

ALASKA LEGISLATURE

2392

HOUSE and SENATE FINANCE COMMITTEE FILES,

2001 - 2002

1 Petroleum Reserve - Alaska impact program.

2 * **Sec. 19.** RURAL ELECTRIFICATION REVOLVING LOAN FUND. Notwithstanding
3 AS 42.45.020(g), the balance of the rural electrification revolving loan fund (AS 42.45.020)
4 on June 30, 2002, is appropriated to the Department of Community and Economic
5 Development for the electrical emergencies program.

6 * **Sec. 20.** TRANS-ALASKA PIPELINE LIABILITY FUND. The state's rebate share of
7 the federal Trans-Alaska Pipeline Liability Fund, estimated to be \$2.150.000, and all
8 investment earnings on this amount while in the custody of the state are appropriated to the
9 Alaska Energy Authority for petroleum remediation at Alaska bulk fuel facilities in
10 accordance with federal law (P.L. 101-380, sec. 8102(a)(2)(B)(i)), which requires that the
11 rebate be used for the remediation of above-ground storage tanks.

12 * **Sec. 21.** CONSTITUTIONAL BUDGET RESERVE FUND. (a) Deposits in the budget
13 reserve fund (art. IX, sec. 17, Constitution of the State of Alaska) for fiscal year 2002 that
14 were made from subfunds and accounts other than the operating general fund (state
15 accounting system fund number 11100) by operation of art. IX, sec. 17(d), Constitution of the
16 State of Alaska, to repay appropriations from the budget reserve fund are appropriated from
17 the budget reserve fund to the subfunds and accounts from which they were transferred

18 (b) If the unrestricted state revenue available for appropriation in fiscal year 2003 is
19 insufficient to cover the general fund appropriations made for fiscal year 2003, the amount
20 necessary to balance revenue and general fund appropriations is appropriated to the general
21 fund from the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska)

22 (c) The appropriations in (a) and (b) of this section are made under art. IX, sec. 17(e),
23 Constitution of the State of Alaska.

24 * **Sec. 22.** LAPSE PROVISIONS. (a) The appropriations made by secs. 4, 5, 7, and 15(1)
25 of this Act are for capitalization of funds and do not lapse.

26 (b) The appropriations made by secs. 10, 11(a), 11(b), 12, 13, 15(2), 18, 19, and 20 of
27 this Act are for capital projects and lapse under AS 37.25.020.

28 (c) The appropriation made by sec. 17 of this Act lapses June 30, 2004.

29 * **Sec. 23.** Section 9 of this Act takes effect January 1, 2003.

30 * **Sec. 24.** Sections 11(c) and 13 of this Act take effect immediately under AS 01.10.070(c)

31 * **Sec. 25.** Except as provided in secs. 23 and 24 of this Act, this Act takes effect July 1.

1 2002.

AMENDMENTS

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education & Early Development
State of Alaska

AMENDMENTS

Senate Finance Committee
CAPITAL BUDGET
AMENDMENTS

AMEND #	SPONSOR	TOPIC	MOVED	OBJECT	AMEND	VOTE	ADOPT
Community & Regional Affairs							
CAED #1	Green	Talkeena Ambulance	Green	none			✓
CAED #2	Kelly	Anchorage School District	Green	none			✓
CAED #3	Hoffman & Olson	Rural Power Systems	Olson	Kelly		2-5-2 * (Olson, Hoffman)	
CAED #4	Hoffman & Olson	Diesel Efficiency	Olson	Kelly		2-5-2 * (O, H)	
CAED #5	Hoffman & Olson	Grants to Municipalities	Olson	Kelly		2-6-1 (O, H)	
CAED #6	Olson	Shishmaref	Olson	Kelly		2-6-1 (O, H)	
Corrections							
COR #1	Hoffman & Olson	Community Jails	Hoffman	Green		2-6-1 (O, H)	
Education & Early Development							
E&ED #1	Hoffman	UAF Elitnaurviat Learning Center		NOT OFFERED			
E&ED #2	Hoffman & Olson	State Museum		NOT OFFERED			
E&ED #3	Wilken	Delta	Wilken	Kelly		1-7-1 (Wilken)	
Transportation & Public Facilities							
DOT #1	Hoffman & Olson	Juneau-East Lynn Canal	Hoffman	Ward		2-6-1 (O, H)	
DOT #2	Olson & Hoffman	Rural Dust Control	Olson	Green & Kelly		2-6-1 (O, H)	
University of Alaska							
UNV #1	Kelly	UAF-W.Ridge Research UAA-Biomedical Facility	Wilken	none			✓
Legislature							
LEG #1	Hoffman	Veterans' Homes & Welfare Studies	Hoffman	Green		2-6-1 (O, H)	
Sen. Lemay excused from meeting							
X	* Sen. Ward absent during roll call						

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	C & ED #1		
Motion	adopt		
<u>Motion by</u>	Green		
<u>Objection by</u>	none		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Austerman			
Senator Green			
Senator Hoffman			
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u>	PASS		

C&ED#1

Amendment

TO: CSSB 247(FIN)

Offered By Senator Green

Page 6, Line 33

Delete:	City Of Talkeetna- Ambulance (ED 26-28)	100,000	100,000
Insert:	Matanuska Susitna Borough- Talkeetna Ambulance (ED 26-28)	100,000	100,000

Explanation: Talkeetna is not an incorporated city and cannot receive a municipal grant. The Matanuska Susitna Borough can receive the grant on behalf of Talkeetna.

SENATE FINANCE COMMITTEE
5/15/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	C& ED #2		
Motion	adpt		
<u>Motion by</u>	Green		
<u>Objection by</u>	—		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Green			
Senator Hoffman			
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Senator Austerman			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
MOTION	PASS		

Amendment

C+ED#2

Offered By:

Senator Kelly

TO: CSSB 247(FIN)

Page 10, line 25:

Delete: Anchorage School District/

Page 11, line 4:

Delete: Anchorage School District/

Page 11, line 29:

Delete: Anchorage School District/

This is a technical amendment to correct the appropriate recipient for these grants. This amendment was requested by the Municipality of Anchorage.

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	C&ED #3		
Motion	adopt		
<u>Motion by</u>	Olson		
<u>Objection by</u>	Kelly		
<u>Removed</u>	J		
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Hoffman	✓		
Senator Leman	—	—	
Senator Olson	✓		
Senator Ward	—	—	
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	5		
Absent	2		
<u>MOTION</u>	PAS FAIL		

C&ED#3

AMENDMENT

OFFERED IN THE SENATE FINANCE COMMITTEE

BY SENATOR Hoffman, Olson

To CS SB 247 (Fin)

ADD:

Department of Community & Economic Development

Rural Power Systems Upgrade (ED99)

1003 General Fund Match \$500,000

DESCRIPTION:

State match for federal funding of capital improvements and new electric power systems in rural Alaska. Where required, lack of state matching funds will prevent the federal contribution.

The electric utility systems are part of the basic infrastructure of rural communities. The power plant and distribution systems in most rural communities do not meet accepted utility standards for safety, reliability, and environmental protection. Due to high costs and limited economies of scale, most local communities cannot make the capital investments needed to meet the accepted utility standards.

AEA gives priority to electric utility systems that are in the worst condition. AEA has built a detailed database of electric utility conditions and characteristics. Deficiencies of each utility have been scored with respect to generating equipment, distribution systems, powerhouse structures, and other major physical components. Rural systems are then ranked according to the level of these deficiencies.

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	C&ED #4		
Motion	adopt		
<u>Motion by</u>	Olson		
<u>Objection by</u>	Kelly		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Leman	EXCUSED		
Senator Olson	✓		
Senator Ward	—	—	
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	5		
Absent	2		
<u>MOTION</u>	FAIL		

AMENDMENT

C#ED#4

OFFERED IN THE SENATE FINANCE COMMITTEE

BY SENATOR Hoffman, Olson

To CS SB 247 (Fin)

ADD:

Department of Community & Economic Development

Diesel Efficiency and Alternative Energy Program (ED99)

1003 General Fund Match \$500,000

DESCRIPTION:

This appropriation is requested for state match for federal funding of alternative energy projects (Fuel Efficiency Improvements, Conservation, Wind, Biomass).

The diesel efficiency and alternative energy program seeks to lower the cost of power and heat by developing alternatives to diesel-based energy systems as well as enhancements to diesel-based technology. Most of the program focus is in rural areas where average energy costs are highest and cost reduction alternatives are most needed.

SENATE FINANCE COMMITTEE
5 / 5 / 2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	C&ED #5		
Motion	adopt		
<u>Motion by</u>	Olson		
<u>Objection by</u>	Kelly		
<u>Removed</u>	J		
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Olson	✓		
Senator Ward		✓	
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Senator Leman	EXCUSED		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	6		
Absent	1		
<u>MOTION</u>	FAIL		

A M E N D M E N T

C#ED#5

OFFERED IN SENATE FINANCE
TO: CSSB 247 (FIN)

BY: Senators Hoffman, Olson

Department of Community and
Economic Development
Grants to Municipalities

Page 16, lines 15-17 DELETE

[Girdwood Road Service Area - [70,000] GF
Road and Drainage System
Rehabilitation (ed 10-25);

*This project is already funded in the Municipal Capital Matching Grants
Program for Anchorage in the full amount requested. See page 65, lines 23-26.*

ADD

Community & Economic Development
Municipal Capital Matching Grants
City of Cordova - 34,500 GF
Tsunami Warning System

*Cordova sits in the center of one of the most active earthquake zones in the world.
A tsunami warning system would provide early warning not only to immediate
residents, but residents who are difficult to contact.*

ADD

Community & Economic Development
Unincorporated Capital Matching Grants
Native Village of Tanacross - 17,584 GF
Old Tanacross Village Cemetery
Dike and Repairs

*Old Tanacross Cemetery is located on what has become an island due to changes
in the course of the river over a number of years. Every spring and summer the cemetery
is flooded. Approximately 35 graves are located within this cemetery and are in danger
of being washed away.*

