the prevailing rate of pay for individuals employed in similar
30 occupations by the same employer; or

31 (3) the prevailing rate of wages under AS 36.05 or 40 U.S.C. 276a -

1 276a-5, if applicable.

2 (d) Allowances, earnings, and payments to individuals participating in
3 programs under the business incentive training program may not be considered as
4 income in determining eligibility for and the amount of income transfer and in-kind
5 aid furnished under a state program based on need, other than programs under the
6 Social Security Act.

7 (e) Conditions of employment and training must be appropriate and reasonable
8 in light of factors including the type of work, geographical region, and proficiency of
9 the participant.

10 (f) An individual employed in a subsidized job under the business incentive
11 training program shall be provided benefits and working conditions at the same level
12 and to the same extent as other employees working a similar length of time and doing
13 the same type of work.

14 (g) Money from a grant under the business incentive training program may not
15 be used for contributions on behalf of a participant to retirement systems or plans.

16 **Sec. 23.15.760. Reporting and record keeping.** (a) A grant administrator
17 shall maintain records of each participant's enrollment in a business incentive training
18 program in sufficient detail to demonstrate compliance with AS 23.15.700 - 23.15.810.

19 (b) The council shall adopt regulations concerning retention of records.

20 (c) The council shall, no later than February 1 of each year, prepare a report
21 concerning the incentive program and notify the legislature that the report is available.

22 **Sec. 23.15.770. Allowable costs.** (a) To be allowable, a cost must be
23 necessary and reasonable for proper and efficient administration of the program. The
24 following costs are not allowable:

25 (1) costs resulting from violations of or failure to comply with federal,
26 state, or local laws and regulations;

27 (2) entertainment costs; and

28 (3) insurance policies offering protection against debts established by
29 the federal government.

30 (b) Personal liability insurance for members of the private industry council is
31 an allowable cost.

1 **Sec. 23.15.780. Performance standards.** (a) The basic measure of
2 performance for training programs under AS 23.15.700 - 23.15.810 is the increase in
3 jobs in the area and in employment and earnings for participants resulting from
4 participation in the program. In order to determine whether these standards are
5 achieved, the governor shall adopt standards based on appropriate factors.

6 (b) The governor shall provide technical assistance to programs that do not
7 meet performance criteria. If a program fails to meet performance standards for two
8 consecutive years, the governor shall withdraw unencumbered funds from the program.

9 (c) An interested party who is harmed by a change made under this section is
10 entitled to a hearing under AS 44.62 (Administrative Procedure Act).

11 **Sec. 23.15.790. Limitation on certain costs.** No more than 15 percent of the
12 money available to a service delivery area for a fiscal year may be expended for the
13 cost of administration. For purposes of this section, costs of program support,
14 including counseling, that are directly related to the provision of education or training
15 to participants may not be counted as part of the cost of administration.

16 **Sec. 23.15.800. Selection of service providers.** (a) The primary
17 consideration in selecting agencies or organizations to deliver services within a service
18 delivery area is the effectiveness of the agency or organization in delivering
19 comparable or related services based on demonstrated performance, in terms of the
20 likelihood of meeting performance goals, cost, quality of training, and characteristics
21 of participants. In complying with this subsection, proper consideration shall be given
22 to community based organizations as service providers.

23 (b) Appropriate education agencies in the service delivery area shall be given
24 the opportunity to provide educational services, unless the grant administrator
25 determines that alternative agencies or organizations would be more effective or would
26 have greater potential to enhance the participants' continued occupational and career
27 growth.

28 (c) The grant administrator may not fund an occupational skills training
29 program unless the level of skills provided in the program is in accordance with
30 guidelines established by the private industry council.

31 **Sec. 23.15.810. Definitions.** In AS 23.15.700 - 23.15.810,

- 1 (1) "council" means the Alaska Human Resource Investment Council;
2 (2) "incentive program" means the business incentive training program
3 established under AS 23.15.700;
4 (3) "participant" means an individual receiving education or training,
5 including on-the-job training, under an incentive program grant.

