

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
5945 HOUSE LABOR & COMMERCE

349

4B. PROBLEM: REGULATIONS/PAPERWORK

Regulations, in general are difficult to read and understand. Many times an agency implements regulations which are contrary to or fail to follow the apparent intent of the legislature. This often results in the formulation and establishment of regulations which respond to motivations and agendas contrary to or not in accordance to what the legislature had intended.

RECOMMENDATIONS

1. SJR3 proposes a constitutional amendment that would permit the legislature to repeal any regulations adopted by a state agency when the regulation does not reflect the intent of the law passed by the legislature. SJR3 should be brought out of committee and passed into law by the House, Senate and Governor before the end of the current session.
2. To ensure that all existing and new regulations will be scrutinized for their appropriateness and effectiveness, a sunset date of five to seven years should be applied to all regulations.
3. Establish a Regulatory Review Commission to review all existing regulations affecting small business in Alaska for appropriateness and effectiveness. The top 20 issues of this initial Governor's Conference on Small Business will provide the basis for the initial review process. This initial review process will complete its work by June 30, 1991, with the results presented to the second Governor's Conference on Small Business in September, 1991.
4. Regulations covering a new law should be issued within 90 days as some new laws are passed for a specific purpose and regulatory interpretation often impacts the small business for whom the law was passed.
5. Include in the regulatory review commission small business representatives composed of owners and representatives to:
 - a. Review existing rules, regulations and forms to suggest adaptations more appropriate to small businesses. Emphasis should be on simplification, combining related forms, simultaneous due dates, increased consistency between state and federal forms, and increased computer compatibility.
 - b. Each government agency must make a special effort to educate small business owners about existing state rules and regulations.
 - c. Mandate follow-up review of implemented rules by small business advisory group(s).
 - d. Interpretation of rules must be consistent where conditions are the same.
 - e. The number of regulations which must be followed in order to assure the communal health, safety, and welfare should be kept to an absolute minimum.
 - f. The legislature should, when drafting laws, determine the effect of the proposed law on small businesses; and
 - g. All agencies must, when promulgating regulations, review them for conflicts with other agency regulations prior to adoption. Regulations must also be reviewed in light of their effect on small business.

6.
 - a. Provide a clearinghouse/marketing center for small businesses.
 - b. Coordinate federal, state, regional and municipal agency service to eliminate undue duplication of services.
 - c. Simplify regulation and application procedures by streamlining operation and agency mandates.
7. Agencies and legislators need to use common sense in their approach to regulations.
8. A person will be assigned to each ombudsman's office to deal with regulatory concerns of small business and will only be assigned to tasks addressing small business concerns.
9.
 - a. Provide a clearinghouse/marketing center for small businesses.
 - b. Coordinate federal, state, regional and municipal agency service to eliminate undue duplication of services.
 - c. Simplify regulation and application procedures by streamlining operation and agency mandates.

4C. PROBLEM: FINANCE

Small businesses need better access to equity capital.

RECOMMENDATIONS

1. The state should try to maximize their contacts to influence and encourage investments in Alaska using state funds and Permanent Fund Investments as leverage.
2. The state should support the role of the Alaska Science & Technology Foundation in providing seed capital for economic development.
3. Use of Uniform Limited Offering Registration (U.L.) similar to Washington State.
4. The state should implement an investment network such as Washington State's investment network (WIN) to match businesses in need of capital with investors.

7. PROBLEM: PAYROLL COSTS/BENEFITS

There is an increasing trend in Congress and legislature to mandate benefits that will adversely affect small businesses. Small businesses will have a problem if the following occur:

1. Mandatory health insurance.
2. Increasing minimum wage.
3. Parental (men and women) leave and continuing medical benefits with extended leave/leave without pay benefits.

RECOMMENDATIONS

1. Impress on legislators that mandated benefits and insurance must be discouraged. The two types of mandated benefits involved are as follows:

- a. Those that require all employers to provide a certain level of benefits such as health insurance.
 - b. Those that require all employers to provide certain benefits such as health insurance (i.e. maternity, psychological health benefits, etc.)
2. The state needs to raise its deductible on health coverage and require employees to bear a portion of the cost of dependent coverage. The state needs to take an active role as coordinator in forming a group insuring pool for health care for its citizens.
 3. Mandated benefits must be discouraged. A 20% to 30% rate increase for health insurance in one year simply is prohibitive. Many small business employers would be put out of business if required to carry health insurance. Both are harmful to small business.

The first type is harmful to small business because of the onerous expense it creates for the employer with no lower cost alternatives. For example, in many cases employers would not be able to continue in business if required to provide health insurance for all of their employees. This is especially true for start-up businesses and business hit hard by economic difficulties.

The second type of mandated insurance coverage adds significantly to the cost of insurance. This in turn forces employers to drop coverage because the mandated coverage is so expensive, even though they may be willing and able to provide less comprehensive coverage.

Legislators and the administration should instead be encouraged to enact legislation which would help reduce the cost of benefits; which would encourage more employers to cover their employees. For example, measures should be explored which will help reduce health care costs shifting created by uncompensated care.

8. PROBLEM: GOVERNMENT COMPETITION WITH THE PRIVATE SECTOR

There are many public services that could be provided better and less expensively by the private sector. State financed non-profits compete with for-profit businesses on state, local, private and federal contracts. Also, non-profit organizations compete with private small business to provide services and goods.

RECOMMENDATIONS

1. Establish a private/public commission (Mini-Grace Commission) to review and evaluate commercial enterprises operated and services provided by the state government. This commission would then mandate the state to make public the cost of these various projects to see if the private sector can do them more economically by contracts with small business firms.

This commission should consist of at least 12 members with 6 representatives from the small business sector and 3 representatives from the financial community. It is recommended these 9 be appointed to the commission by the Governor from a list of representatives prepared by the delegates to the Governor's Conference on Small Business. The other 3 representatives

would be appointed by the Governor from various branches of the state government.

As the individual projects are studied, evaluated and selected as candidates for a cost comparison study, the approved projects would then be put out for competitive bidding by small business firms, with the state also submitting a sealed bid. The bids would be opened at a public bid opening and the low bidder, be it the state or a small business firm, being awarded the contract to provide the service. If the state is the low bidder, the service would continue to be performed by the state. Otherwise, it would be awarded to the small business firm. The specific details in implementing this procedure would be worked out within state guidelines and coordinated with the appointed representatives on the established commission.

This commission is a very fair and impartial means of reducing state in-house costs and letting private firms prove they can perform a service more efficiently than the state.

2. Privatization of potential income producing enterprises or portions thereof owned by State and local governments should be considered. Examples which should be considered are utilities, agriculture, housing, finance, transportation, printing, publishing, maintenance, human resource development training/and management, recreation, health care, mental health care, tourism, corrections, and real estate.
3. Federal and state governments should stop the practice of giving grants to non-profits rather than contract with existing businesses who can provide the same services.
4. Reinforce the need for the Federal Government to avoid issuance of grants that compete with private enterprises.
5. a. Recognize that geographic isolation and historically small private sector have created a situation in which state and local governments provide some services more typically filled by private businesses (e.g. document copying, FAX transmission, engine and machine repairs, etc.) We must adhere to the principle that state or local governments and agencies that derive their funding from such governments are put in place to provide necessary public services and not to act as surrogate businesses.
b. Limit and/or restrict government agencies from competing with small business, with oversight to be provided by a small business advocacy commission whose charge would be to:
 - (1) Prohibit unfair competition in which non-profit, tax-exempt organizations use their tax-exempt status and other advantages in selling products and services also offered by small business;
 - (2) Draft legislation to Congress forbidding direct competition by public agencies or public-funded agencies in providing unrelated services;
 - (3) Draft legislation with similar provisions in a state income tax bill;
 - (4) Review the nature and scope of commercial activities by public agencies and non-profit entities and determine the impact of these on small businesses in the state; and
 - (5) Draft regulations for the IRS with greater specificity.

- c. Definitively state in statutes that non-profit agencies providing services not directly related to their main purpose and which are identified as being in direct competition with an existing business or hindering the establishment of a new profit-making business, must either cease providing that particular service to the public or must pay taxes on those services as "unrelated profit-making ventures."
6. The state should stop competing and contract to private labs with the state being more aware of private services that are available and not duplicate.

9. PROBLEM: EDUCATION/TRAINING

There is a lack of networking between the education sector and the small business sector as to what programs are needed, the ability of businesses to train employees or have apprentice programs.

RECOMMENDATIONS

1. Provide funding and/or tax credits for an apprentice training program to assist small business to develop an effective and more productive work force.
2. The State Board of Education and State Vocational Education Board should be separated into two boards to better service Alaskan students.
3. The state funded SB191 program similar to the "Job Training Partnership Act" (JTPA) should be expanded with an emphasis on the private sector designing and delivering the training through the RFPO process.

10. PROBLEM: TRANSPORTATION/MARKETING

The state does not have a transportation policy.

RECOMMENDATIONS

1. a. Develop a transportation policy that includes highways, ports, airports, barge service and the railroad; and
b. Establish one commission each for DOT, Alaska Marine Highway System, and airports similar to the Alaska Railroad to set policy and long range goals. Each should have their own budget with income generated remaining in the department directly related - i.e. gas tax to DOT, airport feed to airports, etc.
2. The Alaska Marine Highway System serves as a vital link to the continental surface transportation network:
 - a. Provide year-round marine highway service to Kodiak, Prince William Sound, Dutch Harbor and all other coastal communities presently served in Southwest Alaska, without lapse.
 - b. The Alaska Marine Highway System should request proposals for emergency replacement vessels immediately upon scheduling of refurbishment.
 - c. Extend the AMHS to include service to Western Alaska.

- d. Transfer terminal operation leases and port powers to local government.
 - e. Seek repeal of the Jones Act.
3. Construct a direct transportation link between Nome and Fairbanks. Develop year-round barge service among Anchorage, Kenai Peninsula and Dutch Harbor.
 4. Airline competition to Southeast Alaska, specifically a Juneau/Vancouver link, opens the Vancouver market to all of Alaska and similar increased competition and service in rural Alaska.
 5. Local communities should work with state to develop infrastructure at airports, terminals, parking, cargo and cold storage facilities so that they can sell space with guaranteed availability.
 6. Expand and improve the ground transportation system to provide better access and resource development.
 7. Promote deep water port facilities throughout all coastal regions for expanded tourism, employment and resource development.

11. PROBLEM: REGULATIONS/PAPERWORK

Field regulators or low level personnel have the power to put constraints on permits or even put you out of business by over-regulation. Their attitude is not to help you solve problems but to create them. Regulators have too much control over businesses with regulations. They can tell you what you can and cannot do with your own business. There is too much "government regulation." There are often differences between regulations in various agencies in applying their regulations to the same situation.

RECOMMENDATIONS

1. Regulators should attempt to help businesses resolve problems. Their enforcement activities should be restricted to taking actions on those items specifically prohibited or restricted by a current valid regulation.
2. A person will be assigned to each ombudsman office to deal with regulatory concerns of small businesses and will only be assigned to tasks addressing small business concerns.
3. Each application for permit, regulatory decision or appeal should have a reasonable fixed time for completion by the agency.
4. An appeal process should be established for regulatory decisions. The body hearing the appeal should not be made up of only the regulators.
5. The governor should appoint staff in his office with the authority to facilitate and resolve any discrepancies or differences in the application of different regulations to a specific situation.

12. PROBLEM: PROCUREMENT

There is inconsistency of bidding and contracting procedures between state-funded agencies, for example, Legislative Affairs, Alaska Housing Finance Corporation, Alaska Energy Authority, line agencies, University of Alaska, school districts.

RECOMMENDATIONS

1. All state funded agencies charge a handling fee to out-of-state bidders requesting bid packets.
2. All state funded agencies stop advertising outside Alaska--local (in Alaska) advertising only.
3. Bid prices must be FOB destination to show full price of item with shipping costs.

Concern was expressed about the State procurement procedures often having the state taking delivery of goods in an area convenient for out-of-state vendors, for example, a Seattle warehouse, even though the final destination is in Alaska. This procedure works to the benefit of out-of-state vendors since they can make local deliveries very easily. In-state vendors have no opportunity to use their expertise in expediting the goods to Alaska destinations.

If the cost of getting the goods to final destination were included in the bid prices, then in-state vendors could be more competitive. The state would also save money since the freight cost would be part of the competitive bids.

4. The state should adopt consistent bidding and contracting procedures for all state funded agencies.

13. PROBLEM: INSURANCE/BONDING

The cost of health and other insurance and bonding is prohibitive for most small businesses. At the same time, the level of health care coverage provided by the state sets an unrealistic expectation for the work force and causes a high level of turnover for small businesses.

RECOMMENDATIONS

1. Organize and set up pools for self-insurance.
2. Risk pooling legislation should be encouraged.
3. Measures should be explored which help reduce health cost-shifting created by uncompensated care.
4. Mandated insurance benefits/coverage must be discouraged.
5. Tort reform should be encouraged where appropriate to help lower costs.
6. Increase bond requirements to \$50,000 for a general contractors license.

7. Require the principal(s) of a company to pass a written competency test to obtain a general contractors license.
8. Eliminate the requirement for bonding where no reason for bonding exists.
9. Small state and local construction projects (less than \$100,000) should allow exemption of contract bonding requirements.
10. Streamline the bonding process to reduce time and cost to small business.
11. Divide large state funded jobs into phases in order that more Alaskan businesses may qualify for bonding.

14. PROBLEM: ECONOMIC POLICY

The State of Alaska does not have a central repository of business information, access to existing business information nor a mechanism to disseminate business information to small businesses. The lack of information and business data on finance, marketing, international trade and other business topic hampers small business development and success.

RECOMMENDATIONS

1. Establish a data base on regional basis for use statewide.
2. The state must make concerted effort to information relevant to small businesses. Suggestions include mailings enclosed with business renewals licenses, worker's compensation forms, PSA's, etc.

15. PROBLEM: EDUCATION/TRAINING

Curriculum is lacking on basic skills and general business education. Employees do not always know how to be good employees. They lack good work habits like getting to work on time, writing, math skills, etc. There is not always a positive and productive employer/employee relationship. There is a lack of entrepreneurial education in the schools. Young people are not understanding business and self-employment.