SENATE FINANCE COMMITTEE
SB/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	C&E I #6		
Motion	adopt		
<u>Motion by</u>	Olson		
<u>Objection by</u>	Kelly		
<u>Removed</u>	J		
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Senator Leman	EXCUSED		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	6		
Absent	1		
<u>MOTION</u>	FAIL		

C&ED #6

AMENDMENT

OFFERED IN SENATE FINANCE COMMITTEE
TO: CS SB 247 (FIN), version O

By Olson

Page 6, line30. Under Department of Community and Economic Development, Grants to Municipalities, insert:

	Appropriation Items	General Funds
City of Shishmaref- Erosion Control	3,000,000	3,000,000

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	COR #1		
Motion	adopt		
<u>Motion by</u>	Hoffman		
<u>Objection by</u>	Green		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	Vote	N
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Senator Leman	EXCUSED		
Senator Olson	✓		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	0		
Absent	1		
<u>MOTION</u>	FAIU		

COR#1

AMENDMENT

Offered in Senate Finance
To: CS SB 247(FIN)

Offered By: Senator Hoffman, Olson

ADD

Department of Corrections

Project Title: Community Jails Safety, Security Renovations and Equipment

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$100,000

Explanation:

This project funds the purchase of security equipment, health and life safety equipment, and structural repairs at local jail facilities that are in partnership with the State to provide up to 55,845 man-days of incarceration of state prisoners. These funds address critical day-to-day repairs of health and life safety issues and equipment needs for the occupants of these facilities, offenders and staff.

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	E&E D #1		
Motion	adopt		
<u>Motion by</u>			
<u>Objection by</u>			
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Wilken			
Senator Austerman			
Senator Green			
Senator Hoffman			
Senator Leman	EXCUSED		
Senator Olson			
Senator Ward			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u> NOT			

OFFERED

E4ED#1

Amendment

to CSSB 247 (FIN)

Offered By: Senator Hoffman

ADD

Department: Education and Early Development

Project: Yuut Elitnaurviat People's Learning Center –
Phase 1 Construction

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$900,000

DESCRIPTION

This amendment will provide state support for construction of a vocational training center to serve the Yukon-Kuskokwim Delta Region. The center will meet both academic and industry standards in the area's most in-demand industries. Numerous partners will combine resources to provide a comprehensive program and include:

Association of Village Council Presidents, Inc.
Association of Village Council Presidents, Regional Housing Authority
Bethel Native Corporation
City of Bethel
Coastal Villages Region Fund
Lower Kuskokwim School District
University of Alaska Fairbanks, Kuskokwim Campus
Yukon Kuskokwim Health Corporation
Alaska National Guard

During Phase I, these partners will cover \$3.3 million of the \$12.2 million construction cost. The USDA-Rural Development has set aside another \$3 million and an earmark for \$1 million is in the Department of the Interior federal budget. This amendment for \$900,000 in state funds will help leverage the remaining \$4 million from other sources.

SENATE FINANCE COMMITTEE
515 / 2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	E&ED #2		
Motion	adopt		
<u>Motion by</u>			
<u>Objection by</u>			
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Austerman			
Senator Green			
Senator Hoffman			
Senator Leman	EXCUSED		
Senator Olson			
Senator Ward			
Senator Wilken			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u>			

NOT
OFFERED

E+ED#2

Amendment

to CSSB 247 (FIN)

Offered By: Senator Hoffman, Olson

ADD

Department: Education and Early Development

Project: State Museum Land Purchase

<u>Fund Source</u>	<u>Amount</u>
General Fund	\$1,450,000

DESCRIPTION

This amendment adds funding for land acquisition and expansion planning at the Alaska State Museum described in AS 14.57.010. The parcel adjacent to the State Museum is currently for sale and is the only land available for expansion. Expanding the existing facility will prove far more cost effective in the long run than replacing the museum if the adjacent parcel ceases to be available.

The artifacts of Alaska history, from time immemorial through Benny Benson's original flag design to the modern day are housed in cramped and sometimes temporary facilities not adequate for historic preservation.

One of the two general obligation bond bills currently in the legislature includes \$5,000,000 for the Anchorage Museum. State funds have been provided in recent years to expand the University museum in Fairbanks. This is a critical and time limited opportunity to support the State's own museum and archives.

This project was originally part of SB261, the Governor's proposed bill for certificates of participation for deferred maintenance and replacement of state facilities.

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	E&ED #3		
Motion	adopt		
<u>Motion by</u>	Wilken		
<u>Objection by</u>	Kelly		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Wilken	✓		
Senator Austerman			✓
Senator Green			✓
Senator Hoffman			✓
Senator Leman	EXCUSED		
Senator Olson			✓
Senator Ward			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	1		
Nay	7		
Absent	1		
MOTION	FAIL		

E + ED #3

SENATE FINANCE COMMITTEE

AMENDMENT No. _____

By WILKEN

To: Pg 21 LINE 7-9 SENATE BILL No. 247

To: ~~Pg 21 LINE 10-12~~ SENATE BILL No. ~~247~~

DELETE ALL.

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	DOT #1		
Motion	adopt		
<u>Motion by</u>	Hoffman		
<u>Objection by</u>	Ward		
Removed			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	Vote	N
Senator Green			✓
Senator Hoffman	✓		
Senator Leman	EXCUSED		
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	0		
Absent	1		
MOTION	FAIL		

AMENDMENT

DOT #1

OFFERED IN SENATE FINANCE

BY: Senators Hoffman, Olson

TO: CSSB 247 (FIN)

Department of Transportation

Page 56, Line 14

ADD

Juneau: East Lynn Canal Access EIS

Allocations:

2,300,000

Renumber Accordingly

DESCRIPTION:

A significant investment has been made in assessing the environmental impacts of a Lynn Canal/Juneau Road Access project. The study, however, remains incomplete. In recent years the integrity of the study has been maintained through limited monitoring and data collection. These funds would allow completion of the study.

SENATE FINANCE COMMITTEE
5/15/2002 COMMITTEE ACTION

Bill Number	SB 247	
Amendment	DOT #2	
Motion	adopt	
<u>Motion by</u>	Olson	
<u>Objection by</u>	Green & Kelly	
<u>Removed</u>		
<u>Second Objection by</u>		
<u>Committee Member</u>	Y	Vote N
Senator Hoffman	✓	
Senator Leman	EXCUSED	
Senator Olson	✓	
Senator Ward		✓
Senator Wilken		✓
Senator Austerman		✓
Senator Green		✓
Co-Chair Donley		✓
Co-Chair Kelly		✓
<u>Tally</u>		
Yea	2	
Nay	6	
Absent	1	
MOTION	FAIL	

DOT # 2

AMENDMENT

OFFERED IN SENATE FINANCE COMMITTEE
TO: CS SB 247 (FIN), version O

By Olson and Hoffman

Page 59, line 21: Delete "850,000"

Insert "2,000,000"

SENATE FINANCE COMMITTEE
5/5/2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	LEG #1		
Motion	adopt		
<u>Motion by</u>	Hoffman		
<u>Objection by</u>	Green		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	<u>Y</u>	<u>Vote</u>	<u>N</u>
Senator Leman	EXCUSED		
Senator Olson	✓		
Senator Ward			✓
Senator Wilken			✓
Senator Austerman			✓
Senator Green			✓
Senator Hoffman	✓		
Co-Chair Donley			✓
Co-Chair Kelly			✓
<u>Tally</u>			
Yea	2		
Nay	6		
Absent	1		
<u>MOTION</u>	FAIL		

A M E N D M E N T

LEG #1

TO: CSSB 247 (Fin) Work Draft 5/4/02

BY: Hoffman

Section 16

Page 93, line 18

Delete: "Legislative Budget and Audit"

Insert: "Department of Administration"

Page 93, line 19

Delete: "Legislative Budget and Audit Committee"

Insert: "Department of Administration"

Page 93, line 20

Delete: "stand-alone"

Section 17

Page 93, line 23

Delete: "Legislative Council"

Insert: "Department of Health and Social Services"

Page 93, line 24

Delete: "Legislative Council"

Insert: "Department of Health and Social Services"

It might be more appropriate to have the Department of Administration conduct a feasibility study of veterans' home than the Legislature. The same logic would also apply for the Department of Health and Social Services to conduct a study of how and why people become recipients of welfare and Medicaid services than having the Legislature contract for these services.

SENATE FINANCE COMMITTEE
5/5 / 2002 COMMITTEE ACTION

Bill Number	SB 247		
Amendment	UNKI #1		
Motion	adopt		
<u>Motion by</u>	Wilken		
<u>Objection by</u>	none		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	Vote	N
Senator Austerman			
Senator Green			
Senator Hoffman			
Senator Leman			
Senator Olson			
Senator Ward			
Senator Wilken			
Co-Chair Donley			
Co-Chair Kelly			
<u>Tally</u>			
Yea			
Nay			
Absent			
<u>MOTION</u>	PASSES		



UNIVERSITY
of ALASKA
Many Traditions One Alaska

By: UNV#1
Senator Kelly

May 5, 2002

To: Bryan Butcher

From: Pat Pitney

Re: SB247 Technical Change

The following change is requested to accommodate the necessary utilization of the UA NGF receipt authority.

Current - Page 64	Other Funds	
Line 5 Small Project Development and Construction	6,000.0	(\$4m Univ R,\$2 Fed)
Line 7 Statewide Construction Planning	6,000.0	(\$4m Univ R,\$2 Fed)

Change Request - Page 64	Other Funds	
Line 5 Small Project Development and Construction	8,000.0	(\$4m Univ R,\$4 Fed)
Line 7 Statewide Construction Planning	4,000.0	(\$4m Univ P)

Both federal receipt authority requests are associated with construction projects, UAF West Ridge Research Addition and UAA Biomedical Facility Addition. Having the total federal receipt authority associated with Small Project Development and Construction is more consistent with the projects.