6 * Sec. 55. AS 23.20.110(a) is amended to read:

7 (a) Except as provided in (h) and (i) of this section, the department shall hold
8 information obtained from an employing unit or individual in the course of
9 administering this chapter and determinations as to the benefit rights of an individual
10 confidential and may not disclose them or open them to public inspection in a manner
11 that reveals the identity of the individual or employing unit. A claimant or an
12 employing unit, or the legal representative of the claimant or the employing unit, is
13 entitled to information from the records of the department to the extent necessary to
14 properly present or protest a claim or determination under this chapter. Subject to
15 restrictions that the department prescribes by regulation, the information may be made
16 available to an agency of this state or another state or federal agency charged with the
17 administration of an unemployment compensation law or the maintenance of a system
18 of public employment offices, or, for the purposes of the Federal Unemployment Tax
19 Act, to the Internal Revenue Service of the United States, or, for tax purposes, to the
20 Department of Revenue. Information obtained in the course of administering this
21 chapter or in connection with the administration of the employment service may be
22 made available to persons or agencies for purposes appropriate to the operation of a
23 public employment service or the administration of employment and training programs
24 planned or coordinated by the Alaska Human Resource Investment Council under
25 AS 23.15.550 - 23.15.585 [AS 44.19.620 - 44.19.627].

26 * Sec. 56. AS 25.27.244(s)(2) is amended to read:

27 (2) "license"

28 (A) means, except as provided in (B) of this paragraph, a
29 license, certificate, permit, registration, or other authorization that, at the time
30 of issuance, will be valid for more than 150 days and that may be acquired
31 from a state agency to perform an occupation, including the following:

- 1 (i) license relating to boxing or wrestling under
2 AS 05.10;
- 3 (ii) authorization to perform an occupation regulated
4 under AS 08;
- 5 (iii) teacher certificate under AS 14.20;
- 6 (iv) authorization under AS 18.08 to perform emergency
7 medical services;
- 8 (v) asbestos worker certification under AS 18.31;
- 9 (vi) boiler operator's license under AS 18.60.395;
- 10 (vii) certificate of fitness under AS 18.62;
- 11 (viii) hazardous painting certification under AS 18.63;
- 12 (ix) security guard license under AS 18.65.400 -
13 18.65.490;
- 14 (x) license relating to insurance under AS 21.27;
- 15 (xi) employment agency permit under AS 23.15.330 -
16 23.15.520;
- 17 (xii) registration as a broker-dealer, agent, or investment
18 adviser under AS 45.55.030;
- 19 (xiii) certification as a pesticide applicator under
20 AS 46.03.320;
- 21 (xiv) certification as a storage tank worker or contractor
22 under AS 46.03.375;
- 23 (xv) certification as a water and wastewater works
24 operator under AS 46.30; and
- 25 (xvi) commercial crewmember fishing license under
26 AS 16.05.480 other than an entry permit or interim-use permit under
27 AS 16.43;
- 28 (B) does not include
- 29 (i) a vessel license issued under AS 16.05.490 or
30 16.05.530;
- 31 (ii) a license issued under AS 14.37 or AS 47.35;

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- (iii) a business license issued under AS 43.70;
- (iv) an entry permit or interim-use permit issued under AS 16.43; or
- (v) a driver's license issued under AS 28.15;

* Sec. 57. AS 29.06.040(c) is amended to read:

(c) In addition to the regulations governing annexation by local action adopted under AS 44.33.812 [AS 44.47.567], the Local Boundary Commission shall establish procedures for annexation and detachment of territory by municipalities by local action. The procedures established under this subsection must include a provision that

(1) a proposed annexation and detachment must be approved by a majority of votes on the question cast by voters residing in the area proposed to be annexed or detached;

(2) municipally owned property adjoining the municipality may be annexed by ordinance without voter approval; and

(3) an area adjoining the municipality may be annexed by ordinance without an election if all property owners and voters in the area petition the governing body.