RECOMMENDATIONS

1. A statewide conference entitled "The Development of Alaska's Workforce - A Course of Action" should be undertaken within the coming year (before November 30, 1990). The conference should address:
 - a. School curriculum, offerings and expectations for our young people;
 - b. Professional training, in-service training and qualifications of our educators;
 - c. Network public institutional and private educators (trainers, consultants, private training organizations and professional organizations) to address human resource development on a macro-level. Address the need to educate, prepare, train, develop and support the need for improved human resource development in Alaska;
 - d. The role of business in education;

- e. Training and development of Alaska's workforce by non-public institutions, resources, consultants and trainers. Regulatory guidelines, fiscal responsibility and institutional needs, among many other topics to be addressed;
 - f. The training and development of entrepreneurs in Alaska; and
 - g. Distance delivery of business education, economic development, plus knowledge about Alaska's diverse economic conditions, role in the economy of the US, Pacific Rim, and the international trade scene.
2. Training programs must be developed for the following:
 - a. For employees on how to be employees;
 - b. For employers on how to build a positive and productive employee/ employer relationship; and
 - c. Continuous skill training and human development.
 3. Entrepreneurship and small business development courses should be offered in schools. These should include implementing model curriculum and school-based enterprises and include appropriate in-service education.
 4. Information on existing programs should be more accessible.

16. **PROBLEM: TRANSPORTATION/MARKETING**

There is an inadequate effort by the State to market both the natural and human resources of Alaska and to attract business to Alaska.

RECOMMENDATIONS

1. Need sufficient funding for the Department of Commerce and Economic Development to develop a marketing plan designed to market both natural and human resources in Alaska.
2. Need to develop favorable southbound freight rates between Anchorage and the Seattle area to help market Alaska goods.
3. Recommend aquaculture/mariculture be allowed in Alaska.
4. To market Alaska as a tourism destination to overcome the negative impact of the oil spill:
 - a. Market the strengths of the affected and unaffected areas;
 - b. Accommodations for tourists and prevent loss of visitors (whose spaces were taken by clean-up crews);
 - c. Return rental, gas, and grocery prices back to "normal" (pre-oil spill);
 - d. Periodic inspections of impacted areas;
 - e. Promote awareness through litter clean-up;
 - f. Correspond with news media from affected areas.
5. The state needs to have a central position to distribute information to small businesses.

6. a. Involve people with knowledge in a specific regional market; and
b. "Buy Alaska" and "Alaska Grown" are good examples of good marketing.
7. a. Make sorted labels available to everyone;
b. The brochure rack at the Anchorage airport should be available to everyone, not just Anchorage Visitor and Convention Board members; and
c. Name a task force to evaluate the competence of existing agencies and to look at combining services pertaining to small businesses to assist with finance and marketing.
8. The state needs to educate small business about programs that are available.
9. State dollars are being spent in the Lower 48, not in Alaska with Alaskan film companies and Alaskan talent.
10. Once marketing has attracted a company to Alaska business plan review by regulatory agencies must be faster so the project can start in a timely manner.
11. Seek repeal of the Jones Act to facilitate development and transportation from foreign ports utilizing foreign bottoms.

17. PROBLEM: INTERNATIONAL TRADE

There is a lack of State government assistance in support of aggressively promoting awareness, marketing, and facilitating international trade. Information is not being disseminated in a timely and useful manner. Small businesses are not being made aware of the sources and types of assistance available from both State and Federal agencies. Small business is not involved in the planning and implementation of foreign trade missions. The activities and destinations of foreign vessels within the 200 mile zone are not being monitored and made available to small business. The infrastructure necessary to engage in foreign trade is not being developed.

RECOMMENDATIONS

1. Implement foreign trade information system as developed by Washington State.
2. The central places in state government (Anchorage and elsewhere in Alaska) where small businesses can get information on import/export needs to be more aggressively advertised.
3. Promote a state-wide regional customs office to provide better training opportunities for resources and services.
4. The existing State Office of International Trade needs more funding for overseas offices and personnel.
5. The State Trade Office needs to develop more information on European trade.

6. The state should encourage export trading of natural resources that have no value added. The state should encourage imports from Europe and Asia to our trade zones for value added assembly and manufacture of products destined for us consumers.
7. The state must include the private sector in the international trade development process.
8. a. The Governor, Legislature and Alaska Congressional delegation must be more forceful about getting high seas fish interception piracy stopped; and
b. Funding for enforcement must be increased.
9. The 200 mile limit should be more forcefully monitored by the Coast Guard, including advising port of call of each ship and to which country and port it will return.
10. Use Alaskan cities as receiving, storage and transport areas for goods. Develop foreign trade zones.

18. PROBLEM: ECONOMIC POLICY

Attractions, facilities and access are inadequate to meet the demands of tourists to various regions of our State. In addition, there is a lack of marketing to attract visitors to these regions as destinations.

RECOMMENDATIONS

1. The State should provide additional:
 - a. turnouts, camping areas;
 - b. restrooms, reststops;
 - c. historic markers;
 - d. access to rivers, lakes and other attractions;
 - e. accessibility for the physically handicapped; and
 - f. land available for private development of tourist accommodations.
2. Seek cooperative ventures between the public and private sectors to develop and improve tourism opportunities in the various regions of Alaska and market them.
3. Market Alaska as a year round destination with increased emphasis on shoulder and winter seasons.
4. Alaska needs an increase in the state tourism marketing budget, implemented by Alaskan advertising and marketing agencies.

19. PROBLEM: PAYROLL/BENEFITS

Small businesses have a hard time competing with wages and benefits offered by local and state governments and agencies funded by those governments, such as school districts and grant recipient agencies. This makes it difficult to get and keep good employees.

RESOLUTIONS

RECOMMENDATIONS

1. a. Policy setting bodies need to be educated with "hard-number" charts and valid examples of employees and their training lost to public sector jobs; and
 - b. State and local wage negotiators must put any wage/benefit increase for state employees to voter approval.
 - c. Comp time should be allowed as a substitute for overtime pay for small business.
 - d. State employees should be paid wages and benefits based upon the prevailing wages and benefits in the local area to private sector employees doing similar work.
2. Lengthen the vesting requirements for retirement and health benefits for state employees.
 3. State needs to raise its deductible on health coverage and reduce its level of health coverage.

20. PROBLEM: PAYROLL COSTS/BENEFITS

The required use of Davis-Bacon (Title 36) wages cause a conflict between employees paid D-B wages and employees who are not and do not reflect the reality of wages paid at the private, state and federal levels at the same job classifications. These wages make it impossible for small businesses to hold employees.

RECOMMENDATIONS

1. Employees knowingly accepting less than the prevailing wage should not be allowed to collect back wages, and all certified payroll should include employee's signature on the first payroll that they in fact, are receiving wages as stated;
2. The State of Alaska should add more crafts/job classification to reflect actual work being performed;
3. The State of Alaska should require uniform interpretation for Department of Labor rules to be the same in all regions of the state; and
4. The Department of Labor should modify the current Davis-Bacon system and average wages from all sources of employment to determine current prevailing wages.

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1. It should be noted that some of these problems might have previously been addressed by either the administration or legislature. But they were voted in the top 20 because Delegates felt that the previous whole or partial solution did not fully address or solve the problem.
 2. Text in parentheses after a problem or recommendation is added for clarification of intent.

RESOLUTIONS

PASSED BY DELEGATES TO THE GOVERNOR'S CONFERENCE ON SMALL BUSINESS SEPTEMBER 30, 1989

RESOLUTION 89-1

WHEREAS, All Alaskans wish to see stable and continued growth in the Alaska economy rather than the Boom and Bust cycles of the past, and because we believe in the future of Alaska, and because we feel the government and the private sector should work in harmony,

THEREFORE, The Delegates of the 1989 Governor's Conference on Small Business desire that this Conference be held on a continuing basis every two years to promote the economic growth of Small Business in the State of Alaska; and ask for legislation to authorize funds to continue this conference.

RESOLUTION 89-2

WHEREAS, Without follow-through, the Governor's Conference on Small Business will essentially have been in vain,

THEREFORE, The Fairbanks Delegation requests the formation of an ongoing organization to implement the final recommendations of the Governor's Conference on Small Business.

RESOLUTION 89-3

WHEREAS, The small business community from all regions of the State of Alaska have dedicated much time and effort to resolve problems facing small business,

THEREFORE, We propose that the Governor appoint a cabinet level task force to implement and carry forth the final recommendations from the Governor's Conference on Small Business.

RESOLUTION 89-4

WHEREAS, A continuing organization is necessary to ensure implementation of the Governors Conference on Small Business agenda,

THEREFORE, Be it resolved, that the delegates establish an association and each Delegation shall comprise a chapter of the association and Chapter chairs comprise the statewide Board of Directors. Present Steering Committee members shall automatically become members of their regional chapter. Chairs shall be the liaison to the Administration and the Legislature, and with the small business and other organizations in the region. The name of the Association shall be the ALASKA SMALL BUSINESS CONFERENCE.

RESOLUTION 89-5

WHEREAS, Small business needs a strong consistent policy voice in this administration, and

WHEREAS, The conference has made it clear that many programs desired by small businesses are already in existence, but have not been communicated to the public, and

WHEREAS, There has been no Director of the Division of Business Development for over 11 months,

THEREFORE, Be it resolved, that the Governor appoint a small business person to be Director of the Division of Business Development by November 1, 1989.

RESOLUTION 89-6

WHEREAS, Small businesses have unique public policy considerations which are not adequately addressed at present,

THEREFORE, Be it resolved that the Governor's Conference on Small Business ask the Legislature to adopt a resolution expressing its intent that all relevant boards and commissions contain at least one small business person, and that the Governor appoint a small business advisory commission for the Division of Business Development.

RESOLUTION 89-7

WHEREAS, The Administrative staff, Steering Committee, and Volunteers have worked hard to produce the Governor's Conference on Small Business and have produced a successful conference,

THEREFORE, Be it resolved that the Delegates express their appreciation to the staff, Steering Committee and assistants of the Governor's Conference on Small Business, with particular thanks to the Executive Director.

RESOLUTION 89-8

WHEREAS, The March 24, 1989, Exxon Valdez oil spill in Prince William Sound has been described as the largest man made disaster since Hiroshima, and

WHEREAS, The entire State of Alaska has been adversely affected by the oil spill, and

WHEREAS, Alaskan coastal communities have suffered ecological, social, and economical losses due to the Exxon oil spill, and

WHEREAS, Coastal municipalities absorbed a tremendous financial responsibility due to the lack of fund availability, and

WHEREAS, The State of Alaska needs to be able to respond immediately to containment and defense of such spills, and

WHEREAS, The local municipalities are the ones closest to the problems and are the best able to deal with the issues resulting from spills of oil and other hazardous wastes,

THEREFORE, Be it resolved that the Governor's Conference on Small Business support the passage of legislation that would provide funding for any oil or hazardous waste spill, in the form of a contingency fund, which would allow local municipalities to have the immediate ability to defend and clean up any future spills if they occur.

RESOLUTION 89-9

WHEREAS, Small business persons throughout the State have dedicated their time and efforts to identify, prioritize, and propose solutions to problems experienced by small businesses, and

WHEREAS, The only reward for time and efforts spent will be for the betterment of small business and government relations throughout the State of Alaska, and

WHEREAS, Legislative consideration and action is necessary for this betterment,

THEREFORE, We request that the administration make administrative bills in 1990, and if not passed in 1990 to encourage legislative consideration beyond the current administration term.

APPENDICES

APPENDIX A

AGENDA

Thursday, Sept. 28, 1989

- 3:00 pm and on - Check-in to Sheraton Hotel
 - 4:00 - 5:00 pm - Training session for Moderators, Resource People #308
 - 5:00 - 6:00 pm - Executive Committee, Governor's Conference on Small Business, #308
 - 5:00 - 7:00 pm - Pre-registration - Hospitality Suite #315
Regional Caucuses #308, #311
 - 7:00 - 7:30 pm - Rules Committee #311
 - 7:00 - 9:00 pm - Informal Reception for Delegates #303
Ham & Cheese Croissants, Veggies, Cheese
No-Host Bar
-

Friday, Sept. 29, 1989

- 8:00 - 9:00 pm - Exhibits (Atrium)
- 8:00 - 8:30 am - Registration (will continue until 10)
Coffee/Tea/Muffins/Croissants/Fruit
- 8:30 - 9:30 am - General session - Ballroom A
Welcome: Jack Jessee, Chairman, Steering
Committee, Governor's Conference
on Small Business
Welcome to Anchorage: Mayor Tom Fink
Remarks: Larry Mercurieff, Commissioner,
Dept. of Commerce & Economic
Development

Keynote Address: Honorable Steve Cowper,
Governor, State of Alaska
Goals/Process: Rosie Porter, Steering
Committee
- 9:30 - 9:45 am - Break
Coffee/Tea
Brief Regional Caucuses

- # 6 INSURANCE/BONDING
 Moderator: Vern Craig, Northland Systems
 Ballroom A Resource: Earlene Caress, S&S Welding, Jim
 Jordan, Div. of Insurance, C&ED
 Recorder: Frank Thomas-Mears, MRM
- # 7 TRANSPORTATION/MARKETING
 Moderator: Rosie Porter, Tundra Drums
 #311 Resource:
 Recorder: Wendy Cucullu, SBDC
- # 8 ECONOMIC POLICY
 Moderator: Jack Jessee, COMRIM
 Yukon Resource: Stan Stedman, KEDD, Walter
 Rm. Nayokpuk
 Recorder: Lisa Short, C&ED
- 3:15 - 3:45 Break
 Coffee/Tea/Iced Tea/Soft Drinks/Chocolate
 Chip Cookies
 Brief Regional Caucuses
- 3:45 - 5:45 ISSUE SESSIONS
- # 9 EDUCATION/TRAINING
 Moderator: Ernie Hall, Limited Editions
 Ballroom A Resource: Linda Van Ballenberg, Office of
 Adult & Vocational Education, DOE, Janet
 Nye, State Director, SBDC, Josie Roetto,
 JTPA, C&RA
 Recorder: Chuck McGee, C&ED
- # 10 PAYROLL COSTS/BENEFITS
 Moderator: Frank Thomas-Mears, MRM
 #308 Resource: Dick Ford, SBDC
 Recorder: Joanne McDowell, SBDC
- # 11 TAXATION
 Moderator: Ellen Greenberg, BBNA
 #311 Resource: Larry Meyers, Cooper's & Lybrand
 Recorder: Wendy Cucullu, SBDC
- # 12 GOVERNMENT COMPETITION WITH PRIVATE SECTOR
 Moderator: Britt Lively, Mapmakers
 Yukon Resource: Wally Carlo, Doyan, Jack Jessee,
 Rm. COMRIM Systems, Inc.
 Recorder: Lisa Short, C&ED
- # 13 OTHER
 Moderator: Irene Anderson, Sitnasuak
 Resource: Earl Romans, Alaskan Battery
 Ballroom A Recorder:

9:45 - 11:45 am - ISSUE SESSIONS

- # 1 FINANCE
Moderator: Jack Jessee, Chairman, COMRIM
Yukon Rm. Resource: Tom Broderson, SBDC, Ed Watkins,
Div. of Banking, C&ED, David
Dougherty, Wash. Bus. Ctr.
Recorder: Lisa Short, C&ED
- # 2 PROCUREMENT
Moderator: Dennis Hanoski, Marquis Furn.
#308 Resource: Ben Milem, SBDC, Wally Carlo,
Doyan Native Corp.
Recorder: Wendy Cucullu, SBDC
- # 3 REGULATIONS/PAPERWORK
Moderator: Ernie Hall, Limited Editions
Ballroom A Resource: Britt Lively, Mapmakers, Janet
Nye, SBDC
Recorder: Penny Graber, SBDC
- # 4 ENVIRONMENT/WASTE
Moderator: Frank Thomas-Mears, MRM
#311 Resource: Irene Anderson, Sitnasuak, Russ
McCurdy, SBA, Seattle
Recorder: Heather McQueen, SBDC

11:45 - 12:00 - Break

12:00 - 1:00 - Luncheon - Ballroom A

Welcome: Jack Jessee, Chairman
Remarks: Russ McCurdy, SBA Regional Advocate
Speaker: David Dougherty, Director
Washington Business Assistance
Center, Olympia, Wash.
"How Can the State Make Small
Businesses Stronger - How can
Small Businesses Make the State
Stronger?"