Thank you for your assistance.

SB

252

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 7
 Bill Version: CSSB 252(L&C)
 (S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Employment and Training Program/Board BRU: Employment Security
 Component: Job Training Programs
 Sponsor: Rules Committee
 Requester: Senate Finance Component Number: 2556

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	418.6	418.6				
Travel	20.0	20.0				
Contractual	568.1	568.1				
Supplies	5.5	5.5				
Equipment	21.0	21.0				
Land & Structures						
Grants & Claims	3,752.0	3,752.0				
Miscellaneous						
TOTAL OPERATING	4,785.2	4,785.2	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (1054)	4,785.2	4,785.2				
------------------------------------	----------------	----------------	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	4,785.2	4,785.2				
TOTAL	4,785.2	4,785.2	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal: X

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and change the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
 Division: Employment Security Division Date/Time: 5/1/02 8:44 AM
 Approved by: Ed Flanagan, Commissioner Date: 05/01/02
 Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: CSSB 252(L&C)
 (S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Employment and Training Program/Board BRU: Employment Security
 Component: Job Training Programs
 Sponsor: Rules Committee
 Requester: Senate Finance Component Number: 2556

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	57.8	43.4				
Travel	11.5	8.0				
Contractual	16.4	7.1				
Supplies	3.0	0.5				
Equipment	2.5	0.0				
Land & Structures						
Grants & Claims	0.0	0.0				
Miscellaneous						
TOTAL OPERATING	91.2	59.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	35.0	35.0				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	91.2	59.0				
TOTAL	91.2	59.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	1	1				
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached.

Prepared by: Ronald Hull, Director Phone: 465-5933
 Division: Employment Security Division Date/Time: 5/1/02 8:45 AM
 Approved by: Ed Flanagan, Commissioner Date: 05/01/02
 Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. CSSB 252(L&C) #6

ANALYSIS: (continued)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and extends the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004. This CS also makes substantial changes to STEP and we are commenting on two sections of the CS that we believe will have the most fiscal impact. The Job Training Programs component already contains \$4,785.2 of the STEP expenditures and revenues in the proposed FY2003 Operating budget (Governor, Senate and House versions).

Section 12 requires the Department of Labor and Workforce Development (DOLW&D) to collect monies from participants, who received necessary tools, work related clothing, safety gear or other necessities to obtain employment. We would be required to establish collection procedures, track repayments and seek attachment of the individual's permanent fund dividend (PFD) check if repayment is not satisfied.

Based upon previous usage and demand, we estimate STEP collections from participants would not exceed 35.0 annually for up to 80 clients. We would need to establish a program recovery system as little capacity currently exists. Based upon prior experience in Unemployment Insurance collections, the levy of client's PFD check is a labor intensive manual paperwork process. We believe that the new collection monies would not offset the increased costs. We would require a new PFT position and we assume the following additional STEP administrative costs to the State. There may be additional subgrantees (i.e. Municipality of Anchorage) STEP administrative costs not shown below:

New PFT Employment Security Specialist IB Range 14A in Juneau 43.4
Required travel around Alaska to various client locations for small claims court appearances 10.0
Contractual RSA to the Dept. of Law for legal advice on collections 2.5
Required Contractual 7% indirect, 4.5% DP operations and 4% ESD management costs 6.7
Related supplies .5
Basic new equipment for position 2.5

Total annual FY2003 cost: 65.6 (reduced to 59.0 in FY2004)
Total annual revenues: 35.0
Total annual FY2003 net loss: <30.6> (reduced to <24.0> in FY2004)

We assume some of the FY2003 travel, contractual and equipment operating costs are startup costs and will be reduced by 10 percent in FY2004.

Section 48 requires the DOLW&D to prepare one-time additional information for an annual written STEP report to the Legislature due in January 2003. We assume that the new reporting would increase STEP administrative costs in FY2003 only by the following:

25% of an existing Employment Security Analyst II Range 17 A in Anchorage 14.4
Minor travel to Juneau 1.5
Contractual RSA to Research and Analysis for employer information 5.0
Required Contractual 7% indirect, 4.5% DP operations and 4% ESD management costs 2.2
Related supplies & copying 2.5

Total FY2003 annual cost: 25.6

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: CSSB 252(L&C)
 (S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Employment and Training Program/Board BRU: Employment Security
 Component: Unemployment Insurance
 Sponsor: Rules Committee
 Requester: Senate Finance Component Number: 2276

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel	4.0	4.0				
Contractual	115.0	115.0				
Supplies	3.0	3.0				
Equipment	3.0	3.0				
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	125.0	125.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	125.0	125.0				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	125.0	125.0				
TOTAL	125.0	125.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and extend the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
 Division: Employment Security Division Date/Time: 5/1/02 8:42 AM
 Approved by: Ed Flanagan, Commissioner Date: 05/01/02
 Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: CSSB 252(L&C)
(S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
Title: Employment and Training Program/Board BRU: Employment Security
Component: Employment Services
Sponsor: Rules Committee
Requester: Senate Finance Component Number: 2275

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	220.2	220.2				
Travel	5.0	5.0				
Contractual	29.3	29.3				
Supplies	0.8	0.8				
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	255.3	255.3	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	255.3	255.3				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	255.3	255.3				
TOTAL	255.3	255.3	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and extend the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
Division: Employment Security Division Date/Time: 5/1/02 8:43 AM
Approved by: Ed Flanagan, Commissioner Date: 05/01/02
Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

adopted

AMENDMENT ①

OFFERED IN THE HOUSE

TO: CSSB 252(RLS)

1 Page 28, following line 19:

2 Insert a new bill section to read:

3 **** Sec. 48.** The uncodified law of the State of Alaska enacted in sec. 1, ch. 102, SLA 2001
4 is amended to read:

5 Section 1. The uncodified law of the State of Alaska is amended by adding a
6 new section to read:

7 ALLOCATION OF APPROPRIATIONS FOR FISCAL
8 YEARS ENDING JUNE 30, 2002, AND JUNE, 2003. Notwithstanding
9 AS 23.15.840(a), for the fiscal years ending June 30, 2002, through June 30,
10 2006 [AND JUNE 30, 2003], the money collected under AS 23.15.835 or
11 otherwise appropriated to the Alaska Workforce Investment Board
12 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall be
13 allocated directly in the following percentages to the following institutions for
14 programs consistent with AS 23.15.820 - 23.15.850 and capital improvements:

15 University of Alaska	63 percent
16 Galena Project Education Vocational Training Center	4 percent
17 Kotzebue Technical Center	11 percent
18 Alaska Vocational Technical Center	22 percent."

19

20 Renumber the following bill sections accordingly.

21

22 Page 29, line 30:

23 Delete "sec. 56"

24 Insert "sec. 57"

1

2 Page 30, line 26:

3 Delete "Section 51(a)"

4 Insert "Section 52(a)"

5

6 Page 30, line 27:

7 Delete "secs. 54 and 55"

8 Insert "secs. 55 and 56"

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 7
Bill Version: CSSB 252(L&C)
(S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
Title: Employment and Training Program/Board BRU: Employment Security
Sponsor: Rules Committee Component: Job Training Programs
Requester: Senate Finance Component Number: 2556

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	418.6	418.6				
Travel	20.0	20.0				
Contractual	568.1	568.1				
Supplies	5.5	5.5				
Equipment	21.0	21.0				
Land & Structures						
Grants & Claims	3,752.0	3,752.0				
Miscellaneous						
TOTAL OPERATING	4,785.2	4,785.2	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	4,785.2	4,785.2				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	4,785.2	4,785.2				
TOTAL	4,785.2	4,785.2	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and change the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
Division: Employment Security Division Date/Time: 5/1/02 8:44 AM
Approved by: Ed Flanagan, Commissioner Date: 05/01/02
Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSSB 252(RLS)

- 1 Page 28, line 19:
- 2 Delete "2004"
- 3 Insert "2006"

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. CSSB 252(L&C) #6

ANALYSIS: (continued)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and extends the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004. This CS also makes substantial changes to STEP and we are commenting on two sections of the CS that we believe will have the most fiscal impact. The Job Training Programs component already contains \$4,785.2 of the STEP expenditures and revenues in the proposed FY2003 Operating budget (Governor, Senate and House versions).

Section 12 requires the Department of Labor and Workforce Development (DOLW&D) to collect monies from participants, who received necessary tools, work related clothing, safety gear or other necessities to obtain employment. We would be required to establish collection procedures, track repayments and seek attachment of the individual's permanent fund dividend (PFD) check if repayment is not satisfied.

Based upon previous usage and demand, we estimate STEP collections from participants would not exceed 35.0 annually for up to 80 clients. We would need to establish a program recovery system as little capacity currently exists. Based upon prior experience in Unemployment Insurance collections, the levy of client's PFD check is a labor intensive manual paperwork process. We believe that the new collection monies would not offset the increased costs. We would require a new PFT position and we assume the following additional STEP administrative costs to the State. There may be additional subgrantees (i.e. Municipality of Anchorage) STEP administrative costs not shown below:

New PFT Employment Security Specialist IB Range 14A in Juneau 43.4
Required travel around Alaska to various client locations for small claims court appearances 10.0
Contractual RSA to the Dept. of Law for legal advice on collections 2.5
Required Contractual 7% indirect, 4.5% DP operations and 4% ESD management costs 6.7
Related supplies .5
Basic new equipment for position 2.5

Total annual FY2003 cost: 65.6 (reduced to 59.0 in FY2004)
Total annual revenues: 35.0
Total annual FY2003 net loss: <30.6> (reduced to <24.0> in FY2004)

We assume some of the FY2003 travel, contractual and equipment operating costs are startup costs and will be reduced by 10 percent in FY2004.