* Sec. 58. AS 29.60.599(9) is amended to read:

(9) "village" means a place within the unorganized borough or within a borough if the power, function, or service for which a grant application is submitted under AS 29.60.500 - 29.60.599 is not exercised or provided by the borough on an areawide or nonareawide basis at the time the grant application is submitted, that

(A) has irrevocably waived, in a form approved by the Department of Law, any claim of sovereign immunity that might arise in connection with the use of grant money under this chapter; and

(B) has

(i) a council organized under 25 U.S.C. 476 (sec. 16 of the Indian Reorganization Act);

(ii) a traditional village council recognized by the United States as eligible for federal aid to Indians; or

(iii) a council recognized by the commissioner under

1 regulations adopted by the department to determine and give official
2 recognition of village entities under AS 44.33.755(b) [AS 44.47.150(b)].

3 * Sec. 59. AS 29.6J.060(f) is amended to read:

4 (f) For purposes of determining the per capita entitlement under (a) of this
5 section, the population of a municipality shall be the population determined by the
6 former commissioner of community and regional affairs under former AS 43.18.010
7 for the program year beginning July 1, 1978, for a municipality whose entitlement was
8 determined under former AS 29.18.201 or 29.18.202.

9 * Sec. 60. AS 30.13.010(a) is amended to read:

10 (a) The residents of each area of the state within the boundaries of a regional
11 housing authority established under AS 18.55.996 that [WHICH] is located in whole
12 or in part in the unorganized borough of the state may create a public body corporate
13 and politic under the name and style of the "Resource Development Authority" with
14 all or any significant part of the name of the region of the state inserted. The
15 boundaries of the authority created shall be coterminous with the portion of the
16 applicable regional housing authority that lies in the unorganized borough. Creation
17 of an authority is initiated by a petition filed with the Department of Community and
18 Economic Development [REGIONAL AFFAIRS] and a statement submitted to the
19 governor. The petition must include the proposed name of the authority, its
20 boundaries, and a statement of the facilities proposed to be provided by the authority.
21 The petition must be signed by 15 percent of the total number of residents in the
22 portion of the applicable regional housing authority that lies in the unorganized
23 borough who cast votes in the preceding general election. The Department of
24 Community and Economic Development [REGIONAL AFFAIRS] shall review
25 petitions for content and signatures. If the department determines that the petition is
26 adequate, it shall transmit the petition to the director of elections.

27 * Sec. 61. AS 36.30.170(g) is amended to read:

28 (g) The division of vocational rehabilitation in the Department of Labor and
29 Workforce Development [EDUCATION] shall add to its current list of qualified
30 employment programs a list of individuals who qualify as persons with a disability
31 under (e) of this section and of persons who qualify under (f) of this section as

1 employers with 50 percent or more of their employees being persons with disabilities.
2 A person must be on this list at the time the bid is opened in order to qualify for a
3 preference under (e) or (f) of this section.

4 * Sec. 62. AS 36.30.850(b)(11) is amended to read:

5 (11) agreements with providers of services under AS 14.38.100
6 [AS 44.47.250]; AS 47.07; AS 47.08; AS 47.10; 47.17; AS 47.24; and AS 47.27,
7 including contractors under AS 47.27.050;

8 * Sec. 63. AS 36.30.850(b)(30) is amended to read:

9 (30) contracts entered into with a regional development organization;
10 in this paragraph, "regional development organization" has the meaning given in
11 AS 44.33.8 [AS 44.47.900];

12 * Sec. 64. AS 37.05.315(a) is amended to read:

13 (a) When an amount is appropriated or allocated as a grant to a municipality,
14 the Department of Community and Economic Development [ADMINISTRATION]
15 shall promptly notify the municipality of the availability of the grant. When the
16 Department of Community and Economic Development [ADMINISTRATION]
17 receives an agreement executed by the municipality that [WHICH] provides that the
18 municipality (1) will spend the grant for the purposes specified in the appropriation or
19 allocation; (2) will allow, on request, an audit by the state of the uses made of the
20 grant; and (3) assures that, to the extent consistent with the purpose of the
21 appropriation or allocation, the facilities and services provided with the grant will be
22 available for the use of the general public, the Department of Community and
23 Economic Development [ADMINISTRATION] shall pay the grant directly to the
24 municipality. The agreement executed by a municipality under this section shall be
25 on a form furnished by the Department of Community and Economic Development
26 [ADMINISTRATION] and shall be executed within 60 days after the effective date
27 of the appropriation or allocation.

28 * Sec. 65. AS 37.05.315(d) is amended to read:

29 (d) Not less than 20 percent of a grant shall be paid to a municipality within
30 10 days of the effective date of the agreement under (a) of this section. The remainder
31 of the grant shall be paid either in monthly installments equal to the amount of grant

1 money the municipality expended in the previous month or in a lump sum as
2 determined by the Department of Community and Economic Development
3 [ADMINISTRATION].

4 * Sec. 66. AS 37.06.010(j) is amended to read:

5 (j) In this section, unless specified otherwise, "department" means the
6 Department of Community and Economic Development [ADMINISTRATION].

7 * Sec. 67. AS 37.06.020(i) is amended to read:

8 (i) The limitations of AS 44.33.745 [AS 44.47.140] do not apply to a grant
9 made under this section.

10 * Sec. 68. AS 37.06.040 is amended to read:

11 **Sec. 37.06.040. Municipalities organized under federal law.** An entity
12 organized under federal law as an Indian reserve that existed before enactment of 43
13 U.S.C. 1618(a) and is continued in existence under that subsection is a municipality
14 for purposes of AS 37.06.010 - 37.06.090 and may not receive a grant under
15 AS 37.06.020. In addition to other eligibility requirements applicable to municipalities,
16 to qualify to receive a grant under AS 37.06.010, a municipality organized under
17 federal law as an Indian reserve shall form a community development corporation with
18 authority to determine how the grant money will be used. The corporation's charter
19 must require that the governing board of the corporation shall be elected at an annual
20 election open to all residents of the municipality who are registered and qualified to
21 vote in state elections. The Department of Community and Economic Development
22 [ADMINISTRATION] may distribute money for the municipality only to a corporation
23 organized in accordance with this section and only after the corporation has delivered
24 a written waiver of sovereign immunity from legal action by the state to recover all
25 or a portion of the money distributed under AS 37.06.010.

26 * Sec. 69. AS 37.06.080 is amended to read:

27 **Sec. 37.06.080. Adoption of regulations.** The Department of Community
28 and Economic Development [ADMINISTRATION FOR GRANTS UNDER
29 AS 37.06.010 AND THE DEPARTMENT OF COMMUNITY AND REGIONAL
30 AFFAIRS FOR GRANTS UNDER AS 37.06.020]

31 (1) may adopt regulations that impose additional requirements or

1 procedures to implement, interpret, make specific, or otherwise carry out the
2 [APPLICABLE] provisions of this chapter [FOR GRANTS ADMINISTERED BY
3 THE DEPARTMENT];

4 (2) shall adopt regulations providing for periodic audits of the use of
5 money for grants [ADMINISTERED BY THE DEPARTMENT] under this chapter,
6 including audit of the department's determination of the value of, and adequacy of the
7 verification of the actual use of, locally funded or contributed labor on projects funded
8 by a grant under this chapter.

9 * Sec. 70. AS 38.06.025(a) is amended to read:

10 (a) The board consists of the commissioner of community [COMMERCE] and
11 economic development; the commissioner of revenue [COMMUNITY AND
12 REGIONAL AFFAIRS]; the commissioner of natural resources, who is a nonvoting
13 member; and five public members.