1:00 - 1:15 - Break
Brief Regional Caucuses

1:15 - 3:15 - ISSUE SESSIONS

- # 5 INTERNATIONAL TRADE
Moderator: Irene Anderson, Sitnasuak
#308 Resource: Gary Jenkins, Jenkins Ent., Earl
Romans, Alaskan Battery
Recorder: Chuck McGee, C&ED

4 ENVIRONMENT/WASTE
Moderator: Frank Thomas-Mears, MRM
Kuskokwim Resource: Irene Anderson, Sitnasuak, Russ
West McCurdy, SBA
Recorder: Heather McQueen, SBDC

10:00 - 10:15 Break
Coffee/Tea
Brief Regional Caucuses

10:15 - 11:15 ISSUE SESSIONS

5 INTERNATIONAL TRADE
Moderator: Irene Anderson, Sitnasuak
Kuskokwim Resource: Gary Jenkins, Jenkins Ent.
East Recorder: Chuck McGee, C&ED

6 INSURANCE/BONDING
Moderator: Vern Craig, Northland Systems
Ballroom A Resource: Earlene Caress, S&S Welding, Jim
Jordan, Div. of Ins., C&ED
Recorder: Frank Thomas-Mears, MRM

7 TRANSPORTATION/MARKETING
Moderator: Rosie Porter, Tundra Drums
Kuskokwim Resource:
West Recorder: Wendy Cucullu, SBDC

8 ECONOMIC POLICY
Moderator: Jack Jessee, COMRIM
Yukon Resource: Stan Stedman, KEDD, Walter
Rm. Nayokpuk
Recorder: Lisa Short, C&ED

11:15 - 12:15 ISSUE SESSIONS

9 EDUCATION/TRAINING
Moderator: Ernie Hall, Limited Editions
Ballroom A Resource: Linda Van Ballenberg, DOE, Janet
Nye, SBDC, Josie Roetto, JTPA
Recorder: Chuck McGee, C&ED

10 PAYROLL COSTS/BENEFITS
Moderator: Frank Thomas-Mears, MRM
Kuskokwim Resource: Dick Ford, SBDC
East Recorder: Joanne McDowell, SBDC

11 TAXATION
Moderator: Ellen Greenberg, BBNA
Kuskokwim Resource: Larry Meyers, Cooper's & Lybrand
West Recorder: Wendy Cucullu, SBDC

5:45 - 6:00 Break
Regional Caucuses

6:00 - 6:45 GENERAL SESSION
Issue Sessions summaries
Distribution of ballots (#1 ballot - yellow)
for First Conference Vote to determine
the top 50 recommendations
Ballots must be turned in by 9:15 pm

Our thanks to Cooper's & Lybrand for their
assistance with the vote count.

7:00 - 9:00 RECEPTION/BUFFET - Ballroom B
Sponsored by: AK. State Chamber of Commerce
ARCO ALASKA, Inc.

Saturday, Sept. 30, 1989

7:00 Results of First Vote available

7:00 - 8:15 am - Meeting of Regional Delegation Chairs,
Sheraton Bistro Restaurant

8:00 - 2:00 pm - Exhibits (Atrium)

8:00 - 8:30 am - Coffee/Tea/Muffins/Croissants/Fruit

8:30 - 9:00 am - GENERAL SESSION - Ballroom A
Results of First Vote - Top 50

9:00 - 10:00 am - ISSUE SESSIONS

1 FINANCE
Moderator: Jack Jessee, COMRIM
Yukon Rm. Resource: Tom Broderson, SBDC, Ed Watkins,
C&ED
Recorder: Lisa Short, C&ED

2 PROCUREMENT
Moderator: Dennis Hanoski, Marquis Furn.
Kuskokwim East Resource: Ben Milem, SBDC, Wally Carlo,
Doyan
Recorder: Wendy Cucullu, SBDC

3 REGULATION/PAPERWORK
Moderator: Ernie Hall
Ballroom A Resource: Britt Lively, Mapmakers, Janet
Nye, SBDC
Recorder: Penny Graber, SBDC

APPENDIX B
RULES OF THE
GOVERNOR'S CONFERENCE ON SMALL BUSINESS

I. Rules Committee

A. Objective.

It is the objective of the Rules Committee to encourage maximum Delegate participation, discussion, and deliberation, within a procedural framework that guarantees fairness and equity to all Delegates.

B. Membership.

The Rules Committee will be composed of seven members. The Chair shall be a member of the Steering Committee. The Chair shall appoint six members consisting of one Delegate from each of the following areas:

Anchorage	Fairbanks
Southeast	Kenai/Mat-Su
Northwest/Arctic	Aleutian Chain

- C. The members of the Rules Committee shall interpret, and enforce the rules and procedures governing the Statewide Governor's Conference on Small Business. The Rules Committee will approve the Conference Calendar, the List and petitions. It will direct petitions to the appropriate Issue Sessions and oversee Delegate voting. Although the primary responsibility for certification of the Delegates lies with the Regional Chairs, a Credentials Subcommittee of the Rules Committee shall be appointed by the Rules Chair to resolve any certification disputes that cannot be resolved by the Regional Chairs. The Rules Committee will also establish the following subcommittees:**

Petitions Subcommittee
Resolutions Subcommittee.

D. Participation

Each member of the Rules Committee may attend any Issue Session, and may be an active Issue Session participant. Members of the Rules Committee will receive official ballots for Conference voting and may vote. Members of the Steering Committee will be appointed by the Rules Committee Chair to act as assistant parliamentarians for the Rules Committee during the Issue Sessions and to provide such parliamentary assistance as may be needed.

E. Organization.

The Rules Committee shall elect a Vice Chair. The spokesperson for the committee shall be the Chair. The Rules Committee shall have the right to designate and appoint subcommittees other than those in C. to assure that the business of the committee is carried out. The members of such subcommittees shall be Delegates.

II. Parliamentarian

A conference Parliamentarian shall be appointed by the Chair of the Rules Committee to provide such parliamentary assistance as may be needed. If circumstances arise which are not covered by these rules, ROBERT'S RULES OF ORDER shall be in force.

12 GOVERNMENT COMPETITION WITH PRIVATE SECTOR
Moderator: Britt Lively, Mapmakers
Resource: Wally Carlo, Doyan, Jack Jessee,
COMRIM Systems, Inc.
Recorder: Lisa Short, C&ED

Yukon
Rm.

12:15 - 12:30 Break
Brief Regional Caucuses

12:30 - 1:00 General Session - Ballroom A
Brief Summary of Issue Sessions
Final Vote (#2 ballot - green)
on top 20 recommendations

1:00 - 3:00 Lunch - Ballroom B
RESOLUTION SESSION - Frank Thomas-Mears
Top 20 Announcement
Conference Wrap-up

3:00 - 4:00 Steering Committee, Governor's Conference on
Small Business, #315

III. Issue Sessions

A. Purpose of the Issue Sessions shall be to:

1. Refine problems;
2. Prioritize problems to discuss; and
3. Discuss, debate and amend the recommendations.

B. Delegate Participation.

1. Session Leadership.

Issue Sessions will be led by Moderators who have substantial expertise and experience in the relevant issue area. Each Moderator will be assisted by a Resource person or persons who have been active in their fields and have demonstrated expertise in a particular issue area, and by a Recorder.

2. Attendance at Issue Sessions.

Delegates may attend any Issue Session of the State Conference. They shall enjoy free access in and out of any Issue Session.

3. Speaking Rights.

Delegates will have equal right to express opinions or make recommendations in any issue Session. Only those individuals accredited as Delegates will be recognized to speak. Alternates or observers may be recognized by the Moderator to take part in the discussion at the request of a Delegate. In order to accommodate everyone, a Delegate's remarks in the Issue Sessions will be limited to three minutes. After a Delegate has spoken to a particular issue, the Moderator will call on all other Delegates who wish to speak on that topic before recognizing the same Delegate again. Any Delegate may offer an amendment to any recommendation as long as, in the judgement of the Moderator, it is timely and germane to the recommendation being discussed.

4. Delegate Credentials.

All delegates will receive credentials upon registration at the Conference. Should a Delegate resign, his or her credentials may be transferred to an authorized Alternate as designated by the Regional Chair. After the Chair has certified the transfer with the Credentials Subcommittee of the Rules Committee, the Alternate will take a position as a Delegate for the remainder of the Conference. There will be no change in the registration fee. Any dispute regarding an individual's credentials will be resolved by the Regional Chair within his or her delegation. Should there be a dispute among the Regional delegation that cannot be resolved by the Chair, the Rules Committee shall resolve the dispute.

C. Amendments.

1. Sponsorship.

Only Delegates may offer amendments to recommendations. Upon introduction of an amendment, the Delegate sponsoring the amendment shall deliver to the Rules Chair or their designee, a copy of said amendment.

2. Forms.

Amendment forms are available by contacting the GCSB office. Blank amendment forms will also be available in each of the Issue Session areas during the Conference. Only the approved GCSB form will be accepted.

3. Submission.

Amendments to the recommendations listed on the initial Issue/Recommendation List will be accepted prior to the State Conference and at the Issue Sessions taking place on September 29/30, 1989.

- D. Voting.
Voting on amendments in Issue Sessions. Passage or failure of amendments to issues/recommendations under consideration in the various Issue Sessions shall be by simple majority vote of Delegates present.
- E. Issue/Recommendation List.
The List is the comprehensive listing of all recommendations under active consideration. Any of these recommendations may be amended in the appropriate Issue Session of the Conference. Recommendations on the Initial List will be ordered by the Rules Committee within each of the 13 issue areas and will be presented on the List in alphabetical order by issue area.
- F. Petitions.
1. Format.
Recommendations not appearing on the initial List may be placed before the Conference in the form of petitions. Each petition must have at least twenty Delegate signatures with no more than five coming from one Region. A recommendation which the petition is intended to bring forward must be stated exactly as the sponsor wishes it to be considered. If more than one form is used to obtain the required signatures, the wording of the recommendation must be exactly the same on each form.
 2. Submission Date.
All petitions must be submitted to the Rules Committee for validation under the criteria set forth in the Format section above, no later than 9:00 pm on Friday September 29, 1989. They may be submitted to the GCSB office any time prior to the aforementioned due date. Petitions turned into the GCSB office prior to the start of the Conference will be turned over to the Rules Committee for validation.
 3. Consideration of Petitions.
Petitions validated by the Rules Committee will be added to the List and discussed in the appropriate Issue Sessions on Friday September 29, 1989. Each validated petition will be assigned to an Issue Session and given a number for consideration in Conference votes. Petitions may be amended.
 4. Definition of a Sponsor.
For purposes of this section, sponsor is defined as the person whose name appears in the section of the GCSB petition which is labeled "circulated by". If a Region or other organization appears in the "circulated by" section, the chair of the Region shall be considered the sponsor of the petition.

IV. Conference Votes

- A. The Two (2) Conference Votes.
Each Delegate may vote for up to 50 items at the first conference vote and up to 20 items on the second and final conference vote from the Issue/Recommendation List. The List is the comprehensive listing of all recommendations under active consideration. On Friday September 29, 1989, Delegates will receive an updated List that includes amendments adopted in the Friday Issue Sessions. The vote on Friday evening will reduce the list to the top 50 items. Results of the Friday vote will be made available early Saturday September 30. Saturday September 30, 1989, the second and final vote will then produce an overall ranking order list from all recommendations of the top 20. These shall constitute the Final Recommendations of the 1989 Governor's Conference on Small Business.
- B. Voting Procedures for Conference Votes.
Votes will be cast by means of ballots. Vouchers for these ballots will be distributed to each Delegate at Registration and will not be replaced if lost or

stolen. Vouchers will be exchanged for a ballot at the time of voting. Voting times and locations will be announced in the Conference Agenda distributed at Registration.

V. Resolution Session: "Small Business Futures Session".

A. Purpose.

The Resolution Session will be devoted to areas of concern not specifically addressed by recommendations in the Issue Sessions. The session will be for discussion of issues such as, but not limited to:

1. Small business's place in the economy of the next decade;
2. Changes in the labor force which will affect small business;
3. Changes in technology which will affect small business; and
4. Determining the role of the private sector in strengthening small business and increasing public awareness of its contributions to our economy.

This session will not be for the purpose of further amendments to others. Thus, resolutions must not repeat recommendations discussed and voted on in the Issue Sessions. Resolutions must be submitted on prescribed forms.

B. Attendance at the Resolution Session.

The time of the Resolution Session will be announced on the Conference Agenda and will be open to any Delegate. Only Delegates may offer Resolutions or speak to Resolutions. Alternates and observers may attend.

C. Voting at the Resolution Session.

In order to hold a Resolution Session, at least 66 Delegates must be present. Voting will be after discussion on each Resolution. Delegates may vote on as many Resolutions as are presented. All Resolutions passed by this session will be forwarded to the Governor in the Final Report. In order to pass as a Conference Resolution, a Resolution must receive a minimum of two thirds (44) of the minimum of 66 Delegates present.

VI. General Sessions

A. Session Leadership.

Each General Session will be chaired by the GCSB Steering Committee Chair or their designee with the assistance of the Parliamentarian.