Section 48 requires the DOLW&D to prepare one-time additional information for an annual written STEP report to the Legislature due in January 2003. We assume that the new reporting would increase STEP administrative costs in FY2003 only by the following:

25% of an existing Employment Security Analyst II Range 17 A in Anchorage 14.4
Minor travel to Juneau 1.5
Contractual RSA to Research and Analysis for employer information 5.0
Required Contractual 7% indirect, 4.5% DP operations and 4% ESD management costs 2.2
Related supplies & copying 2.5

Total FY2003 annual cost: 25.6

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: CSSB 252(L&C)
 (S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Employment and Training Program/Board BRU: Employment Security
 Component: Job Training Programs
 Sponsor: Rules Committee
 Requester: Senate Finance Component Number: 2556

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	57.8	43.4				
Travel	11.5	8.0				
Contractual	16.4	7.1				
Supplies	3.0	0.5				
Equipment	2.5	0.0				
Land & Structures						
Grants & Claims	0.0	0.0				
Miscellaneous						
TOTAL OPERATING	91.2	59.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	35.0	35.0				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	91.2	59.0				
TOTAL	91.2	59.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	1	1				
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached.

Prepared by: Ronald Hull, Director Phone: 465-5933
 Division: Employment Security Division Date/Time: 5/1/02 8:45 AM
 Approved by: Ed Flanagan, Commissioner Date: 05/01/02
 Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

**STATE OF ALASKA
2002 LEGISLATIVE SESSION**

Fiscal Note Number: 5
 Bill Version: CSSB 252(L&C)
 (S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
 Title: Employment and Training Program/Board BRU: Employment Security
 Component: Unemployment Insurance
 Sponsor: Rules Committee
 Requester: Senate Finance Component Number: 2276

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel	4.0	4.0				
Contractual	115.0	115.0				
Supplies	3.0	3.0				
Equipment	3.0	3.0				
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	125.0	125.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	125.0	125.0				
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	125.0	125.0				
TOTAL	125.0	125.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and extend the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
 Division: Employment Security Division Date/Time: 5/1/02 8:42 AM
 Approved by: Ed Flanagan, Commissioner Date: 05/01/02
 Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: CSSB 252(L&C)
(S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
Title: Employment and Training Program/Board BRU: Employment Security
Component: Employment Services
Sponsor: Rules Committee
Requester: Senate Finance Component Number: 2275

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	220.2	220.2				
Travel	5.0	5.0				
Contractual	29.3	29.3				
Supplies	0.8	0.8				
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	255.3	255.3	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (1054)	255.3	255.3				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	255.3	255.3				
TOTAL	255.3	255.3	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and extend the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
Division: Employment Security Division Date/Time: 5/1/02 8:43 AM
Approved by: Ed Flanagan, Commissioner Date: 05/01/02
Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office

SB

252

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/26/02

FURTHER:

DATE TURNED IN TO OFFICE: 05/06/02

Finance Committee considered

SENATE BILL NO. 252

SB 252 EMPLOYMENT AND TRAINING PROGRAM/BOARD

"An Act renaming the Alaska Human Resource Investment Council as the Alaska Workforce Investment Board and relating to its membership; repealing the termination date of the state training and employment program; relating to employment and training activities; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 252 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Labor-Job Training	5/1/02 3:44	4785.2		
Labor-Job Training	5/1/02 3:45 am	91.2		
Labor-UI	5/1/02	125.0		
Labor-Employment	5/1/02	255.3		

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Alvin Custer</i>	✓			
<i>[Signature]</i>			✓	
<i>D. E. Olson</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
COCHAIR: <i>[Signature]</i>				✓
COCHAIR: <i>[Signature]</i>			✓	

CS FOR SENATE BILL NO. 252(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

ALL

FOR AN ACT ENTITLED

1 "An Act renaming the Alaska Human Resource Investment Council as the Alaska
2 Workforce Investment Board and relating to its membership; relating to repayment on
3 promissory notes for work-related items paid for by grant programs; extending the
4 termination date of the state training and employment program; relating to employment
5 and training activities; and providing for an effective date."

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

7 * Section 1. AS 14.35.020(b) is amended to read:

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

10 (1) prepare, submit, and supervise the administration of the plans for
11 vocational education;

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

13 (3) establish the minimum qualifications for teachers, supervisors, or

1 directors;

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

4 (5) consider the advice of the Alaska Workforce Investment Board
5 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] established by
6 AS 23.15.550 regarding employment training needs and advise that board
7 [COUNCIL] in the development of vocational education programs.

8 * Sec. 2. AS 14.42.015(a) is amended to read:

9 (a) There is in the Department of Education and Early Development the
10 Alaska Commission on Postsecondary Education consisting of

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

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

16 (3) one person representing the Department of Education and Early
17 Development selected by the state Board of Education and Early Development;

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

20 (5) one member of the Alaska Workforce Investment Board
21 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] established by
22 AS 23.15.550 designated by the members of that body;

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

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

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

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

1 * Sec. 3. AS 23.15.550 is amended to read:

2 **Sec. 23.15.550. Alaska Workforce Investment Board [ALASKA HUMAN**
 3 **RESOURCE INVESTMENT COUNCIL].** (a) The Alaska Workforce
 4 Investment Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] is
 5 established in the department. The board [COUNCIL] consists of the following
 6 voting members, not to exceed 26:

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

8 (2) the commissioners of community and economic development,
 9 education and early development, health and social services, and labor and workforce
 10 development, or each respective commissioner's designee;

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

12 (4) four additional representatives of education, with one from local
 13 public education, one from secondary vocational education, one from a postsecondary
 14 vocational education institution, and one from adult basic education;

15 (5) four representatives of business and industry, with at least one
 16 representative from the local workforce investment boards [PRIVATE INDUSTRY
 17 COUNCILS] appointed under 29 U.S.C. 2832 [29 U.S.C. 1512 AND SUBJECT TO
 18 RECONSTITUTION UNDER 29 U.S.C. 1515];

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

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

25 (8) at least one representative of a community-based [COMMUNITY
 26 BASED] service organization;

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

29 (10) at least one and up to five additional members of the private
 30 sector to ensure a private sector majority and regional and local representation on the
 31 board [COUNCIL].

1 (b) Additional nonvoting members may be appointed to the board
2 [COUNCIL] from government or nongovernment entities.

3 (c) A member of the board [COUNCIL] under (a) of this section may appoint
4 a designee to serve in place of the member [NAMED IN (a) OF THIS SECTION].

5 The member shall appoint the designee in writing.

6 * Sec. 4. AS 23.15.555 is amended to read:

7 **Sec. 23.15.555. Appointment and term of members.** (a) Members of the
8 Alaska Workforce Investment Board [ALASKA HUMAN RESOURCE
9 INVESTMENT COUNCIL] other than those listed in AS 23.15.550(a)(1) and (2) are
10 appointed by the governor and serve at the pleasure of the governor. The governor
11 may appoint one person to fill two or more of the places listed in AS 23.15.550(a) if
12 the person is qualified in all of the areas the person represents. A member appointed
13 to fill more than one place under this subsection is entitled to only one vote and may
14 appoint only one designee to replace the member in the event the member is unable to
15 attend a meeting.

16 (b) The voting members of the board [COUNCIL] other than those listed in
17 AS 23.15.550(a)(1) and (2) serve for staggered four-year terms and may serve until a
18 successor is appointed. An appointment to fill a vacancy shall be made in the same
19 manner as the original appointment and for the balance of the unexpired term.

20 (c) The governor shall ensure that individuals appointed to the board
21 [COUNCIL] have sufficient expertise to effectively carry out the duties of the board
22 [COUNCIL]. Expertise of the board [COUNCIL] includes, where appropriate,
23 knowledge of the long-term needs of individuals preparing to enter the work force; the
24 needs of local, state, and regional labor markets; and the methods for evaluating the
25 effectiveness of vocational training programs in serving varying populations.

26 * Sec. 5. AS 23.15.560 is amended to read:

27 **Sec. 23.15.560. Compensation.** Members of the Alaska Workforce
28 Investment Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL]
29 listed in or appointed under AS 23.15.550(a), including a designee of a member
30 attending in place of the member, serve without compensation but are entitled to per
31 diem and travel expenses authorized by law for boards and commissions under

1 AS 39.20.180. Nonvoting members of the board [COUNCIL] appointed under
 2 AS 23.15.550(b) serve without compensation and are not entitled to per diem and
 3 travel expenses. A commissioner appointed under AS 23.15.550(a)(2) or the
 4 commissioner's designee is entitled to per diem and travel expenses as a state
 5 employee.

6 * Sec. 6. AS 23.15.565 is amended to read:

7 **Sec. 23.15.565. Officers.** The Alaska Workforce Investment Board
 8 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall elect a chair and
 9 a vice-chair from among the members listed in or appointed under AS 23.15.550(a)(5).
 10 The chair and vice-chair serve in their positions at the pleasure of the board
 11 [COUNCIL].

12 * Sec. 7. AS 23.15.570 is amended to read:

13 **Sec. 23.15.570. Meetings, quorum, and committees.** (a) The Alaska
 14 Workforce Investment Board [ALASKA HUMAN RESOURCE INVESTMENT
 15 COUNCIL] shall meet not more than three times in a calendar year at the call of the
 16 chair to conduct its business. A majority of the members listed in or appointed to the
 17 board [COUNCIL] under AS 23.15.550(a) constitutes a quorum.

18 (b) The board [COUNCIL] shall establish an executive committee and four
 19 permanent standing committees as described in (c) - (g) of this section. The chair of a
 20 permanent standing committee must be from the private sector. The board
 21 [COUNCIL] may establish additional standing committees and special committees or
 22 subcommittees, not necessarily consisting of board [COUNCIL] members, to advise
 23 and assist the board [COUNCIL] in carrying out its functions assigned by federal or
 24 state statute. The permanent standing committees are

- 25 (1) the assessment and evaluation committee;
- 26 (2) the policy and planning committee;
- 27 (3) the employment and placement committee; and
- 28 (4) the workforce readiness committee.