14 * Sec. 71. AS 39.25.120(c)(15) is amended to read:

15 (15) [THE DEPUTY DIRECTOR OF THE DIVISION OF TOURISM
16 AND] the deputy director of the division of insurance in the Department of
17 Community [COMMERCE] and Economic Development;

18 * Sec. 72. AS 39.25.158(b) is amended to read:

19 (b) After an employee requests to return to work, the reemployment benefits
20 administrator of the division of workers' compensation or the director of vocational
21 rehabilitation in the Department of Labor and Workforce Development
22 [EDUCATION] shall review the request and certify that the employee is able to return
23 to work under (c), (d), (e), or (f) of this section, or defer certification until the
24 employee completes retraining under (f) of this section.

25 * Sec. 73. AS 39.50.200(b)(18) is amended to read:

26 (18) Local Boundary Commission (AS 44.33.810 [AS 44.47.565]):

27 * Sec. 74. AS 39.50.200(b)(55) is amended to read:

28 (55) Alaska Human Resource Investment Council (AS 23.15.550)
29 [(AS 44.19.620)].

30 * Sec. 75. AS 42.45.060(a) is amended to read:

31 (a) A loan committee consisting of five [SEVEN] members is established. The

1 committee is composed of [THE COMMISSIONER OF COMMUNITY AND
2 REGIONAL AFFAIRS,] the commissioner of community [COMMERCE] and
3 economic development, the director of management and budget, or the designees of
4 the commissioner [COMMISSIONERS] or the director, and three [FOUR] public
5 members.

6 * Sec. 76. AS 44.19.145(a) is amended to read:

7 (a) The office shall

8 (1) provide technical assistance to the governor and the legislature in
9 identifying long range goals and objectives for the state and its political subdivisions;

10 (2) prepare and maintain a state comprehensive development plan;

11 (3) provide information and assistance to state agencies to aid in
12 governmental coordination and unity in the preparation of agency plans and programs;

13 (4) review planning within state government as may be necessary for
14 receipt of federal, state, or other funds;

15 (5) participate with other countries, provinces, states, or subdivisions
16 of them in international or interstate planning, and assist the state's local governments.
17 governmental conferences, and councils in planning and coordinating their activities;

18 (6) encourage educational and research programs that further state
19 planning and development, and provide administrative and technical services for them;

20 (7) publish [SUCH] statistical information or other documentary
21 material that [AS] will further the provisions and intent of AS 44.19.141 - 44.19.152;

22 (8) assist the governor and the Department of Community and
23 Economic Development [REGIONAL AFFAIRS] in coordinating state agency
24 activities that have an effect on the solution of local and regional development
25 problems;

26 (9) serve as a clearinghouse for information, data, and other materials
27 that may be helpful or necessary to federal, state, or local governmental agencies in
28 discharging their respective responsibilities or in obtaining federal or state financial or
29 technical assistance;

30 (10) review all proposals for the location of capital improvements by
31 any state agency and advise and make recommendations concerning location of these

1 capital improvements;

2 (11) render, on behalf of the state, all federal consistency
3 determinations and certifications authorized by 16 U.S.C. 1456 (Sec. 307, Coastal Zone
4 Management Act of 1972), and each conclusive state consistency determination when
5 a project requires a permit, lease, or authorization from two or more state resource
6 agencies.