B. Purpose.

General Sessions will be scheduled for the purpose of presenting speakers to the Delegates as well as to make housekeeping and procedural announcements.

C. Attendance at General Sessions.

General Sessions are open to all Conference participants. Delegates will be seated by Regional delegations in designated sections of the floor. Observers, alternates and others will be seated in other designated areas.

VII. Definitions

A. Amendment: a proposal for addition or modification to an item on the Issue/Recommendation List.

B. Delegate: a person who is an owner, partner, corporate officer or employee of a for-profit small business with 100 or fewer permanent employees and that grosses less than \$10 million per year. There cannot be more than one person per business. Delegates must have been elected at a Regional Conference or appointed by the Steering Committee. Delegates shall be apportioned as follows:

Anchorage	36
Barrow	3
Bethel	3
Dillingham	3
Dutch Harbor	3
Fairbanks	15
Juneau	10
Kenai	7
Ketchikan	5
Kodiak	3
Kotzebue	3
Mat-Su	5
Nome	3
<u>TOTAL</u>	<u>99</u>

Petition: a formal request, needing at least 20 Delegate signatures, asking that an additional recommendation be considered that is not on the Issue/Recommendation List.

- D. **Recommendation:** an issue area developed at a Regional Conference or by petition that identifies a problem area and suggests how it can be addressed by the private sector, regulatory or administrative changes or by legislation.
- E. **Resolution:** a formal proposal for consideration that concerns small business and that has not been considered in any Issue Session.

APPENDIX C
DELEGATES TO THE CONFERENCE

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* Served on the Rules Committee

APPENDIX D

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259 S. Alaska St.
Palmer, AK 99645
745-3398

Stephanie Madsen
P.O. Box 330
Dutch Harbor, AK 99692
581-1428

Walter Nayokpuk
General Delivery
Shishmaref, AK 99772
649-3171

Ernie Polley
634 W. 12th. St.
Juneau, AK 99801
586-1437

Rosie Porter
P.O. Box 868
Bethel, AK 99559
543-3500

Earl Romans
157 Old Richardson Hwy.
Fairbanks, AK 99701
451-0594

Bill Sykes
P.O. Box 100839
Anchorage, AK 99510
272-1515

Fran Tate
P.O. Box 403
Barrow, AK 99723
852-8200

Frank Thomas-Mears
P.O. Box 112063
Anchorage, AK 99511
345-7181

Al Williams
1577 C St. Plaza, Suite 200
Anchorage, AK 99501
274-5400

SJR

oo

HOUSE COMMITTEE REPORT

(7)

Date Referred: March 3, 1989

FURTHER REFERRALS: FINANCE

Date of Committee Action 5-2-89

The LABOR & COMMERCE Committee considered:

SJR 8am

SENATE JOINT RESOLUTION NO. 8 am

[TAX TREATMENT OF FORECLOSED PROPERTY]

Urging a change under the Internal Revenue Code in the tax treatment of the transfer of real property subject to a mortgage that is a recourse loan when the indebtedness on the property is discharged through foreclosure, repossession, or surrender of the property.

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] have attached amendment(s) [] a new title
- [] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [] fiscal note(s) _____
- [] zero fiscal note(s) _____
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING: (Check approp. column)

Donley Donley
Boyer Boyer
Boucher Boucher
Leman Leman
Collins Collins
Finkelstein Finkelstein
Gruenberg Gruenberg

	Do Not Pass	No Rec	Amend

Donley

Chairman's signature

ALASKA STATE LEGISLATURE

Anchorage Office:
3111 C St., Suite 530
Anchorage, AK 99503
907-561-7616




While in Juneau:
P.O. Box V
Juneau, AK 99811
907-465-4958

Senator Rick Halford

MEMORANDUM

To: Representative Dave Donley, Chairman
Labor and Commerce

From: Senator Rick Halford 

Subject: SJR 8, regarding the tax treatment of real property when the property is transferred through foreclosure, repossession, or surrender.

Date: April 19, 1989

I would appreciate a hearing on SJR 8 at the Committee's earliest convenience.

It has come to my attention that in certain cases individuals are being taxed on their losses. Senate Joint Resolution 8 is an effort to correct this problem that is occurring in our State as a result of Alaska's struggling economy.

When an individual has a recourse loan, they are held personally liable for their debt beyond simply giving up the rights to the property. According to the Internal Revenue Code when an owner is personally liable for repayment of a debt which is secured by real property that has been transferred to satisfy the debt and the fair market value of that property is less than the amount of the outstanding debt, the resulting difference is taxable as ordinary income if any portion of the debt is forgiven by the lending institution.

In essence, what is occurring is that individuals who have lost their homes because they can no longer make monthly mortgage payments in our declining economy are held liable for taxes on the amount of their loan over and above fair market value and are thus being taxed on their losses.

I hope you will join me in this attempt to correct this terrible inequity.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Transfer of real property

Agency Affected: Revenue
BRU: Income & Excise Audit

Sponsor: Halford and Pearce
Requestor: Labor and Commerce

Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
	0	0	0	0	0	0
REVENUE						
	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 465-2320
Division: Income and Excise Audit Date: February 21, 1989

Approved by Commissioner: Hugh Malone *Hugh Malone* Date: February 21, 1989
Agency: Department of Revenue *2/21/89*

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

SJR

30



Alaska State Legislature

SENATE

6

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

April 11, 1989

TO: Representative Dave Donley, Chair
House Labor & Commerce Committee

FROM: Senator Jay Kerttula *Jay /rt*

SUBJECT: SJR 30, relating to the establishment of a
Job Corps Center

SJR 30 requests that the Department of Labor consider locating a job corps center in the Matanuska-Susitna Borough. It is anticipated that a decision will be made on the State of Alaska's application in the very near future.

I would appreciate it very much if SJR 30 could be scheduled for a hearing in the House Labor and Commerce Committee as soon as possible.

Thank you for your consideration of this request.

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SJR 30 am
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
Title: " Relating to location of a job corps center within the Matanuska-Susitna Borough." BRI: Employment Security
Sponsor: Kerttula and Szymanski Components: Employment Services
Requestor: House Labor & Commerce

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Judy Knight, Deputy Director Phone: 465-2712
Division: Employment Security Date: 4/11/89

Approved by Commissioner: Jim Sampson Date: 4/11/89
Agency: Department of Labor

Distribution (by preparer) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FISCAL NOTE

REQUEST: _____

Revision Date: _____
 Title: SJR No. 30 - A resolution relating to a Job Corps Center in Mat/Su Borough
 Sponsor: Senators Kerttula & Szymanski
 Requestor: _____

Agency Affected: Community & Regional Affairs
 BRU: Job Training Partnership Act

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: *Mae Hein*
 Division: Rural Development

Phone: 465-4890
 Date: 2/27/89

Approved by Commissioner: *[Signature]*
 Agency: Community and Regional Affairs

Date: 2/27/89

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SJR 30 (b)
PUBLISH DATE: 3/20/89

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
Title: " Relating to location of a job corps center within the Matanuska-Susitna Borough." BRU: Employment Security
Sponsor: Kerttula and Szymanski Components: Employment Services
Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Judy Knight, Deputy Director Phone: 465-2712
Division: Employment Security Date: 2/23/89

Approved by Commissioner: Jim Sampson Date: 2/23/89
Agency: Department of Labor

Distribution (by preparer) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)



Official Business

Alaska State Legislature

SENATE

P.O. Box V
State Capitol
Juneau, Alaska 99811

FROM SENATOR JAY KERTTULA

SENATE JOINT RESOLUTION 30

INDEX FOR SENATE FINANCE COMMITTEE PACKET

April 14, 1989

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3. Fiscal Note - Department of Labor
4. Federal Register, 11/4/88
5. Governor Cowper - letter to Department of Labor 11/18/88
6. Department of Labor - letter of acknowledgement 12/15/88
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8. Department of Labor - request for additional information
1/13/89
9. Addendum to Proposal - 2/17/89
10. Additional Support



Alaska State Legislature

SENATE

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

April 17, 1989

TO: Senate Labor and Commerce Committee
Members

FROM: Senator Jay Kerttula

SUBJECT: SENATE JOINT RESOLUTION 30
LOCATION OF A JOB CORPS CENTER

SJR 30, which is before you in committee, requests that the Secretary of Labor consider locating a job corps center in the Matanuska-Susitna Borough.

Job Corps is a federally funded program under the Job Training Partnership Act, authorizing both residential and non-residential centers. The centers provide educational and vocational training to economically, socially or educationally disadvantaged youth.

The Job Corps program has been in existence for approximately 20 years and Alaska has been participating for almost the entire time. Because there is no job corps center located within Alaska, all the participants have attended out-of-state facilities in the Pacific Northwest. At present, approximately 250 youth are enrolled in the program.

Last fall, it was learned that Congress had appropriated additional funds for the establishment of six new Job Corps centers. The selection criteria were published in the November 1989 Federal Register. Essentially, the Department is soliciting competitive bids. The notice in the Federal Register indicates that preference will be given to those states who do not already have an existing Job Corps Center.

As a result, Governor Cowper wrote to the Department of Labor requesting the establishment of a Jobs Corps Center in Alaska. The Department of Community and Regional Affairs, as the lead state agency, submitted a formal proposal.

It is the opinion of the Administration and those who have been involved in the Job Corps program that an in-state facility would serve an increased number of youth -- including the handicapped and unwed mothers, who are at times limited in their ability to go "outside".

A job corps center in Alaska will result in a greater sensitivity to and awareness of the cultural differences which exist in Alaska and which affect the job training options.

As far as the actual location is concerned, the Department of Labor has indicated that they would prefer a site that is close to Anchorage and not in a remote area.

In November, the Department of Community and Regional Affairs recommended the former Goose Bay Correctional Institution in Wasilla as a potential site for a job corps center. Since then, it has also been determined that the site of the vacant Colony High School in Wasilla would be a feasible location.

The Department of Labor criteria, the availability of the sites in the Mat-Su Borough, the fact that the Borough has over a 12% unemployment rate, the fact that Alaska will receive more than \$2 million in federal construction funds and approximately \$3 million in federal operating funds --all provide the rationale for Senate Joint Resolution 30.

The timing of the resolution is also important. In March, the Department of Labor sent an architectural "team" to Alaska to look at the two potential sites. It is our understanding that they were favorably impressed with the proposed locations; actually, it appears that the Colony School is the more likely site. The actual decision on which states will be awarded funds for additional job corps sites will be made sometime in April.

There are five remaining sites to be selected and only four applicants; thus, the potential for Alaska's selection is extremely good.

Enclosed for your information is back-up information on the proposal which Alaska has submitted to the Department of Labor, together with letters of support from various groups throughout Alaska.

I would encourage the support of the House Labor and Commerce Committee for Senate Joint Resolution 30.

FISCAL NOTE

REQUEST: _____

Revision Date: _____
Title: SJR No. 30 - A resolution relating to a Job Corps Center in Mat/Su Borough
Sponsor: Senators Kerttula & Szvanski
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: Job Training Partnership Act

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: *Alma Klein*
Division: Rural Development

Phone: 465-4890
Date: 2/27/89

Approved by Commissioner: *[Signature]*
Agency: Community and Regional Affairs

Date: 2/27/89

Distribution (by preparer) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SJR 30

PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
 Title: " Relating to location of a job corps center within the Matanuska-Susitna Borough." BRU: Employment Security
 Sponsor: Kerttula and Szymanski Components: Employment Services
 Requestor: Senate State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Judy Knight, Deputy Director Phone: 465-2712
 Division: Employment Security Date: 2/23/89

Approved by Commissioner: Jim Sampson Date: 2/23/89
 Agency: Department of Labor

Distribution (by preparer) :
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

DEPARTMENT OF LABOR

Employment and Training
Administration

Job Training Partnership Act;
Selection of States for Job Corps
Centers

AGENCY: Employment and Training
Administration, Labor.

ACTION: Notice; request for comments.

SUMMARY: The Department of Labor requests information to assist in the selection of States for new Job Corps centers. This notice specifies the criteria for selection.

DATE: Comments are requested by December 5, 1988.

ADDRESS: Comments shall be addressed to the Assistant Secretary for Employment and Training, U.S. Department of Labor, Room N-4508, 200 Constitution Avenue, N.W., Washington, DC 20210. Attention: Peter E. Reil, Director, Office of Job Corps.

FOR FURTHER INFORMATION CONTACT: Peter E. Reil, Director, Office of Job Corps; Telephone: 202-535-0550.

SUPPLEMENTARY INFORMATION: The Department of Labor intends to open six new Job Corps centers. Congress appropriated \$48 million in the 1988/89 appropriations bills to undertake this effort. The Senate Appropriations Committee language specified the following criteria for the Department to take into consideration in its selection of sites for new Job Corps centers. In addition to a general assessment of need. These are: priority consideration to States currently without a Job Corps center; preference to States where existing Government facilities can be used at a nominal cost; preference to States which have demonstrated a commitment to linking a center with other Federal, State, and local employment, training, and education programs; consideration to States which have shown a commitment to utilizing the Job Corps program in conjunction with other training programs to meet the needs of individuals with other barriers to employment, such as single parents; priority consideration to enhancing Job Corps services for persons with disabilities."

Based on previously available information, the Department has selected 2 States which have a demonstrated need as well as explicitly meeting criteria in the Senate Committee language. These are Kansas and Connecticut.

The Department of Labor has received initial expressions of interest from several other States and will follow up with these States. This Notice solicits formal input from all interested States to assist in the selection of the remaining 4 center sites. Information which would be helpful to the Department includes any information related to the factors cited above from the Senate Committee language as well as other information demonstrating particular need.

The Job Corps program is designed and intended to serve severely disadvantaged youth in need of intensive services who typically (1) have not succeeded in the traditional public school setting, (2) have experienced difficulty in channeling their behavior and energies in productive ways, (3) are unemployed and lack requisite education and skills to obtain meaningful employment, and (4) are poor.

The Department hereby requests additional input from interested parties in order to assist in its selection process for the additional sites.

Signed at Washington, DC, this 31st day of October 1988.

Roberts T. Jones,

Assistant Secretary of Labor

[FR Doc. 88-25831 Filed 11-3-88; 8:45 am]

BILLING CODE 4510-30-M

Tim Sullivan 202 535-0556

870

November 18, 1988

The Honorable Ann McLaughlin
Secretary of Labor
U. S. Department of Labor
200 Constitution Avenue, N. W.
Washington, D.C. 20210

Dear Secretary McLaughlin:

My purpose in writing is to express the State of Alaska's interest in and commitment to establishing a Job Corps site in Alaska, and to request your assistance in establishing this much needed facility in Alaska.