29 (c) The executive committee consists of the chair and vice-chair of the board
 30 [COUNCIL], the immediate past chair of the board [COUNCIL], and the chairs of the
 31 four standing committees described in (d) - (g) of this section. The executive

1 committee has the duties and may exercise the powers of the council between
2 meetings of the board [COUNCIL]. The executive committee shall

3 (1) report to the board [COUNCIL] in a timely fashion on actions
4 taken on behalf of the board [COUNCIL]; and

5 (2) supervise the affairs of the board [COUNCIL] between regular
6 meetings of the board [COUNCIL].

7 (d) The assessment and evaluation committee shall

8 (1) assess and evaluate programs, initiatives, and the delivery of
9 services to help to ensure equitable distribution of quality education, training, and
10 employment services statewide, especially to rural areas and to programs serving
11 economically disadvantaged citizens;

12 (2) call for and monitor the workforce development system for
13 increased accountability in performance and continuous quality improvement along
14 the goals and strategies of the board's [COUNCIL'S] overall statewide strategic plan
15 for workforce development;

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

18 (4) perform other duties assigned by the board [COUNCIL].

19 (e) The policy and planning committee shall

20 (1) build policies regarding day-to-day operations and long-term
21 responsibilities of the board [COUNCIL];

22 (2) work to increase awareness of the board [COUNCIL] and its
23 mission throughout the state;

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

26 (4) perform other duties assigned by the board [COUNCIL].

27 (f) The employment and placement committee shall

28 (1) ensure the statewide strategic plan for workforce development
29 addresses

30 (A) customer needs at the local level;

31 (B) moving welfare recipients into the workforce;

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

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

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

7 (3) perform other duties assigned by the board [COUNCIL].

8 (g) The workforce readiness committee shall

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

12 (2) build partnerships between employers and quality workforce
13 training programs;

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

17 (4) perform other duties assigned by the board [COUNCIL].

18 * Sec. 8. AS 23.15.575 is amended to read:

19 Sec. 23.15.575. Board [COUNCIL] as state planning entity. The Alaska
20 Workforce Investment Board [ALASKA HUMAN RESOURCE INVESTMENT
21 COUNCIL] shall act as the lead state planning and coordinating entity for state human
22 resource programs administered under

23 (1) 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998) [29
24 U.S.C. 1501 - 1792B (JOB TRAINING PARTNERSHIP ACT)];

25 (2) 20 U.S.C. 2301 - 2471 (Carl D. Perkins Vocational and Applied
26 Technology Education Act);

27 (3) [20 U.S.C. 1201 - 1213D (ADULT EDUCATION ACT):

28 (4)] 29 U.S.C. 49 - 491-1 (Wagner - Peyser Act);

29 (4) federal law for work programs [(5) 42 U.S.C. 681 - 687 (JOB
30 OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM)] for needy
31 families with children under the Social Security Act;

1 (5) [(6)] the employment program established under 7 U.S.C.
2 2015(d)(4) (Food Stamp Act of 1977);

3 (6) [(7)] all federal programs designated as successors to the programs
4 listed in (1) - (5) [(1) - (6)] of this section; and

5 (7) [(8)] all state laws involving employment training, vocational
6 education, and workforce development [, AND COMMUNITY SERVICE].

7 * Sec. 9. AS 23.15.580 is amended to read:

8 Sec. 23.15.580. Functions of the board [COUNCIL]. (a) As the lead state
9 planning and coordinating entity, the Alaska Workforce Investment Board
10 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] has responsibility, to
11 the extent authorized by federal and state law, for planning and coordinating federal,
12 state, and local efforts in human resource programs in this state related to employment
13 training, including the work activities of the Alaska temporary assistance program
14 under AS 47.27.

15 (b) The board [COUNCIL] shall

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

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

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

22 (4) assume the duties and functions of the state boards [COUNCILS]
23 described under the laws relating to the federal human resource programs listed in
24 AS 23.15.575;

25 (5) advise the governor, state and local agencies, [AND] the University
26 of Alaska, and other training entities on the development of state and local standards
27 and measures relating to applicable human resource programs;

28 (6) submit, to the governor and the legislature, a biennial strategic plan
29 to accomplish the goals developed to meet human resource investm. needs;

30 (7) monitor for the implementation and evaluate the effectiveness of
31 the strategic plan developed by the board [COUNCIL];

1 (8) adopt regulations that set standards for the percentage of program
2 expenses [A GRANT] that may be used for administrative costs; the regulations must
3 clearly identify and distinguish between program expenses that may be included in
4 administrative costs and those that may not be included in administrative costs; the
5 percentage allowed for administrative costs may not exceed the lesser of 15 percent of
6 program expenses in the prior fiscal year or the amount permitted under the
7 requirements of a federal program, if applicable;

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

11 (10) identify ways for agencies operating programs subject to
12 oversight by the board [COUNCIL] to share resources, instructors, and curricula
13 through collaboration with other public and private entities to increase training
14 opportunities and reduce costs; and

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

17 (c) The board [COUNCIL] may receive money designated for human
18 resource programs and may disburse money, including grants, to human resource
19 projects in accordance with AS 37.07 (Executive Budget Act). The board
20 [COUNCIL] may enter into partnership agreements through appropriate
21 administrative agencies with private industry training entities within the state in order
22 to facilitate the coordination of training opportunities.

23 (d) The board [COUNCIL] shall provide oversight for the planning and
24 coordination of employment-related education training programs operated by the state
25 or operated under contract with the state that are described in (f) of this section. The
26 board [COUNCIL] shall require a training program listed in (f) of this section to meet
27 the requirements of this subsection. The board [COUNCIL] shall, by regulation,
28 establish appropriate penalties for programs that fail to meet the requirements of this
29 subsection. The board [COUNCIL] may recommend to the legislature changes to
30 enhance the effectiveness of the training programs it oversees under this section. A
31 training program described in (f) of this section funded with money appropriated by

1 the legislature must

2 (1) meet the standards adopted by the board [COUNCIL] concerning
3 the percentage of a grant that may be spent on administrative costs;

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

8 (3) provide to the Department of Labor and Workforce Development
9 the information required by the department for the preparation of the statistical
10 information necessary for the board [COUNCIL] to evaluate programs by the
11 standards set out in (e) of this section.

12 (e) The board [COUNCIL] shall develop standards that encourage agencies to
13 contract for training programs that meet local demands and maximize the use of
14 resources [PROGRAM'S CLASS SIZE]. The board [COUNCIL] shall adopt
15 standards for the evaluation of training programs listed in (f) of this section with
16 regard to the following:

17 (1) the percentage [PERCENT] of former participants who have a job
18 one year after leaving the training program;

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

21 (3) the percentage [PERCENT] of former participants who were
22 employed after leaving the training program who received training under the program
23 that was related to their jobs or somewhat related to their jobs seven to 12 months after
24 leaving the training program;

25 (4) the percentage [PERCENT] of former participants of a training
26 program who indicate that they were satisfied with or somewhat satisfied with the
27 overall quality of the training program;

28 (5) the percentage [PERCENT] of employers who indicate that they
29 were satisfied with the services received through the workforce development
30 system [QUALITY OF THE WORK OF NEW EMPLOYEES WHO HAD
31 RECENTLY COMPLETED THE TRAINING PROGRAM].

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

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

5 (A) [ONE STOP CAREER CENTER;

6 (B) JOB TRAINING PARTNERSHIP ACT] programs under
7 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998) [29 U.S.C. 1501
8 - 1792B], assisting communities in moving toward a self-sustainable economy
9 and providing training;

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

16 (C) [(D)] employment-related adult basic education:

17 [(E) SCHOOL-TO-WORK;]

18 (D) [(F)] employment training services operated as part of the
19 Alaska temporary assistance program [TEMPORARY ASSISTANCE
20 PROGRAM] (ATAP);

21 (E) [(G)] unemployment insurance grants provided under the
22 federal training relocation assistance program;

23 (F) [(H)] Alaska works programs, assisting with the welfare-to-
24 work program;

25 [(I) STATE TRAINING AND EMPLOYMENT PROGRAM,
26 COORDINATED WITH THE DEPARTMENT OF COMMUNITY AND
27 ECONOMIC DEVELOPMENT;]

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

30 (A) [HIGH SCHOOL COMPLETION PROJECT; .

31 (B)] Kotzebue Technical Center;

1 (B) [(C)] Alaska Vocational Technical Center;

2 (C) [(D)] vocational education and technical preparation
3 [TECH PREP];

4 (D) [(E)] Alaska Career Information System.

5 (g) The board [COUNCIL] shall assess the programs listed in this subsection
6 and make recommendations to the legislature in its report required under (b)(9) of this
7 section about whether to include one or more of these programs under the
8 requirements of (f) 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
19 and education courses for inmates preparing to be released from a correctional
20 facility;

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

23 (3) in the Department of Environmental Conservation:

24 (A) remote maintenance worker program, providing training
25 and technical assistance to communities to keep drinking water and sewage
26 disposal 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
 16 highway issues with the Yukon Territory;

17 (7) in the Department of Labor and Workforce Development:
 18 vocational rehabilitation client services and special work projects, employment
 19 services, including job development, assisting individuals in finding employment, and
 20 assisting employed individuals in finding other employment [;

21 (8) IN THE DEPARTMENT OF ADMINISTRATION: ALASKA
 22 PROFESSIONAL DEVELOPMENT INSTITUTE, PROVIDING CONTINUING
 23 EDUCATION AND TRAINING FOR EMPLOYED 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 on
 26 the results to the board [COUNCIL] for inclusion in the board's [COUNCIL'S]
 27 annual report to the legislature.

28 (i) The board [COUNCIL] shall review each program listed in (f) of this
 29 section to determine whether it is in compliance with the standards set out in (d) and
 30 (e) of this section. If the board [COUNCIL] finds that a program has failed to comply
 31 with the standards set out in (d) and (e) of this section, it shall notify the program

1 director of the failure. If the program director fails to improve the performance of the
 2 program within a reasonable time, the board [COUNCIL] shall notify the governor
 3 and the Legislative Budget and Audit Committee [LEGISLATIVE BUDGET AND
 4 AUDIT COMMITTEE] that the program is out of compliance. A contract entered
 5 into by a state agency relating to a training program set out in (f) of this section must
 6 contain terms consistent with this section.