7 * Sec. 77. AS 44.19.155(a) is amended to read:

8 (a) There is created in the Office of the Governor the Alaska Coastal Policy
9 Council. The council consists of the following:

10 (1) nine public members appointed by the governor from a list
11 comprised of at least three names from each region, nominated by the municipalities
12 of each region; the nominees shall be the mayor or member of the assembly or council
13 of a municipality; one public member shall be appointed from each of the following
14 general regions:

15 (A) northwest Alaska, including, generally, the area of the North
16 Slope Borough and the Northwest Arctic borough [REGIONAL
17 EDUCATIONAL ATTENDANCE AREA];

18 (B) Bering Straits, including, generally, the area of the Bering
19 Straits regional educational attendance area;

20 (C) southwest Alaska, including, generally, the area within the
21 Lower Yukon, Lower Kuskokwim, and Southwest [, AND LAKE &
22 PENINSULA] regional educational attendance areas and the Lake and
23 Peninsula and Bristol Bay Boroughs [BOROUGH];

24 (D) Kodiak-Aleutians, including the area of the Kodiak Island
25 and Aleutian East Borough [BOROUGH] and the Aleutian, Adak and Pribilof
26 regional educational attendance areas;

27 (E) Upper Cook Inlet, including the Municipality of Anchorage
28 and the Matanuska-Susitna Borough;

29 (F) Lower Cook Inlet, including, generally, the area within the
30 Kenai Peninsula Borough;

31 (G) Prince William Sound, including, generally, the area east

1 of the Kenai Peninsula Borough to 141 W. longitude;

2 (H) northern Southeast Alaska, including the area southeast of
3 141 W. longitude and north of 57 N. latitude, including the entirety of the City
4 and Borough of Sitka; and

5 (I) southern Southeast Alaska, including that portion of
6 southeastern Alaska not contained within the area described in (H) of this
7 paragraph;

8 (2) each of the following:

9 (A) the director of the office of management and budget;

10 (B) the commissioner of community [COMMERCE] and
11 economic development;

12 (C) [THE COMMISSIONER OF COMMUNITY AND
13 REGIONAL AFFAIRS;

14 (D)] the commissioner of environmental conservation;

15 (D) [(E)] the commissioner of fish and game;

16 (E) [(F)] the commissioner of natural resources; and

17 (F) [(G)] the commissioner of transportation and public

18 facilities.

19 * Sec. 78. AS 44.19.155(d) is amended to read:

20 (d) Each member of the council shall select one person to serve as a
21 permanent alternate at meetings of the council. If a member of the council is unable
22 to attend, the member shall advise the alternate who may attend and act in the place
23 of the member. The alternate for a public member appointed under (a)(1) of this
24 section shall, at the time of the alternate's designation and throughout the period of
25 service as a permanent alternate, be the mayor or member of the assembly or council
26 of a municipality within the region from which the permanent member is appointed.
27 The alternate for the director of the office of management and budget, serving under
28 (a)(2)(A) of this section, shall be the director's designee within that office. The
29 alternate for a designated member serving under (a)(2)(B) - (F) [(a)(2)(B) - (G)] of this
30 section shall be a deputy commissioner of the department or the director of a division
31 in the department. The names of alternates shall be filed with the council.

1 * Sec. 79. AS 44.27.020 is amended to read:

2 **Sec. 44.27.020. Duties of department.** The Department of Education and
3 Child Development shall

4 (1) administer the state's program of education at the elementary,
5 secondary, and adult levels, including, but not limited to, programs of vocational
6 education and training, [VOCATIONAL REHABILITATION,] library services, and
7 correspondence courses [, AND ADULT BASIC EDUCATION], but not including
8 degree programs of postsecondary education;

9 (2) administer the historical library;

10 (3) plan, finance, and operate related school and educational activities
11 and facilities; and

12 (4) license and regulate child care facilities.

13 * Sec. 80. AS 44.31.020 is amended to read:

14 **Sec. 44.31.020. Duties of department.** The Department of Labor and
15 Workforce Development shall

16 (1) enforce the laws, and adopt regulations under them concerning
17 employer-employee relationships, including the [SAFETY,] hours of work, wages, and
18 conditions of workers, including children;

19 (2) accumulate, analyze, and report labor statistics;

20 (3) operate systems of workers' compensation and unemployment
21 insurance; and

22 (4) gather data reflecting the cost of living in the various election
23 districts of the state upon request of the director of personnel under AS 39.27.030; and

24 (5) operate the federally funded employment and training programs
25 under 29 U.S.C. 1501 - 1792 (Job Training Partnership Act);

26 (6) administer the state's program of adult basic education.