I understand that Congress has appropriated sufficient funds for development of six additional Job Corps sites throughout the country and that such funding is administered by the U.S. Department of Labor. Further, it is my understanding that preference is to be given to those states which currently do not possess a Job Corps site.

Alaska presently sends approximately 250 young people annually to sites in the Pacific Northwest. Recruitment and logistics are handled by an out-of-state contractor. We believe that the numbers of youth served could be substantially increased, and the youth-at-risk failure rate substantially decreased with establishment of an in-state site. Local control will favorably affect other criteria, such as the sensitivity to Alaskan Native cultural issues, coupled with a more intimate awareness of local labor market conditions and training options.

The center would create from 50 to 60 new Alaskan jobs, bring to Alaska an annual federal operating budget of about \$3 million, and a capital budget of from \$2 to \$6 million.

The Honorable Ann McLaughlin -2-

November 18, 1988

I am aware of the fierce competition resulting from so few opportunities being sought by so many states. There is broad support for the siting of a Job Corps center in Alaska. Attached are documents expressing that support. If you need more information, please do not hesitate to call me.

Sincerely,

S/S Steve Cowper

Steve Cowper
Governor

cc: Senator Ted Stevens
Senator Frank Murkowski
Congressman Don Young

bcc: Commissioner David G. Hoffman, DCRA
Commissioner William G. Demmert, DOE
Commissioner Jim Sampson, DOL
Acting Commissioner Larry Mercurieff, DCED
John Katz, State/Federal Relations,
Governor's Office, Washington, D.C.
Ron Clarke, Special Assistant to Governor Cowper
Mike Irwin, Special Assistant to Governor Cowper
William Mailer, DCRA, RDD

0465E/SC/GP/DGH/MI/JG/sbp

U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR
WASHINGTON, D.C.

December 16, 1988

RECEIVED
DEC 20 1988

GOVERNOR'S OFFICE

Dear Governor Cowper:

Thank you for your letter of November 18 regarding the establishment of a Job Corps center in Alaska.

The Fiscal Year 1989 appropriation contains funding for the establishment of six new Job Corps centers. The report language accompanying the appropriation contained a number of specific criteria to be considered in selecting locations for these centers. These criteria were published as a Federal Register Notice on November 4, 1988. A copy is enclosed for your information.

Based on a demonstrated need for a Job Corps center and on their meeting the established criteria, Connecticut and Kansas were announced in the Notice as sites for new centers. Further, the Notice indicates that additional States have expressed interest in the four remaining sites and that the Department of Labor would be following up with these States. Finally, the Notice requests additional input from interested parties in order to assist in the assessment process.

As you point out, Alaska certainly meets at least one of the specific criteria in the report language (States which currently do not have centers) and may meet additional ones. In this regard, we have contacted Mr. Jim Gurke, Grants Administrator, Office of Community and Regional Affairs, and asked him to submit a more specific proposal.

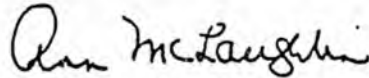
We also indicated to Mr. Gurke that the December 5 deadline in the Notice for submitting proposals would be extended to December 19. At that time, all proposals will be assessed in relation to the relevant criteria contained in the Notice. Please be assured that your request will be given full and fair consideration.

cc: Hoffman
Clark
Clarke
12/27
12/27
12/27

- 2 -

If we can be of any further assistance, please contact Daniel L. Lowry, Acting Director, Office of Job Corps on 535-0550.

Sincerely,

A handwritten signature in cursive script that reads "Ann McLaughlin".

ANN McLAUGHLIN

The Honorable Steve Cowper
Governor of Alaska
Juneau, Alaska 99811

Enclosure

STEVE ROWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

December 15, 1988

Assistant Secretary for
Employment and Training
U.S. Department of Labor
200 Constitution Ave., N.W.
Room N-4508
Washington, D.C. 20210

Attention: Peter E. Rell, Director
Office of Job Corps

Dear Mr. Bell:

Enclosed are five copies of a proposal asking that Alaska be considered as one of six new Job Corps sites authorized by Congress. The proposal was developed consistent with the criteria suggested in the November 4, 1988 Federal Register. (1) Alaska does not have center at this time; our Job Corps participants, now numbering over 250 per year, are transported to sites in the Pacific Northwest. (2) A specific site has been identified in the proposal: the current Goose Bay Correctional Center, will be available on a no-cost lease basis. (3) Our proposal is the product of collaboration between my Departments of Community and Regional Affairs, Labor and Education, in addition to input from our three JTPA Service Delivery Areas. We intend to coordinate any implementation efforts to ensure that employment and training programs and post secondary schools are an integral part of the Job Corps' functions. (4) Because of present limitations in sending Corps members "outside," handicapped and females (particularly unwed mothers) are not adequately served. Our proposal is designed with the intent of facilitating these populations to take full advantage of Job Corps.

The level of interest in having an Alaskan Job Corps site has been impressive. I trust you will give due consideration to our proposal.


Peter E. Rell

-2-

December 15, 1988

Questions or requests for additional information should be directed to the Department of community and Regional Affairs, David Hoffman, Commissioner, 949 E. 36th Avenue, Suite 400, Anchorage, Alaska 99508, Attention: James Gurke, Grants Administrator, Job Training Partnership Office (907) 563-1955.

Sincerely,



Steve Cowper
Governor

cc: Alaska Congressional Delegation
Kay Gowins, Governor's Office, State/Federal Relations
Commissioner Demmert, Dept. of Education
Commissioner Sampson, Dept. of Labor
Commissioner Hoffman, Dept. of Community
& Regional Affairs

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF LAND AND WATER MANAGEMENT

EXHIBIT 1

STEVE COWPER, GOVERNOR

3601 C STREET
PO BOX 107305
ANCHORAGE, ALASKA 99510-7005
PHONE (907) 561-2020

December 16, 1988

The Honorable Ann McLaughlin
Secretary of Labor
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Dear Secretary McLaughlin:

The Department of Corrections, State of Alaska, is vacating their interest in the Goose Bay Facilities located across Cook Inlet from Anchorage. The facilities are located on 278 acres of land.

I have been advised that your department may be interested in the site for locating a Jobs Corps Center. Judging from the information I have received, the Goose Bay facilities would suit your needs very nicely.

As the state's landlord, the Department of Natural Resources will accept applications to lease the property. As a government agency the Department of Labor qualifies for a "less than fair market value" lease. In other words, the annual rent will be zero dollars.

If you are interested in leasing the facilities, I encourage you to apply immediately. We will begin processing your application immediately upon receipt. Your application should be directed to:

Ms. Veronica Gilbert, Regional Manager
Southcentral Regional Office
Department of Natural Resources
Division of Land & Water Management
3601 "C" Street
P.O. Box 7001
Anchorage, Alaska 99510-7001

Your interest in developing a Job Corps Center in southcentral Alaska is appreciated. We look forward to working with your staff in the future.

Sincerely,


Gary Gustafson
Director

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20	SOURCES
21	DOCUMENTS IN SUPPORT

SUMMARY

The State of Alaska is commenting on the November 4 Federal Register by asking that it be considered as a site for a Job Corps center.

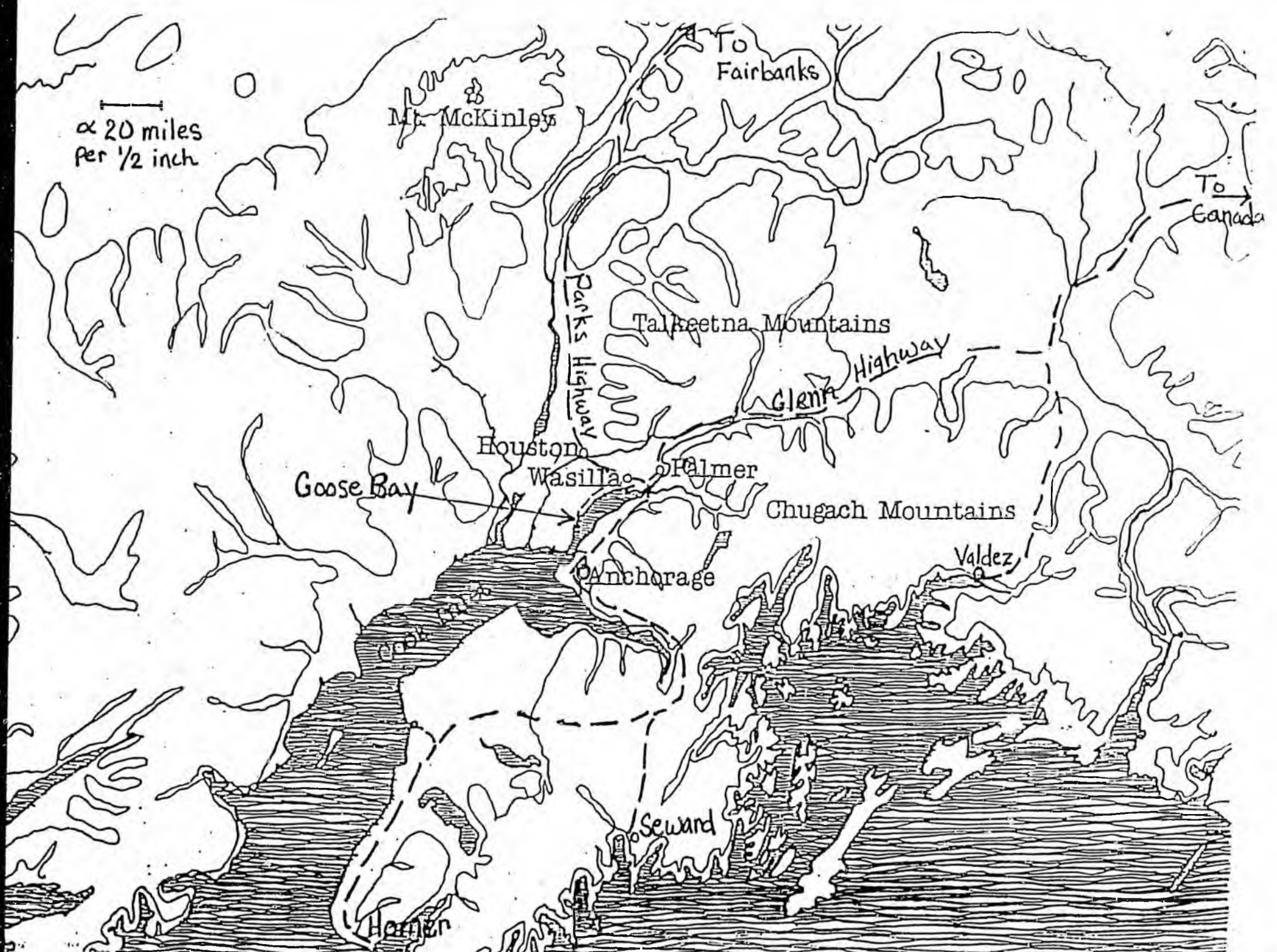
In the short time since staff learned about the possibility of new sites being established, the level of interest and enthusiasm has been remarkable. People within the employment and training community, education and local government have shown uncommon unity in supporting this opportunity. Job Corps has been viewed as both an opportunity for expanding educational alternatives in Alaska, but also important as a policy statement about the benefits of employment training as a means to improving the Alaskan workforce.

Unemployment within the State has varied between 7.5 and 8.5 percent. The Mat-Su Borough, where the proposed site is located, exceeds 12%. Rural areas rates are up to 20% but are felt to be substantially under reported because of the number of discouraged workers no longer reporting to Job Service.

In areas where employment is stronger, including oil exploration, mining and fisheries, Alaska tends to be an importer of skilled labor. Over 20% of wages in these industries are to non-residents. In seeking to obtain a Job Corps, the State is attempting to generate an important substitution of young, skilled workers.

Alaska is also a very diverse state, having several unique cultures. Having a Job Corps within the State will facilitate our opportunity to contribute to a curriculum that meets the members' needs: as a contributor to their cultural as well as employment development.

—|—
≈ 20 miles
per 1/2 inch



WHY ALASKA NEEDS A JOB CORPS CENTER

Current Job Corps Participation

The current quota for the State of Alaska is 220 screened applicants. The Region X office of USDOL has indicated, however, that the number could rise to 300 based upon current interest by resident youth. It is the State's opinion that an local site could readily support 200+ corps members at any point in time.

Current participation in Job Corps occurs through the services of an Oregon firm, Nero & Associates. Until recently no formal networking with the JTPA system had been established and Service Delivery Areas were virtually unaware of activities. A qualified applicant who meets the federal income guideline is screened by a single intake worker stationed in Anchorage. Networking for recruitment occurs through the Alaska Job Service and local education agencies. Recently the Fairbanks Private Industry Council has entered into an arrangement with the contractor agency, Nero & Associates, to perform additional recruitment and pre-Corps services.

Alaskan Corps members are sent to one of 10 centers located in Washington, Oregon and Idaho. Approximately 175 Alaskans are enrolled at any point in time.

Corps members characteristics vary by year but the tendency has been shifting toward a higher percentage of Alaskan Native youth, coming predominately from the rural villages. The current ratio is about 50:50 Native versus white youth.

The USDOL Regional Office has been conscious of the changing needs brought on by this population shift. Suggestions have been made to offer more counseling strategies to facilitate cultural needs. An anecdotal observation of both the contractor rep and the Regional office is that Alaskan youth prefer facilities where other Alaskan Natives are present.

Only about 10 percent of the total Corps members are female. According to the contractor rep, females most likely to benefit from attendance are unwed mothers; travel to a lower 48 facility is usually out of the question, even should day care be available. Of the rural Native youth, less than 10 current enrollees are women.

Nero & Associates reports three categories of termination: I, II, and III. Category I are those who completed training; Category II represents 3 to 9 months training, usually receiving a GED; Category III is someone with less than 60 days training.

Current statistics show that 20% of the case load, or 34 graduates, are Category I's; 40%, or 69 participants, are Category II's; 20%, or 34 participants, are Category III's. The other 10% are either unlocatables, non-positive placements or do not return to Alaska after training.

The following table shows the population size of the location to which the participant returned to find employment:

under 2500	10,000	50,000	250,000
36	27	17	48

Of the approximately 170 enrollees this past year, only 10 were non-positive or unlocatable.

Approximately 20% of the participants found jobs in the area for which they had been trained. Most of these were Category I's. The others found jobs in such areas as cannery work, carpentry, fire fighters, fish cleaning, auto repair, garbage collecting, housekeeping, cooking, cargo agent, jailer and car washing. At least 60% of the participants found better jobs than they had before they left for Job Corps. A majority of the Category III's are reported to have returned to fast food service.