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

19 (k) Upon the enactment of a new federal or state program relating to work
 20 force development, the board [COUNCIL] shall

21 (1) advise the governor and the legislature on whether the board
 22 [COUNCIL] should provide oversight for the new program under this section; and

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

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

26 (1) does not refer to the overall activities of an individual institution or
 27 individual fields of study or courses that are not associated with programs for which
 28 the board [COUNCIL] has oversight responsibility;

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

1 * Sec. 10. AS 23.15.585 is amended to read:

2 **Sec. 23.15.585. Administration.** (a) The governor shall appoint the
3 executive director for the Alaska Workforce Investment Board [ALASKA HUMAN
4 RESOURCE INVESTMENT COUNCIL]. The department shall provide professional,
5 technical, and administrative staff for the Alaska Workforce Investment Board
6 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL].

7 (b) Subject to legislative appropriations, and in accordance with AS 37.07
8 (Executive Budget Act), the board's [COUNCIL'S] budget is funded from programs
9 for which the board [COUNCIL] is the lead state planning and coordinating entity
10 under AS 23.15.575.

11 * Sec. 11. AS 23.15.640(c) is amended to read:

12 (c) The department shall [, TO THE EXTENT ECONOMICALLY
13 FEASIBLE FOR THE INDIVIDUAL,] require an individual who participated in a
14 program that was funded at least in part by a grant under AS 23.15.651 and that
15 included as a program element the provision of necessary tools, work-related clothing,
16 safety gear, or other necessities to obtain or retain employment under (a)(6) of this
17 section to reimburse the department for the portion of the grant that was spent on an
18 element listed in (a)(6) of this section. Repayment shall begin no later than six
19 months after the individual completes or leaves the state training and
20 employment program and may not be less than \$25 each calendar month. The
21 department shall separately account for receipts under this subsection. The annual
22 estimated receipts may be used by the legislature to make appropriations to the
23 department to the employment assistance and training program account
24 (AS 23.15.625) for grants under AS 23.15.651. The department shall institute
25 collection procedures on outstanding promissory notes for amounts due under
26 this subsection. Collection procedures must include obtaining a judgment for
27 default on a promissory note. The department shall seek satisfaction of the
28 judgment from an individual's permanent fund dividend to the extent possible
29 under AS 43.23.065 until the judgment has been satisfied. The department shall
30 implement this subsection by regulation.

31 * Sec. 12. AS 23.15.645(a) is amended to read:

- 1 (a) The department shall award a grant to the board [COUNCIL] to
 2 (1) administer a state training and employment program; and
 3 (2) award grants to qualified entities.

4 * Sec. 13. AS 23.15.645(b) is amended to read:

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

20 * Sec. 14. AS 23.15.645(d) is amended to read:

21 (d) The board, by regulation, [COUNCIL] shall establish grant
 22 administration requirements, including accounting procedures, that apply to qualified
 23 entities and their grantees.

24 * Sec. 15. AS 23.15.645(e) is amended to read:

25 (e) In making a grant under this section, the board [COUNCIL] shall require
 26 that the qualified entity and grantees of the qualified entity limit the amount of the
 27 grant proceeds spent on administration so that the total spent on administration from
 28 the proceeds of the employment assistance and training program account, including
 29 amounts spent by the board [COUNCIL] itself, does not exceed 20 percent of
 30 program expenses in the prior fiscal year . The amount collected and remitted in
 31 accordance with the shared cost requirements of the federal Office of Management

1 and Budget Circular A-87 entitled "Cost Principles for State and Local Governments"
2 is not considered an amount spent on administration under this subsection.

3 * Sec. 16. AS 23.15.651 is amended to read:

4 **Sec. 23.15.651. Duties of Alaska Workforce Investment Board [ALASKA**
5 **HUMAN RESOURCE INVESTMENT COUNCIL]; grants; eligible entities. (a)**
6 In implementing this program under a grant received under AS 23.15.645, and subject
7 to the limit of its grant, the board [COUNCIL] shall award grants, in accordance with
8 the priority list established by the department under AS 23.15.645(b), to employment
9 assistance and training entities. A training entity is eligible for a grant under this
10 section if the entity meets program requirements and can demonstrate that

11 (1) its accounting systems include controls adequate to check the
12 accuracy and reliability of accounting data, promote operating efficiency, and assure
13 compliance with program requirements and generally accepted accounting principles;
14 and

15 (2) its activities do not replace or compete in any way with a federally
16 approved [, JOINTLY ADMINISTERED] apprenticeship program or any other
17 existing training programs.

18 (b) The board [COUNCIL] may not award a grant if the grant would displace
19 money available through existing public or private training programs.

20 (c) To provide administration of the program, the board [COUNCIL] may use
21 the administrative entities of the local workforce investment [SUBSTATE SERVICE
22 DELIVERY] areas.

23 (d) The board [COUNCIL] shall annually provide the department with
24 financial and performance reporting on the activities of the program and
25 recommendations concerning continuation of funding.

26 * Sec. 17. AS 23.15.660(1) is amended to read:

27 (1) "board" ["COUNCIL"] means the Alaska Workforce
28 Investment Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL]
29 established in AS 23.15.550;

30 * Sec. 18. AS 23.15.660 is amended by adding a new paragraph to read:

31 (4) "local workforce investment areas" means the areas established

1 under 29 U.S.C. 2831.

2 * Sec. 19. AS 23.15.700(a) is amended to read:

3 (a) There is established in the department the business incentive training
4 program. The incentive program shall be administered as a supplement to 29 U.S.C.
5 2801 - 2945 (Workforce Investment Act of 1998) [THE JOB TRAINING
6 PARTNERSHIP ACT (P.L. NO. 97-300)].

7 * Sec. 20. AS 23.15.710 is amended to read:

8 Sec. 23.15.710. Administration. (a) The Alaska Workforce Investment
9 Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] shall oversee
10 the incentive program. The local workforce investment [SERVICE DELIVERY]
11 areas established under 29 U.S.C. 2831 [29 U.S.C. 1511 AND SUBJECT TO
12 REDESIGNATION UNDER 29 U.S.C. 1515] shall be used in the administration of
13 the incentive program. The local workforce investment boards [PRIVATE
14 INDUSTRY COUNCILS] appointed under 29 U.S.C. 2832 [29 U.S.C. 1512 AND
15 SUBJECT TO RECONSTITUTION UNDER 29 U.S.C. 1515] shall serve as the local
16 workforce investment boards [PRIVATE INDUSTRY COUNCILS] for the
17 incentive program.

18 (b) The board [COUNCIL] shall divide appropriations for the incentive
19 program equally among the local workforce investment boards [PRIVATE
20 INDUSTRY COUNCILS]. If a local workforce investment board [PRIVATE
21 INDUSTRY COUNCIL] lacks sufficient money to fund a proposal, the local
22 workforce investment board [PRIVATE INDUSTRY COUNCIL] may apply to the
23 board [COUNCIL] for additional funding. The board [COUNCIL] may approve
24 reallocation of money from one local workforce investment [SERVICE DELIVERY]
25 area to another to fund a particular proposal if it finds that the reallocation will best
26 serve the purposes of the program.

27 (c) The board [COUNCIL] shall adopt regulations under AS 44.62
28 (Administrative Procedure Act) to implement AS 23.15.700 - 23.15.810.

29 * Sec. 21. AS 23.15.720 is amended to read:

30 Sec. 23.15.720. Business incentive training plan. (a) A local workforce
31 investment board [PRIVATE INDUSTRY COUNCIL] shall adopt a business

1 incentive training plan for the local workforce investment [SERVICE DELIVERY]
 2 area. The plan must extend for two years to coincide with the term for 29 U.S.C. 2801
 3 - 2945 (Workforce Investment Act of 1998) [THE JOB TRAINING
 4 PARTNERSHIP ACT (P.L. 97-300)] and must contain

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

7 (2) a description of the services to be provided, including the estimated
 8 duration of service and the estimated training cost for each [PER] participant;

9 (3) procedures for identifying and selecting participants;

10 (4) performance goals established in accordance with standards under
 11 AS 23.15.780;

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

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

16 (b) If changes in labor market conditions, funding, or other factors require
 17 substantial deviation from an approved business incentive training plan, the local
 18 workforce investment board [PRIVATE INDUSTRY COUNCIL] and the
 19 appropriate elected municipal official or officials shall submit a modification of the
 20 plan and the budget for review under AS 23.15.730.

21 * Sec. 22. AS 23.15.730 is amended to read:

22 **Sec. 23.15.730. Review and approval of business incentive training plan.**
 23 The business incentive training plan shall be published and made available for review
 24 and comment as an attachment to the job training plan as set out in 29 U.S.C. 2833 [29
 25 U.S.C. 1515]. The business incentive training plan is subject to review and approval
 26 by the governor.

27 * Sec. 23. AS 23.15.740(a) is amended to read:

28 (a) Each local workforce investment board [PRIVATE INDUSTRY
 29 COUNCIL] shall designate an administrative entity to be the grant recipient and
 30 administrator for the region. An employer may apply to the grant administrator for a
 31 business incentive grant if the employer is a private for-profit or nonprofit corporation,

1 partnership, or sole proprietor business. The grant administrator shall review
2 applications and award grants.

3 * Sec. 24. AS 23.15.740(c) is amended to read:

4 (c) A business incentive training grant shall be used to recruit and train
5 eligible employees for newly created permanent or permanent seasonal positions or to
6 enable existing employees to acquire the skills necessary to qualify the employee to
7 implement new technologies. A business incentive training grant may be used for
8 occupations for which there is a demand in the area served or in another area to which
9 the participant is willing to relocate and for emerging technologies in the state. In
10 selecting recruiting and training programs, the local workforce investment boards
11 [PRIVATE INDUSTRY COUNCILS] and the grant administrators may consider
12 whether the occupation in which recruiting or training is sought is in a sector of the
13 economy that has a high potential for sustained demand or growth.