27 * Sec. 81. AS 44.33.010 is amended to read:

28 **Sec. 44.33.010. Commissioner of community [COMMERCE] and economic**
29 **development.** The principal executive officer of the Department of C mmunity
30 [COMMERCE] and Economic Development is the commissioner of community
31 [COMMERCE] and economic development. Whenever a statute provides that the

1 commissioner is a member of a board, council, or other similar entity, the
2 commissioner may designate an employee of the department to act in the
3 commissioner's place.

4 * Sec. 82. AS 44.33.020 is repealed and reenacted to read:

5 **Sec. 44.33.020. Duties of department.** The Department of Community and
6 Economic Development shall

- 7 (1) advise and assist local governments;
- 8 (2) advise the governor and other commissioners on the delivery of
9 government services to rural areas, including services relating to public safety, justice,
10 economic development, natural resource management, education, and public health;
- 11 (3) make recommendations to the governor and other commissioners
12 about policy changes that would affect rural governments and rural affairs;
- 13 (4) serve as staff for the Local Boundary Commission;
- 14 (5) conduct studies and carry out experimental and pilot projects for the
15 purpose of developing solutions to community and regional problems;
- 16 (6) promote cooperative solutions to problems affecting more than one
17 community or region, including joint service agreements, regional compacts, and other
18 forms of cooperation;
- 19 (7) serve as a clearinghouse for information useful in solution of
20 community and regional problems, and channel to the appropriate authority requests
21 for information and services;
- 22 (8) advise and assist community and regional governments on matters
23 of finance, including but not limited to bond marketing and procurement of federal
24 funds;
- 25 (9) prepare suggested guidelines relating to the content of notice of
26 bond sale advertisements, prospectuses, and other bonding matters issued by local
27 governments;
- 28 (10) administer state funds appropriated for the benefit of unorganized
29 regions within the state, allowing for maximum participation by local advisory councils
30 and similar bodies;
- 31 (11) as assigned through a delegation by the governor, administer and

1 implement the state's role in the federal community development quota program
2 established under 16 U.S.C. 1855(i) or a successor federal program; the department
3 may adopt regulations under a delegation from the governor to implement duties under
4 this paragraph;

5 (12) carry out those administrative functions in the unorganized
6 borough that the legislature may prescribe;

7 (13) study existing and proposed laws and state activities that affect
8 community and regional affairs and submit to the governor recommended changes in
9 those laws and activities;

10 (14) coordinate activities of the state that affect community and
11 regional affairs;

12 (15) assist in the development of new communities and serve as the
13 agent of the state for purposes of participation in federal programs relating to new
14 communities;

15 (16) supervise planning, management, and other activities required for
16 local eligibility for financial aid under those federal and state programs that provide
17 assistance to community and regional governments;

18 (17) advise and assist municipalities on procedures of assessment,
19 valuation, and taxation, and notify municipalities of major errors in those procedures;

20 (18) apply for, receive, and use funds from federal and other sources,
21 public or private, for use in carrying out the powers and duties of the department;

22 (19) request and utilize the resources of other agencies of state
23 government in carrying out the purposes of this chapter to the extent such utilization
24 is more efficient than maintaining departmental staff, reimbursing the other agencies
25 when appropriate;

26 (20) carry out the powers and duties assigned it under AS 42.45;

27 (21) administer state and, as appropriate, federal programs for revenue
28 sharing, grants, and other forms of financial assistance to community and regional
29 governments;

30 (22) administer the state programs relating to commerce, enforce the
31 laws relating to these programs, and adopt regulations under these laws;