The State believes that the approximately 40% figure represented by Category III and other non-positives, is a figure that can be substantially reduced by an in-State facility. Networking both in recruitment and in placement services can be increased through coordination with the JTPA Service Delivery Areas. Instead of the USDOL having to pay for recruitment and placement, a method of positive termination form JTPA pre-training could accrue to the SDA's in collaboration with a Job Corps center. The mechanism for coordination activities is already available through an Education Coordinating Committee which oversees Section 123 funds. This proposal is further elaborated in the section describing the program of study.

The Alaskan Profile of Poverty¹

The 1980 census reports that about 42,000 persons in Alaska lived below the national poverty income level. That represented about .10.7% of the state's estimated total population. Considering a poverty threshold equal to 125% of the national level, there were 55,900 persons in poverty in 1979(a poverty rate of 14.4%). Assuming a current population of 540,000, all else constant, there would be about 57,800

persons in poverty in Alaska and 79,400 people would be living below 125% of the national poverty income level.

Table 1 shows the percentage of the poverty population in Alaska, at 125% of the national poverty income threshold, and the percentage of the total population by characteristics.

While about 10.7% of persons in Alaska were below the poverty threshold, 7.7% of whites and 25.7% of Natives were in that category. The percentage was a little higher in rural areas, with 10.7% of rural whites and 28.7% of rural Natives in poverty. The poverty rate was higher among unrelated individuals than among families. About 86% of persons lived in families, and 9.4% of these persons lived in poverty. About 14% of persons were unrelated individuals, and 19% of these were in poverty. The poverty rate of rural, unrelated Natives was 46.6%. The tendency to have higher poverty rates among rural and Native persons holds both for persons in families and for unrelated individuals. Natives tended to younger (less than 22 years old) and older (over 64 years old), and tended more to live in families (91% versus 85%) compared to whites.

The educational attainment of persons in poverty was lower than that of the general population. About 83% of all families were headed by a high school graduate (89% of white families and 45% of Native families). Only about 63% of families in poverty were headed by a high school graduate (79% of white families in poverty and 35% of Native families in poverty). Similarly, unrelated individuals show the same pattern. About 33% of unrelated individuals were high school graduates (87% of whites and 54% of Natives). Only about 67% of unrelated individuals in poverty were high school graduates (76% of whites and 41% of Natives).

About 37.6% of families below the poverty threshold did not have work income in 1979 (34% of white families in poverty and 41.7% of Native families in poverty). Also, 42.6% of unrelated individuals (40.2% of white and 50.1% of Native unrelated individuals) did not have work income in 1979. Further, only 1.7% of all families were in poverty when the householder worked over 50 weeks (1.7% of white and 2.6% of Native families), while 19.3% of families were in poverty when the householder worked less than 27 weeks (15.4% of white and 34.4% of Native families).

Analysis of the data reveals that the demographic characteristics of the poverty population in Alaska are similar to those of the national poverty population. The poverty population is composed of unrelated individuals, females, nonwhites, rural citizens, the old and the young in larger

proportions than would be expected from the composition of the population as a whole. Since there are more white, nonrural people in the population, in numerical terms the largest group of persons in poverty in Alaska is white, nonrural females. It is also evident from the state data that those who live in poverty tend to have loose ties to the labor force. Poverty is associated with the absence of work, with the lack of full time work, and with low wage occupations which may be seasonal or subject to high employment turnover.

General economic development which increases job opportunities, especially high wage opportunities, helps everyone. For the past three years Alaska has been in a severe depression due to the oil price collapse. In the absence of a robust economy, the opportunities provided by education and training help to provide skills to the unskilled people who may have strong ties to the labor force but who find themselves unfamiliar with the world of work and without job specific skills. The added opportunities from a local Job Corps site would be one additional method to improve our young workforce.

An Overview of Demographics for Alaska's 16-21 Year Olds²

1987 information puts Alaska's population of 16-21 year olds at 46,793. 14.6% are Native Alaskans.

In 1985, 51,345 persons aged 14 and over were considered to be living below the 125% poverty level. Of these, 11,036 were between the ages of 16 and 21, and 2991 were either 14 or 15 years of age.

Although there may be a plethora of entry level jobs in Alaska's urban communities, these jobs are often sorely lacking in Alaska's rural areas. You can often count the total number of jobs on one hand in many rural communities. Employment opportunities are often scarce for all age groups in rural Alaska. This in turn translates into a much more acute problem for the younger job seeker. Results from a special survey conducted by the Department of Labor in the Lower Yukon region corroborates this problem. The Department established that the "official" youth unemployment rate was 34%. Using a more liberal definition of unemployment, the rate soared to 64%. Native Alaskan youth unemployment rate was nearly ten points higher than the average for all Alaskan youth.¹

A critical lack of job opportunities is not just a problem for rural Alaska or to Alaska Natives. Job options which offered good pay and career opportunities for all of Alaska's younger workers quickly became scarce with the onset of the recession.

The State has lost more than 20,000 jobs over the past three years. This means younger workers are now often competing with the older, more experienced workers. This is particularly severe for those in the 19-21 age group who are not college-bound. It has become much more difficult for these younger workers to acquire skills and find jobs that provide them with a decent livelihood.

Academic Status

High school dropouts are a real concern because of their failure in the labor market. According to the Northwest Regional Educational Laboratory report "Identifying At-Risk Youth in the Northwest States," 12.2% of Alaska's 16-19 year olds drop out of school. More startling is that a fully 67% of these dropouts don't find jobs. And many members of this group continue to have employment problems as adults.

Approximately 50% of all 16-21 year olds are participating in some form of secondary or postsecondary education.²

Over a three year period ending with school year 1987/88, students, grades 9 through 12, in Alaska's more remote school districts scored significantly lower than did their counterparts in the United States and Alaska as a whole. Those remote school districts in the northern and western parts of Alaska include the following:

Bering Straits	Iditarod
Kashunamuit	Kuspuk
Lake and Peninsula	Lower Kuskokwim
North Slope	Lower Yukon
Northwest Arctic	Southwest Region
Yukon Flats	Yukon Koyukuk
Yupiit	

Percentile scores show marked differences. Reading scores in the remote districts ranged from a high of 45 in one district, to a low of 6 in another. Math scores ranged from the same high to a low of 11. The average from the remote districts was 25 in reading and 36 in math. Statewide averages were 47 in reading and 58 in math.³

The State has no mechanism in place to determine the reading/math scores of out-of school youths. However, the Alaska Vocational Technical Center in Seward admits students from all walks of life and all parts of the state. They administer the ABLE test to all incoming students. They have provided test score averages for their students in the 16 through 21 age group. The reading scores ranged from 8.3 for

fiscal year 1987 to 9.9 for the current year. Math scores ranged from 7.1 for fiscal year 1987 to a high of 8.7 for fiscal year 1989. For the two and one half year periods the averages were 9.1 for reading and 8.0 for math.³

The aforementioned school districts also have high rates of economically disadvantaged families; in many cases substantially dependant upon subsistence activities to provide an important percentage of the food requirements in those areas. A majority of the students are Alaskan Natives; often bilingual with parentage having limited English ability. For example, in 1987 in the Lower Yukon District, over 90% of school children received free or reduced price lunches and over 97% were categorized as Limited English Proficiency (LEP). In preparing a Job Corps site in Alaska, a cross-cultural program component should be incorporated into any final plan. This should include course offerings in English as a second language.³

Additional academic statistics relating to Alaskan students include the following:

Number of GED graduates during FY87 totalled 1,800.⁴

Number of high school graduates during FY87 totalled 5,692.⁴

At least 25.3% of Alaska's 9th grade students don't make it through high school graduation.⁵

Alaska ranks 37th among all states in its ability to retain students in school through graduation.

Social Status

Teen Pregnancy:⁶

Alaska's teenage pregnancy rate is 13% higher than the national average, the ninth highest in the country.

The Native teenage pregnancy rate is estimated at 70% higher than the national average.

Alaska's infant mortality rate is ninth highest in the nation.

The children of teenagers account for 10% of births, but they account for 16% of infant deaths.

Only 41% of non-white and 50% of white Alaska teenagers receive adequate prenatal care, resulting in low birth weight babies with a higher chance of death.

While improvement has been made, Alaska still serves only 27% of those eligible for the federal Women and Infant Care program that provides basic nutrition, education and other services, placing us 48th lowest in the nation.

Alcohol and Drug Abuse:⁶

Alaska's youth have significantly higher rates of alcohol and drug abuse than Lower 48 peers.

Alcohol is involved in at least one fourth of all juvenile crimes.

Alcohol is involved in at least 70% of Native suicides.

8% to 9% of Alaska's youth say they have drug-related problems at school.

Alaska's Fetal Alcohol Syndrome rate is the highest in the world.

One of four children in Alaska is estimated to be a child of an alcoholic, is at higher risk of abuse, neglect, suicide, depression, and substance abuse.

Alcohol abuse is a symptom of a far deeper sociological problem. There is little or nothing to do in the villages. There is no economy and little or no hope for employment. People have a lot of time on their hands and alcohol provides an escape from their problems.

Suicide:⁶

The signs of suicidal patterns are often visible early in the teenage years. Cultural conflict is a particular risk for Native youth.

Alaska's suicide rate is twice the national average. Among young adult Native men, it is 22 times the national average.

Between 1983-1985, youth under 19 accounted for 12% of Alaska's suicides.

For every completed suicide, an additional 110 attempts are serious enough to require medical attention.

JOB CORPS PROPOSED PROGRAMS OF STUDY

Introduction

According to information obtained through the Governor's Council on Vocational Education, Alaska ranks 37th among all states in its ability to retain students in school through graduation. The statistics vary greatly by region, but overall a correlation between achievement and school completion is a generally recognized fact. Most rural high school students score far below the national average on standardized tests, (Figure 3)

Additionally, one of the single weakest areas of small rural schools is the absence of vocational programs and comprehensive jobs readiness training. Work opportunities available in cooperative education are rare due to the limited employment opportunities.

Residents of contemporary rural Alaska need the skills and confidence to handle urban life, whether they choose to remain in their home communities or live in urban areas. Rural adults frequently travel to towns and cities to work, receive training, attend meetings, etc.

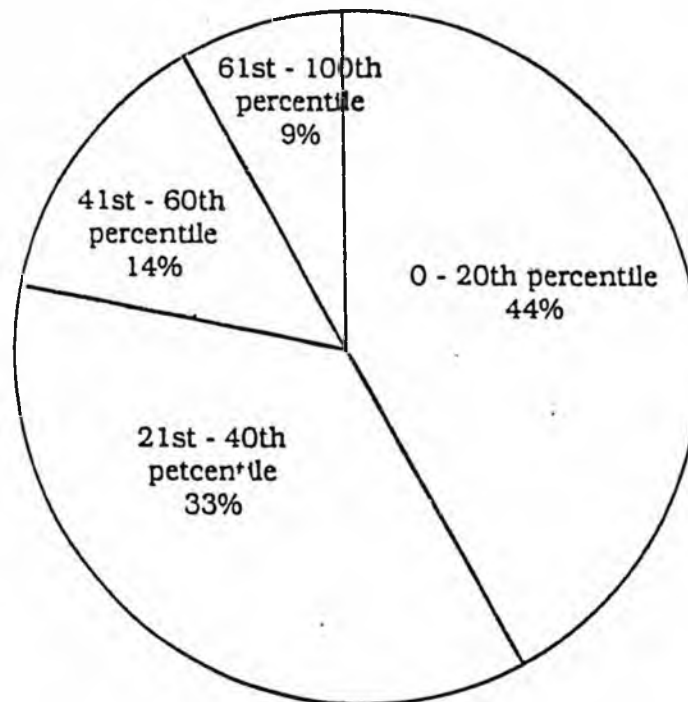
In remote, culturally different communities, educators worry about their students' social isolation. Unfamiliarity with the mechanics of urban life is but one aspect of this concern. More importantly, students are unprepared for the social organization of urban life. They are not equipped to deal with such things as impersonal interactions with other people and the loneliness of stresses outside the traditional family life.⁹

Beside the conditions cited above, Alaskan school districts as a whole offer few alternative programs to youth at-risk of school failure. Efforts have been under way to adopt legislation patterned after Wisconsin's. Use of both Carl D. Perkins and JTPA 8 percent funds has successfully aided some districts in accepting this responsibility. However, the location of a Job Corps site within the State would be an excellent alternative in itself.

Boarding school has a long history in Alaska and interest in it appears on the rise: prior to 1980 very few communities had local schools. Within the past two years the Mt. Edgecomb School in Sitka has been reopened by the Alaska Department of Education with primarily a college preparatory focus. Last fall over 100 applicants were turned away. In many respects,

Figure 3

**Students in Rural High Schools
Have Low Achievement Test Scores**
Percentage of Entire 9th - 12th Grades
at Different Percentile Rankings*



Total Number of Grades Represented: 522

*Please keep in mind that these figures represent average achievement test scores for the whole grade, not scores for individual students.

Source: University of Alaska, ISER Small High School Survey, 1984.

the State views a Job Corps Center as a complementary facility, serving the special need, vocationally minded student. Our intention is to see it succeed as a viable alternative school.

Proposed Curricula

The Alaska Department of Education recommends the following programs be implemented to meet projected labor market needs in Alaska. The Department of Labor text "Alaska Industry-Occupation Outlook to 1992" has been utilized in the development of these recommendations. An effort has been made to reflect employment areas which require less than one full year of full-time training and where significant opportunity for employment exists.

CLERICAL OCCUPATIONS: Employment in clerical occupations comprise an estimated nineteen percent of total employment in 1988 and 1992. This is the third largest occupational employment category in Alaska and represents the fourth largest source of job openings. Statewide, and in both Anchorage and Fairbanks, employment opportunities are best for secretaries and general office clerks. Opportunities for bookkeeping, accounting, and auditing clerks are also relatively good, although job openings occur only when existing workers are replaced. This set of occupational skills prepare students for advanced training in more technical level clerical support positions such as medical records technicians, paralegal assistants, hotel clerks, and legal clerks. This curriculum is available in an individualized open entry/open exit format within the state and nationally.

FOOD PROCESSING: Nearly 1000 new jobs will be created during the next five years in the food processing industry, which is comprised of seafood processing, meat processing, canning fruits, and baking. Most of the growth will occur in the seafood processing sector. Growth will occur primarily as a result of increased catches of salmon, bottomfish and other seafood products. The move towards a year-round fishery, and more in-state processing, will provide more opportunities for Alaskans. Several new surimi plants are providing new year-round jobs and continued growth is expected. Cannery workers, including fish cutters, account for the majority of employment in this industry. Jobs for cannery workers will be the number one source of annual job openings across all occupations for the forecast period. Cannery workers may perform any of a variety of routine tasks in preserving seafood, such as sorting, trimming or slicing seafood. The curriculum for this area must be developed.