14 * Sec. 25. AS 23.15.740(d) is amended to read:

15 (d) Only individuals eligible under the business incentive training plan and
16 residing in the local workforce investment [SERVICE DELIVERY] area may be
17 participants in employment and training activities funded under the business incentive
18 training program. To be eligible for training or education services under
19 AS 23.15.700 - 23.15.810, immediately before beginning training or education under
20 the program, a person shall

21 (1) have been unemployed and

22 (A) receiving unemployment insurance benefits; or

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

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

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

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

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

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

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

6 (B) has insufficient qualifying wages because of limited job
 7 opportunities; or

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

10 * Sec. 26. AS 23.15.740(e) is amended to read:

11 (e) Payments to employers for on-the-job training of participants who
 12 experience multiple barriers to employment or are eligible under 29 U.S.C. 2801 -
 13 2945 (Workforce Investment Act of 1998) [THE JOB TRAINING PARTNERSHIP
 14 ACT (P.L. 97-300)] may not average more than 80 percent of the wages paid by the
 15 employer to the participant. Payments to employers for on-the-job training of other
 16 participants may not average more than 50 percent of the wages paid by the employer
 17 to participants. The payments shall be considered to be in compensation for the
 18 extraordinary costs associated with training employees for new positions and the lower
 19 productivity of the participants.

20 * Sec. 27. AS 23.15.760(b) is amended to read:

21 (b) The board [COUNCIL] shall adopt regulations concerning retention of
 22 records.

23 * Sec. 28. AS 23.15.760(c) is amended to read:

24 (c) The board [COUNCIL] shall, not [NO] later than February 1 of each year,
 25 prepare a report concerning the incentive program and notify the legislature that the
 26 report is available.

27 * Sec. 29. AS 23.15.770(b) is amended to read:

28 (b) Personal liability insurance for members of the local workforce
 29 investment board [PRIVATE INDUSTRY COUNCIL] is an allowable cost.

30 * Sec. 30. AS 23.15.790 is amended to read:

31 Sec. 23.15.790. Limitation on certain costs. Not [NO] more than 15 percent

1 of the money available to a local workforce investment [SERVICE DELIVERY]
 2 area for a fiscal year may be expended for the cost of administration. For purposes of
 3 this section, costs of program support, including counseling, that are directly related to
 4 the provision of education or training to participants may not be counted as part of the
 5 cost of administration.

6 * Sec. 31. AS 23.15.800 is amended to read:

7 Sec. 23.15.800. Selection of service providers. (a) The primary
 8 consideration in selecting agencies or organizations to deliver services within a local
 9 workforce investment [SERVICE DELIVERY] area is the effectiveness of the
 10 agency or organization in delivering comparable or related services based on
 11 demonstrated performance, in terms of the likelihood of meeting performance goals,
 12 cost, quality of training, and characteristics of participants. In complying with this
 13 subsection, proper consideration shall be given to community-based [COMMUNITY
 14 BASED] organizations as service providers.

15 (b) Appropriate education agencies in the local workforce investment
 16 [SERVICE DELIVERY] area shall be given the opportunity to provide educational
 17 services, unless the grant administrator determines that alternative agencies or
 18 organizations would be more effective or would have greater potential to enhance the
 19 participants' continued occupational and career growth.

20 (c) The grant administrator may not fund an occupational skills training
 21 program unless the level of skills provided in the program is in accordance with
 22 guidelines established by the local workforce investment board [PRIVATE
 23 INDUSTRY COUNCIL].

24 * Sec. 32. AS 23.15.810(1) is amended to read:

25 (1) "board" ["COUNCIL"] means the Alaska Workforce
 26 Investment Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL];

27 * Sec. 33. AS 23.15.820 is amended to read:

28 Sec. 23.15.820. Powers and duties of the Alaska Workforce Investment
 29 Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL]. (a) The
 30 Alaska Workforce Investment Board [ALASKA HUMAN RESOURCE
 31 INVESTMENT COUNCIL] shall

1 (1) administer the Alaska technical and vocational education program
2 established in AS 23.15.820 - 23.15.850;

3 (2) facilitate the development of a statewide policy for a coordinated
4 and effective technical and vocational education training system in this state and, to
5 the extent authorized by federal and state law, plan and coordinate federal, state, and
6 local efforts in technical and vocational education programs;

7 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)
8 to carry out the purposes of AS 23.15.820 - 23.15.850, including regulations that set
9 standards for the percentage of a grant that may be used for administrative costs; the
10 regulations must clearly identify and distinguish between expenses that may be
11 included in administrative costs and those that may not be included in administrative
12 costs; the percentage allowed for administrative costs may not exceed the lesser of five
13 percent or the amount permitted under the requirements of a federal program, if
14 applicable;

15 (4) administer the grant program under AS 23.15.840 and establish
16 grant administration requirements including accounting procedures that apply to
17 qualified entities and their grantees.

18 (b) The board [COUNCIL] may

19 (1) receive money designated for technical and vocational education
20 programs and may disburse money, including grants, to technical and vocational
21 education projects in accordance with AS 37.07 (Executive Budget Act);

22 (2) enter into partnership agreements through appropriate
23 administrative agencies with private industry training entities within the state in order
24 to facilitate the coordination of training opportunities; and

25 (3) recommend to the legislature changes to enhance the effectiveness
26 of the training programs it oversees under this section.

27 * Sec. 34. AS 23.15.830 is amended to read:

28 **Sec. 23.15.830.** Alaska technical and vocational education program
29 account. The Alaska technical and vocational education program account is
30 established in the general fund. The commissioner of administration shall separately
31 account for money collected under AS 23.15.835 that the department deposits in the

1 general fund. The legislature may appropriate the annual estimated balance in the
2 account to the board [COUNCIL] to implement AS 23.15.820 - 23.15.850. The
3 legislature may appropriate the lapsing balance of the account to the unemployment
4 compensation fund established in AS 23.20.130.

5 * Sec. 35. AS 23.15.840(a) is amended to read:

6 (a) The board [COUNCIL] shall award grants, in accordance with the priority
7 list adopted under (f) of this section, to technical and vocational education entities. A
8 technical and vocational education entity is eligible for a grant under this section if
9 the entity meets program requirements, the grant program is physically located in
10 Alaska, and the entity can demonstrate that

11 (1) the entity's accounting systems include controls adequate to check
12 the accuracy and reliability of accounting data, promote operating efficiency, and
13 assure compliance with program requirements and generally accepted accounting
14 principles;

15 (2) the entity's activities do not replace or compete in any way with a
16 federally approved [, JOINTLY ADMINISTERED] apprenticeship program or any
17 other existing training programs; and

18 (3) the entity has secured matching funds for the program for which
19 the grant is requested.

20 * Sec. 36. AS 23.15.840(b) is amended to read:

21 (b) The board [COUNCIL] may not award a grant if the grant would displace
22 money available through existing public or private technical and vocational education
23 programs.

24 * Sec. 37. AS 23.15.840(d) is amended to read:

25 (d) A technical or vocational educational institution that receives a grant from
26 the board [COUNCIL] shall give appropriate state agencies full access to accounting
27 records concerning the grant to assure compliance with program standards.

28 * Sec. 38. AS 23.15.840(e) is amended to read:

29 (e) In making a grant under this section, the board [COUNCIL] shall require
30 that the qualified entity and grantees of the qualified entity limit the amount of the
31 grant proceeds spent on administration so that the total spent on administration from

1 the proceeds of the technical and vocational education program account, including
 2 amounts spent by the board [COUNCIL] itself, does not exceed five percent. A
 3 training program funded by the board [COUNCIL] must

4 (1) meet the standards adopted by the board [COUNCIL] concerning
 5 the percentage of a grant that may be spent on administrative costs;

6 (2) be operated by an institution that holds a valid authorization to
 7 operate issued under AS 14.48 if the program is a postsecondary educational program
 8 operated by a postsecondary educational institution subject to regulation under
 9 AS 14.48.

10 * Sec. 39. AS 23.15.840(f) is amended to read:

11 (f) To the extent that funding is available, grants shall be awarded to entities
 12 that apply for funding by the deadline established by the board [COUNCIL] by
 13 regulation. The board [COUNCIL] shall give priority to grant applications from
 14 qualified entities whose purpose is listed first on the list of priorities adopted under
 15 this subsection. If money remains after grants for the first priority have been awarded,
 16 the board [COUNCIL] may make grants to entities whose purpose is listed next on
 17 the list of priorities. The board [COUNCIL] shall proceed in this fashion until it has
 18 exhausted the money available for granting for the year. The board [COUNCIL] shall
 19 adopt a priority list each year based on economic, employment, and other relevant data
 20 in order to maximize employment opportunities for participants.

21 * Sec. 40. AS 23.15.850(1) is amended to read:

22 (1) "board" ["COUNCIL"] means the Alaska Workforce
 23 Investment Board [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL];

24 * Sec. 41. AS 23.20.110(a) is amended to read:

25 (a) Except as provided in (h) and (i) of this section, the department shall hold
 26 information obtained from an employing unit or individual in the course of
 27 administering this chapter and determinations as to the benefit rights of an individual
 28 confidential and may not disclose them or open them to public inspection in a manner
 29 that reveals the identity of the individual or employing unit. A claimant or an
 30 employing unit, or the legal representative of the claimant or the employing unit, is
 31 entitled to information from the records of the department to the extent necessary to

1 properly present or protest a claim or determination under this chapter. Subject to
 2 restrictions that the department prescribes by regulation, the information may be made
 3 available to an agency of this state or another state or federal agency charged with the
 4 administration of an unemployment compensation law or the maintenance of a system
 5 of public employment offices, or, for the purposes of the Federal Unemployment Tax
 6 Act, to the Internal Revenue Service of the United States, or, for tax purposes, to the
 7 Department of Revenue. Information obtained in the course of administering this
 8 chapter or in connection with the administration of the employment service may be
 9 made available to persons or agencies for purposes appropriate to the operation of a
 10 public employment service or the administration of employment and training
 11 programs planned or coordinated by the Alaska Workforce Investment Board
 12 [ALASKA HUMAN RESOURCE INVESTMENT COUNCIL] under AS 23.15.550 -
 13 23.15.585.