FOOD AND BEVERAGE SERVICE: Eating and drinking employment grew rapidly during the early 1980's with an average of more than 1000 jobs per year added during the first five years of the decade. That employment growth stopped and recently declined. However, eating and drinking employment now comprises a much larger share of the total employment than it did in 1980. Eating and drinking employment is expected to increase faster than average during the next five years. The major occupations employed in eating and drinking establishments are combination of food preparation/service workers, fast food, and waiters and waitresses. In addition, hotel employment provides many job openings for service workers. Opportunities exist for bartenders, restaurant cooks, food preparation workers, waiters and waitresses, and maids. These occupations are among those generating the most annual job openings in Alaska and the U.S. Curriculum in these areas is readily available and the actual food preparation operation for the Job Corps center may serve as a classroom and laboratory.

HEALTH SERVICES: During most of the last ten years this industry sector has grown regardless of the activity of the economy as a whole. Most of the employment gains centered in outpatient care facilities, such as drug and alcohol treatment centers and other new or nontraditional health care providers. Employment should continue to grow in this industry as Alaska's population continues to age. While there is a significant shortage of registered nurses, a great need for health aides exists as well. Emergency Medical Technician Training programs have been very successful in placing graduates in rural Alaska, particularly at mineral exploration and production sites which have experienced rapid growth recently. Curriculum materials for health aide training and emergency medical technician training is readily available.

FACILITIES MAINTENANCE: Maintenance repairers and general utility workers are usually found in small establishments where the specialization of maintenance work is impractical. These workers perform two or more maintenance skills to keep equipment and structures in good repair. This type of worker is particularly needed in rural communities to maintain public facilities. Curriculum resources are available in the area but the the actual training program must be developed and refined to meet Alaska-specific needs.

ENTREPRENEURSHIP: The 1980 Census of Population estimates that 12,015 workers, or about 1 in 13 of all employed workers in Alaska were self-employed. females accounted for 3560, or 30%, of all self-employed workers in Alaska. Of the broad occupational categories, females comprised the majority of the total self-employed and fell into two clusters: service

occupations and technical, sales and administrative support occupations. The Department of Education recommends that each student have access to instruction regarding self-employment as an option. Curriculum materials are available through the Department of Education.

ADULT BASIC EDUCATION/BASIC SKILLS DEVELOPMENT: Basic skills development is an essential program component for any training program. Currently, Comprehensive Competencies have been integrated into existing adult basic education and student retention programs with great success. The IBM PALS computer system has been introduced to low-literate students with marked success as well. In FY87 and FY88, over 80% of adult basic education students entered programs with skill levels between 0 and 8th grade. In serving those targetted for the Job Corps, it is likely that a high incidence of students with low reading and math levels will be identified. The Comprehensive Competencies System and the PALS program are two ways of helping to raise the basic skills level necessary for effective training to occur.

Coordination with JTPA/Carl D. Perkins Funding

The State Job Training Coordinating Council has designated the Alaska Department of Education as acting fiscal agent for the PL 97-300 Section 123 of the Job Training Partnership Act. The Office of Adult & Vocational Education administers these and the Carl D. Perkins funds. A working group, the JTPA Education Coordinating Committee, provides direction, coordination and communication among service providers.

The JTPA Education Coordinating Committee meets three times per year to determine the types of activities and services to be accomplished with the Section 123 resources. All services require specific cooperative agreements between the provider of service and the appropriate SDA.

The Committee consists of:

A representative of the Alaska State Job Training Coordinating Council;

A representative of each Private Industry Council; Fairbanks North Star Borough, Anchorage/MatSu Borough Consortium, and the Alaska Statewide;

A representative of the Department of Education;

A representative from the Alaska State Job Training Partnership Office, Division of Community Development;

A representative from the U.S. Department of Labor, Bureau of Apprenticeship and Training;

A representative from the Governor's Council on Vocational and Career Education; and

A representative from the University of Alaska.

This committee is responsible for identifying strategies for the delivery of services which complement existing or planned efforts in each SDA. The committee establishes funding levels, reviews progress and facilitates coordination with the Carl D. Perkins Vocational Education Act programs and services.

The efforts of this committee have been to develop improved programs with close cooperation and coordination with adult education and vocational education in Alaska. It has been a successful approach to cooperative and complimentary service delivery and one which we advocate for use in coordinating Job Corps activities. The Committee stands ready to use both "services" and "coordination" monies, where appropriate, to establish a Job Corps program. A specific example would be the provision of AKCIS (Alaska Career Information System) curriculum and software to the center. AKCIS provides Alaskans with computerized and published information about occupations, programs of study and postsecondary institutions.

Postsecondary Programs Offered in the Mat-Su/Goose Bay Area⁷

University of Alaska Mat-Su: (Variety of vocational and academic programs)

National Outdoor Leadership School: (Wilderness and Leadership Course)

Human Resources Company: (Adult Basic Education Program and JTPA Basic Skills Competencies Program)

North Pacific Business Institute: (Proprietary Business School)

Mat-Su Bush Flying School: (Flight School)

Mat-Su Alternative School: (Student Retention Program, runs through summer)

JTPA financial support is available for 16-21 year-olds in the Mat-Su Area to go to the University of Alaska Mat-Su, the University of Alaska Anchorage, and the Alaska Vocational Technical Center for Vocational Training. These same benefits

could be extended to Job Corps enrollees. Students could be sent to the various schools for specially designed course work; or use of itinerant vocational education instructors could be arranged from the area's postsecondary schools.

Consultation has also occurred with the directors of Alaska's three Service Delivery Areas. Numerous items were suggested for negotiation with USDOL prior to establishment of a Job Corps site: recruitment and intake services including assessment and remediation; transportation from remote sites; placement opportunities including OJT and job search assistance.

Child Care Available in the Mat-Su/Goose Bay Area (8)

There are 11 licensed daycare centers and 18 licensed daycare homes in the Palmer/Wasilla area. The only organization offering State supported daycare assistance in this area is the Valley Women's Resource Center. Reliance upon local providers would be the likely recommendation at start up of a center.

DESCRIPTION OF THE PROPOSED SITE

Introduction

A specific facility for housing an Alaskan Job Corps center has been identified in what is presently known as the Goose Bay Correctional Center. However, before elaborating on the specifications and commitments made to this particular site, it should be noted that the document draft, Establishing a Job Corps Center (Division of Program Planning and Development, Office of Job Corps), indicates that a much more comprehensive identification and acquisition process may still be required. The State recognizes that a more formal needs assessment is typically prudent when committing to long term projects. While the Goose Bay site appears to be an ideal facility meeting many of the conditions contained in the referenced document, it is not the product of an exhaustive search. The timelines between the notification in the November 4 Federal Register and this submission preclude the luxury of comparing other facilities that may yet offer attractive alternatives. For these reasons, the State is offering the Goose Bay facility as the most logical option given the caveats mentioned above. Inspection of the site revealed that it was, indeed, capable of accommodating the goals of being a safe, efficient and cost effective facility.

Geographic Location

Alaska's geography dictates many of the criteria in attempting to site facilities cost effectively. For this reason consideration of potential sites was limited to what is known as the "railbelt", the area along the rail/roadway that extends from Seward to Fairbanks. Approximately two-thirds of the state's population resides in this area. Further, about half of the population is located in the Anchorage area.

Because Anchorage is the commercial and transportation hub of southcentral Alaska, it has drawn many people from the rural villages looking for improved employment opportunities. In addition, it also offers the largest variety of educational opportunity, social services and other support mechanisms for enriching entry employment success.

The present Goose Bay Correctional Center is located 23 miles southwest of the City of Wasilla off the Knik-Goose Bay Road. The facility is approximately 63 miles from Anchorage; accessible by its proximity to the Glenn and Parks highways, the major thoroughfares east and north out of the Anchorage area. Ground transportation to bring corps members to the site from Anchorage would most likely occur via chartered van.

Goose Bay is only 15 air miles from Anchorage, being on the opposing shore of the Cook Inlet. Adjacent to the facility is 6000 foot, lighted runway which is maintained year-around by the Alaska Department of Transportation. Air charter from Anchorage is readily available at a cost of less \$60.00 for as many as three passengers.

Site Specifications

The Goose Bay facility is situated on State owned land controlled by the Alaska Department of Natural Resources. The total land area is approximately 400 acres, with about 12 acres dedicated to the actual building site. Property management is currently under control of the Alaska Department of Corrections for use as a training center for security personnel; however, they are committed to moving this function to an Anchorage location and expect to vacate the site within the next several months. In their absence, the Department of Natural Resources is on record as supporting the use of the facility as a Job Corps site. Exhibit 1 is a letter to USDOL ensuring that the facility can be available, rent free, for that purpose.

The facility was originally constructed in 1957 under supervision of the U.S. Army Tactical Facilities command at Fort Richardson. In June of 1984, the federal land holdings were formerly transferred to the State of Alaska. By that date, renovations had already begun on what was known as the Goose Bay Correctional Center; a minimum security prison designed to house about 108 residents and additional staff.

The Department of Corrections had apparently envisioned the facility as one serving a long term need; approximately \$3.5 million dollars in improvements were eventually made; Table 2 summarizes the most significant upgrades. Subsequent to these developments, other prison facilities became available and Correction's use of the facility shifted to a residential training site.

The site consists of four buildings:

1. A 24,722 main building that houses residency, kitchen and dining facilities, several classrooms, offices and a recreational/game room. Figure 2. provides a floor plan of the two floors. Functional areas are subdivided according to the following square footages:

Housing	Approximately 9,754 sq.ft.
Food Service	Approximately 4,013 sq.ft.
Education	Approximately 3,777 sq.ft.
Recreation	Approximately 1,932 sq.ft.
Administration	Approximately 2,615 sq.ft.
Medical/Dental	Approximately 156 sq.ft.
Utility/Boiler	Approximately 700 sq.ft.

The northwest side of the building contains patio area adjacent to the kitchen facilities. This area is ideal for outdoor dining and recreation.

The north wall of the building faces a well drained area suitable for expansion. During the course of Department of Corrections, a new septic drain field was built with capacity for over 200 residents.

Building improvements, particularly fire protection and toilet facilities, were designed with handicapped individuals in mind. However, the second floor does not have an elevator for handicapped access.

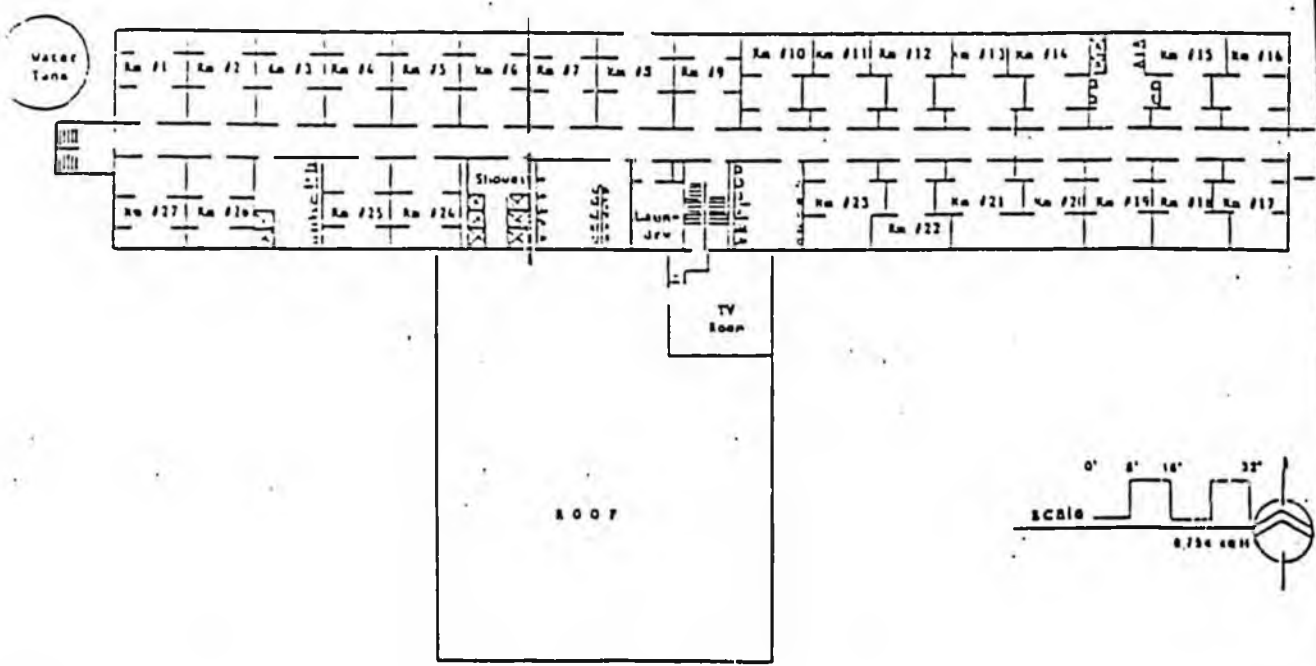
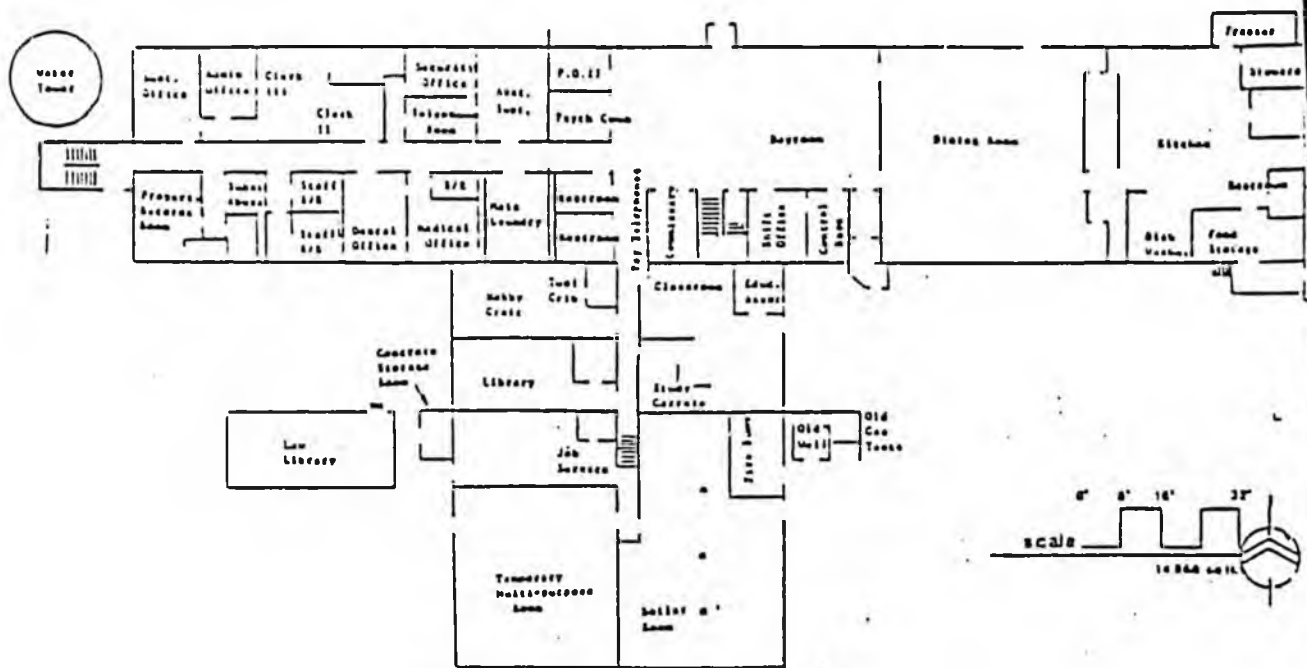
2. A 4000+ square foot metal Butler Building, with block foundation and concrete floor, with a peak height of about 30 feet. This building was purchased by the Department of Corrections and installed within the last several years. The building is fully insulated and has its own natural gas, forced air heating system. Its current use is as a martial arts training area and assembly room. The building needs very little modification for it to serve as a multipurpose room or gym.
3. An approximately 40x70 combination garage/wood shop with office space. The building has five bay doors and is currently used for the purposes described. The building is fully insulated and heated by unit heaters fed by the main boiler room; it is also plumbed and contains a restroom. The building appears to be in excellent shape for immediate use in the manner intended.
4. An approximately 40x50 storage building with 15 foot walls that could also be converted into an educational facility. The building is fully insulated and heated by unit heaters feed by the main boiler. It contains a substantial storage area with built-in shelves and double wide doors for service entry. The building shell is in excellent shape and its use could easily be altered to a variety of purposes.

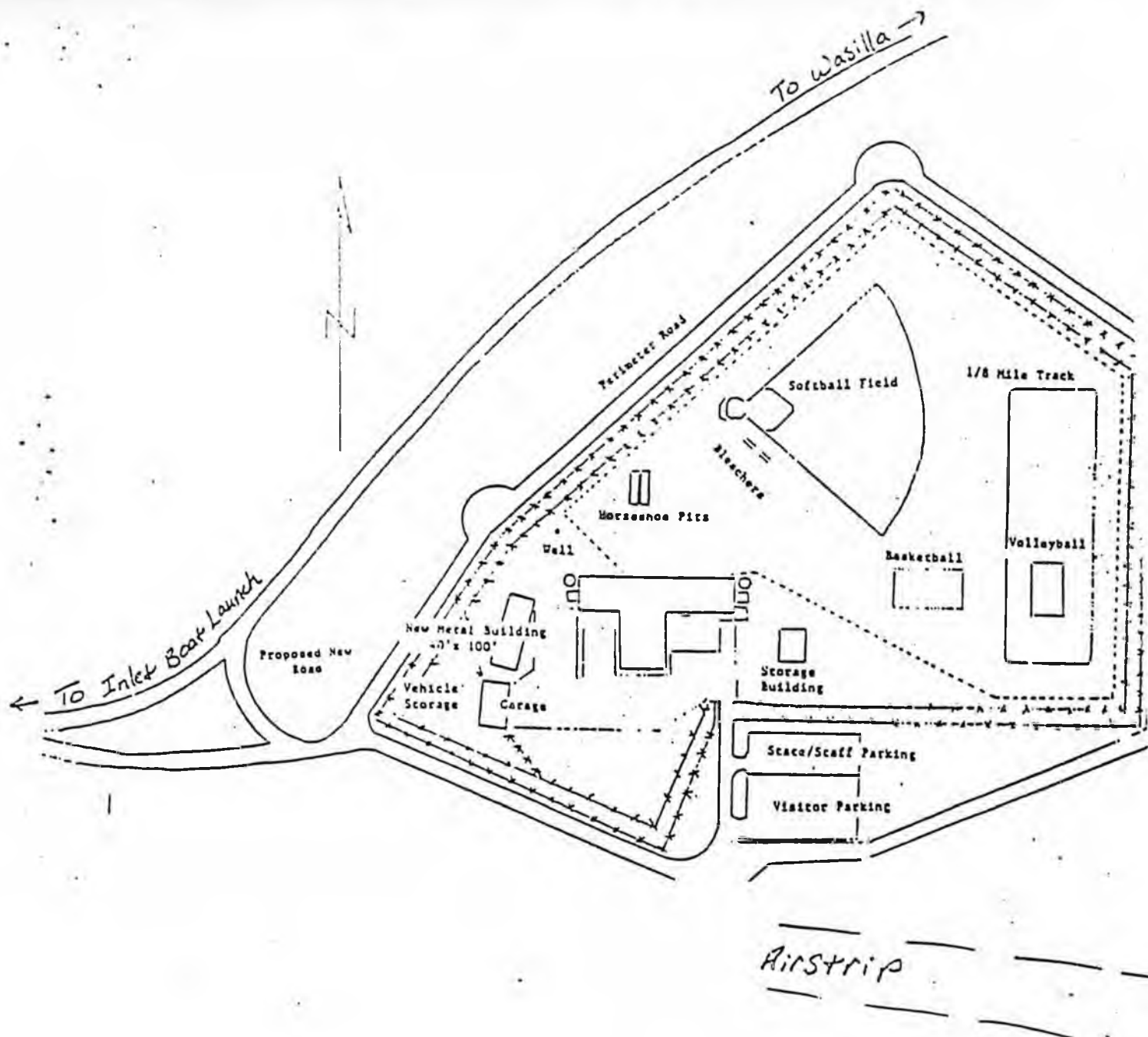
TABLE 2
 INVENTORY OF ALASKA DEPARTMENT OF CORRECTIONS
 UPGRADES AT GOOSE BAY

Electric Service Upgrades	Approximate Cost \$390,000
New switching and transformer w/MEA	
Standby generator with automatic transfer switch	
New feeders & panels	
New branch circuits in: boiler room, laundry, kitchen, dining room, second floor quarters, office area, exterior lighting	
New fire alarm system	
New telephone system	
New sewage treatment plant	
Heating System	Approximate Cost \$105,000
New boilers, pumps, pipes, heaters & controls	
New air handling units, ductwork, air terminal & controls	
Domestic Hot Water. New gas-fired water heaters	\$15,000
Sewage Treatment Upgrade	\$12,000
Kitchen Upgrades: range hood, air make-up, fixtures, plumbing	\$70,000
Fire Safety Upgrades	\$40,000
New Toilets & Showers & Bases to meet safety code	\$18,000
New Egress Windows on main floor	\$ 9,000
New Doors	\$12,000
Painting & Sheetrock	\$50,000
10,000 Square Feet of New Roof on main building	\$58,000
Baffling in Water Tanks to reduce earthquake damage	\$12,000
Suspended Ceiling, Light Fixtures	\$164,000

FIGURE 2

Floor plans as of March 31, 1936





The diagram illustrates the area and buildings that are available at the Goose Bay site. Actual acreage inside the perimeter fence is 11.67 acres.

The area had been enclosed by a double fence for security purposes. The Department of Corrections has removed the inside perimeter fence, and will want to take down the outer fence of use elsewhere.

The "proposed new road" has been fully completed so that the area to the right of the diagram is a contiguous one. The road runs beyond the airstrip to a public boat launch on the Cook Inlet.

The recreation area is substantially planned but not completed. The 1/8 mile track was to contain a parcours fitness trail for outdoor exercise. Community softball teams have already expressed an interest in playing against institutional teams when it was a prison.

Reiterating earlier comments, the Goose Bay facility appears to be well suited for a potential Job Corps site. State personnel have examined numerous documents pertaining to planning and improvements on the buildings. The buildings passed various State code requirements for use as both a prison and residential training site.

Two drawbacks that we recognize are size, both in total square footage and on a per student basis and, secondly, minor potential for additional asbestos removal.

At about 35,000 total square foot, the facility does not fully meet the USDCL specifications for 200 students. It is the State's understanding, however, that turn-key options are rare and capital investment is the rule rather than the exception. The numerous improvements the Department of Corrections has made should prove to be of significant value in leveraging the federal cost share.

Regarding asbestos removal, the Alaska Department of Environmental Conservation has certified the facility as safe for the former building uses. A substantial study and clean up/abatement was undertaken by the firm OceanTech, a company specializing in environmental engineering. Prior to use as a Job Corps site the State will negotiate with OceanTech to assess what certification and/or work remains to ensure a healthy environment. Documentation is on record with the Department of Transportation and Public Facilities, the agency supervising previous asbestos clean-up at the site.

SOURCES

1. Unpublished Reports from the Alaska Department of Labor, Research and Analysis Section, 1988.
2. 1980 Census Report and Population Overview: 1986 and Provisional 1987 Estimates.
3. Unpublished reports from the Alaska Department of Education, Office of Data Management.
4. Alaska Department of Education, Public Information.
5. U.S. Department of Education.
6. Our Greatest Natural Resource: Investing in the Future of Alaska's Children, a Report of the Governor's Interim Commission on Children and Youth.
7. Alaska Commission on Postsecondary Education.
8. Department of Health and Social Services, Division of Family and Youth Services, Palmer, Alaska.
9. "Alaska's Small Rural High Schools" Alaska Review of Social & Economic Research, Vol. XXII, No. 3, December 1985

ATTACHMENTS
DOCUMENTS IN SUPPORT

Governor's Council on Vocational Education

David Rees
Chair

Jim Schlegel
Vice Chair



Rosie Peterson
Executive Director

Mary Stone
Administrative Assistant

211 Fourth Street, Suite 101 • Juneau, Alaska 99801
(907) 586-1736

December 12, 1988

The Honorable Ann McLaughlin
Secretary of Labor
United States Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

Dear Secretary McLaughlin:

The Governor's Council on Vocational Education recently took formal action recommending Governor Steve Cowper make formal application to the United States Department of Labor to be considered as a future site for a job corps center.

There is tremendous interest and enthusiasm throughout the state among commissioners, the State Job Training Coordinating Council, the JTPA/Education Coordinating Committee, the Office of Adult and Vocational Education, the University system, the State Board of Education, the business community, and of course, members of the Governor's Council, to see Alaska chosen as one of the eight new sites to be established. Given the current enthusiasm for application as a job corps site, the desire of agencies and the private sector to work together to achieve full employment, and with preference for sites being given to states who do not currently have a job corps center, Alaska would seem a top candidate for selection.

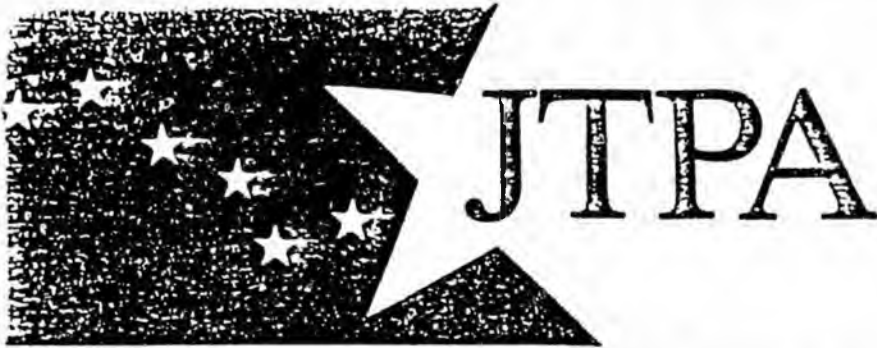
Job corps centers in other states have an enviable reputation for providing high-quality vocational training, work experience, counseling and educational services that prepare economically disadvantaged young adults to become responsible, employable and contributing citizens. Or more simply, job corps centers put people to work. We would like those people to be Alaskans.

If the Governor's Council can provide additional information on this matter please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rosie Peterson", with a horizontal line extending to the right.

Ms. Rosie Peterson
Executive Director



ALASKA STATE JOB TRAINING COORDINATING COUNCIL

STEVE COWPER, GOVERNOR

REPLY TO: State of Alaska
Department of Community
and Regional Affairs
Rural Development Division
949 East 36th Avenue
Suite 400
Anchorage, Alaska 99508
Phone: (907) 563-1955

December 16, 1988

The Honorable Ann McLaughlin
Secretary of Labor
U. S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

Dear Secretary McLaughlin:

One of the three goal statements from our JTPA Coordination and Special Services Plan is, "To ensure that all Alaskans, particularly youth at risk of dropping out of school, are encouraged to complete high school and are provided appropriate means to do so." Although we are a rural state, the statistics relating to youth at-risk are every bit as distressing as those representing our nation as a whole. As a result, the Alaska State Job Training Coordinating Council has been an advocate of programs and policies that address the needs of our youth.

We have been actively involved in Governor Cowper's Interim Commission on Children and Youth. And we are seeking enactment this year of legislation that would address alternative programs for potential and actual drop outs from our schools. Support for the Governor's interest in obtaining a Job Corps Center in Alaska is, therefore, wholeheartedly offered.

Attached to the State's proposal is a resolution unanimously supporting a local Job Corps site. The State Council will ensure that every effort will be made to coordinate Job Corps activities with current JTPA programs in Alaska. SDA Directors have already been alerted of the possibility and are on record to assist potential corps members with services ranging from remedial education to transportation.

The Council appreciates your consideration of Alaska for a site and are ready to assist the Department of Labor in any way possible.

Sincerely,

Sarah Scanlan
Chair

STATE OF ALASKA

STEVE COWPER, GOVERNO

DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

GOLDBELT PLACE
801 WEST 10TH STREET
P.O. BOX F
JUNEAU, ALASKA 99811-0500

December 15, 1988

The Honorable Ann McLaughlin
Secretary of Labor
U. S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

Dear Secretary McLaughlin:

The Alaska Department of Education and the Alaska State Board of Education have endorsed the effort to procure a Job Corps Center in Alaska. We are available to assist in the development of curriculum and services to meet the needs of the identified population.

As a participant in the Alaska Occupational Information Coordinating Committee, we have the ability to develop programs to meet identified labor market needs.

We appreciate your consideration of a Job Corps Center for Alaska.

Sincerely,


William G. Demmert
Commissioner