14 * **Sec. 42.** AS 24.60.080(h) is amended to read:

15 (h) A legislator, a legislative committee other than the Select Committee on
 16 Legislative Ethics, or a legislative agency may accept [(1)] a gift of (1) volunteer
 17 services for legislative purposes so long as the person making the gift of services is not
 18 receiving compensation from another source for the services, or (2) [A GIFT OF] the
 19 services of a trainee who is participating in an educational program approved by the
 20 committee if the services are used for legislative purposes. The committee shall
 21 approve training under a program of the University of Alaska and training under 29
 22 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998) [29 U.S.C. 1501 - 1792B
 23 (JOB TRAINING PARTNERSHIP ACT)]. A legislative volunteer or educational
 24 trainee shall be considered to be a legislative employee for purposes of compliance
 25 with this section, AS 24.60.030 - 24.60.039, 24.60.060, 24.60.085, 24.60.158 -
 26 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer
 27 or educational trainee has violated the provisions of one of those sections, the person
 28 may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to
 29 the proceeding.

30 * **Sec. 43.** AS 39.50.200(a)(8) is amended to read:

31 (8) "public official" means

- 1 (A) a judicial officer;
 2 (B) the governor or the lieutenant governor;
 3 (C) a person hired or appointed in a department in the
 4 executive branch as
 5 (i) the head or deputy head of the department;
 6 (ii) the director or deputy director of a division;
 7 (iii) a special assistant to the head of the department;
 8 (iv) a person serving as the legislative liaison for the
 9 department;
 10 (D) an assistant to the governor or the lieutenant governor;
 11 (E) the chair or a member of a state commission or board other
 12 than physician members or alternates of the Alaska Teachers' Retirement
 13 Board appointed under AS 14.25.035(a)(2) or of the Public Employees'
 14 Retirement Board appointed under AS 39.35.030(d);
 15 (F) state investment officers and the state comptroller in the
 16 Department of Revenue;
 17 (G) the executive director of the Alaska Tourism Marketing
 18 Council;
 19 (H) the chief procurement officer appointed under
 20 AS 36.30.010;
 21 (I) the executive director of the Alaska Workforce
 22 Investment Board [ALASKA HUMAN RESOURCE INVESTMENT
 23 COUNCIL]; and
 24 (J) each appointed or elected municipal officer;

25 * Sec. 44. AS 39.50.200(b)(55) is amended to read:

26 (55) Alaska Workforce Investment Board [ALASKA HUMAN
 27 RESOURCE INVESTMENT COUNCIL] (AS 23.15.550);

28 * Sec. 45. AS 44.31.020 is amended to read:

29 **Sec. 44.31.020. Duties of department.** The Department of Labor and
 30 Workforce Development shall

31 (1) enforce the laws, and adopt regulations under them concerning

1 employer-employee relationships, including the safety, hours of work, wages, and
2 conditions of workers, including children;

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

4 (3) operate systems of workers' compensation and unemployment
5 insurance;

6 (4) gather data reflecting the cost of living in the various election
7 districts of the state upon request of the director of personnel under AS 39.27.030; in
8 this paragraph, "election district" has the meaning given in AS 39.27.020(b);

9 (5) operate the federally funded employment and training programs
10 under 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998) [29 U.S.C. 1501 -
11 1792B (JOB TRAINING PARTNERSHIP ACT)]; and

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

13 * Sec. 46. AS 23.15.660(3) is repealed.

14 * Sec. 47. The uncodified law of the State of Alaska enacted in sec. 6, ch. 116, SLA 1996
15 as amended by sec. 9, ch. 85, SLA 1998, is amended to read:

16 Sec. 6. AS 23.15.620, 23.15.625, 23.15.630, 23.15.635, 23.15.640, 23.15.645,
17 23.15.651, and 23.15.660 are repealed June 30, 2004 [2002].

18 * Sec. 48. The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 REPORT TO THE LEGISLATURE. The Department of Labor and Workforce
21 Development shall present a written report to the legislature on the state training and
22 resources program within 10 days of the beginning of the First Regular Session of the
23 Twenty-Third Alaska State Legislature. The report must include

24 (1) an outreach plan for the state training and resources program;

25 (2) a certification verification plan;

26 (3) the department's recommendations on allowable nonadministrative costs
27 for program expenses;

28 (4) a data collection and reporting plan;

29 (5) the status of the governor's discretionary fund for statewide activities
30 established as part of the 1999 Alaska Human Resource Investment Council action plan; and

31 (6) the department's recommendations on including reimbursable employers in

1 the state training and employment program, and excluding current and former employees of
2 reimbursable employers from the program.

3 * Sec. 49. The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 TRANSITION: MEMBERS AND TERMS OF THE ALASKA WORKFORCE
6 INVESTMENT BOARD; EXECUTIVE DIRECTOR. (a) On the effective date of this
7 section, the members of the Alaska Workforce Investment Board created in AS 23.15.550, as
8 amended by sec. 3 of this Act, are the same persons who, on the day before the effective date
9 of this section, served as members of the Alaska Human Resource Investment Council under
10 AS 23.15.550 as that section appeared on the day before the effective date of this section.
11 The members described in this section shall serve the remainder of their unexpired terms.

12 (b) The person serving as executive director of the Alaska Human Resource
13 Investment Council on the day before the effective date of this section shall serve, under the
14 same terms and conditions, as executive director of the Alaska Workforce Investment Board
15 created in AS 23.15.550, as amended by sec. 3 of this Act.

16 * Sec. 50. The uncodified law of the State of Alaska is amended by adding a new section to
17 read:

18 TRANSITION: EXECUTIVE COMMITTEE OF ALASKA WORKFORCE
19 INVESTMENT BOARD. Notwithstanding AS 23.15.570(c), as amended by sec. 7 of this
20 Act, the executive committee of the Alaska Workforce Investment Board, created in
21 AS 23.15.550, as amended by sec. 3 of this Act, shall include the immediate past chair of the
22 Alaska Human Resource Investment Council, created by AS 23.15.550 as that section
23 appeared on the day before the effective date of this section. The immediate past chair of the
24 Alaska Human Resource Investment Council shall serve on the executive committee until an
25 immediate past chair of the Alaska Workforce Investment Board exists.

26 * Sec. 51. The uncodified law of the State of Alaska is amended by adding a new section to
27 read:

28 TRANSITION: REGULATIONS. (a) Notwithstanding sec. 56 of this Act, the state
29 agencies affected by this Act may proceed to adopt regulations necessary to implement the
30 respective changes made by secs. 1 - 46 of this Act. The regulations take effect under
31 AS 44.62 (Administrative Procedure Act), but not before the effective date of the statutory

1 change.

2 (b) To the extent that the regulations are not inconsistent with the purposes of this
3 Act, regulations implementing AS 23.15.550 - 23.15.850 that are in effect on the day before
4 the effective date of this subsection remain as valid regulations implementing this Act. The
5 affected state agencies may continue to administer and enforce the regulations described in
6 this subsection.

7 (c) To the extent consistent with this Act, the regulations attorney is instructed to
8 change terms in the Alaska Administrative Code relating to the Alaska Human Resource
9 Investment Council, as follows:

10 (1) "Alaska Human Resource Investment Council" to "Alaska Workforce
11 Investment Board";

12 (2) "council," in relation to the change described in (1) of this subsection, to
13 "board."

14 * Sec. 52. The uncodified law of the State of Alaska is amended by adding a new section to
15 read:

16 REVISOR OF STATUTES INSTRUCTIONS. The revisor of statutes is instructed to
17 change the heading of art. 4 of AS 23.15 from "Alaska Human Resource Investment Council"
18 to "Alaska Workforce Investment Board."

19 * Sec. 53. The uncodified law of the State of Alaska is amended by adding a new section to
20 read:

21 RETROACTIVITY OF SEC. 47. If sec. 47 of this Act takes effect after June 29,
22 2002, sec. 47 of this Act is retroactive to June 29, 2002.

23 * Sec. 54. Section 47 of this Act takes effect June 29, 2002.

24 * Sec. 55. Section 51(a) of this Act takes effect immediately under AS 01.10.070(c).

25 * Sec. 56. Except as provided in secs. 54 and 55 of this Act, this Act takes effect July 1,
26 2002.

FISCAL NOTE

MAY 02 2002

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSSB 252(L&C)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Department: Labor and Workforce Development
Title: Employment and Training Program/Board BRU: Employment Security
Sponsor: Rules Committee Component: Job Training Programs
Requester: Senate Finance Component Number: 2556

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	418.6	418.6				
Travel	20.0	20.0				
Contractual	568.1	568.1				
Supplies	5.5	5.5				
Equipment	21.0	21.0				
Land & Structures						
Grants & Claims	3,752.0	3,752.0				
Miscellaneous						
TOTAL OPERATING	4,785.2	4,785.2	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (1054)	4,785.2	4,785.2				
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1054 State Employ & Training	4,785.2	4,785.2				
TOTAL	4,785.2	4,785.2	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: None

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would rename the Alaska Human Resource Investment Council (AHRIC) as the Alaska Workforce Investment Board (AWIB) and change the termination or "sunset" date of the State Training and Employment Program (STEP) to June 30, 2004.

The above Expenditures and projected Revenues are contained in the proposed FY 2003 operating budget.

Prepared by: Ronald Hull, Director Phone: 465-5933
Division: Employment Security Division Date/Time: 5/1/02 8:44 AM
Approved by: Ed Flanagan, Commissioner Date: 05/01/02
Agency: Department of Labor and Workforce Development

For distribution information, call the Governor's Legislative Office