

**HOUSE BILL NO. 105**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE COGHILL**

**Introduced: 1/30/09**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the state training and employment program; and providing for an**  
2 **effective date."**

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

4 **\* Section 1.** AS 23.15.580(b) is amended to read:

5 (b) The board shall

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

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

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

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

14 (5) advise the governor, state and local agencies, the University of

1 Alaska, and other training entities on the development of state and local standards and  
2 measures relating to applicable human resource programs;

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

5 (7) monitor for the implementation and evaluate the effectiveness of  
6 the strategic plan developed by the board;

7 (8) adopt regulations that set standards for the percentage of program  
8 expenses that may be used for administrative costs; the regulations must clearly  
9 identify and distinguish between program expenses that may be included in  
10 administrative costs and those that may not be included in administrative costs; the  
11 percentage allowed for administrative costs may not exceed the lesser of 20 percent of  
12 program expenses in the prior fiscal year or the amount permitted under the  
13 requirements of a federal program, if applicable;

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

17 (10) identify ways for agencies operating programs subject to  
18 oversight by the board to share resources, instructors, and curricula through  
19 collaboration with other public and private entities to increase training opportunities  
20 and reduce costs; [AND]

21 (11) adopt regulations under AS 44.62 (Administrative Procedure Act)  
22 to carry out the purposes of AS 23.15.550 - 23.15.585; **and**

23 **(12) perform duties assigned in AS 23.15.620 - 23.15.660 for the**  
24 **state training and employment program.**

25 \* **Sec. 2.** AS 23.15.580(f) is amended to read:

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

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

30 (A) programs under 29 U.S.C. 2801 - 2945 (Workforce  
31 Investment Act of 1998), assisting communities in moving toward a self-

1 sustainable economy and providing training;

2 (B) **the** state training and employment program **under**  
 3 **AS 23.15.620 - 23.15.660** [(AS 23.15.620), PROVIDING TRAINING AND  
 4 EMPLOYMENT SERVICES FOR PEOPLE WHO ARE UNEMPLOYED OR  
 5 LIKELY TO BECOME UNEMPLOYED, FOSTERING NEW JOBS, AND  
 6 INCREASING TRAINING OPPORTUNITIES FOR WORKERS  
 7 SEVERELY AFFECTED BY FLUCTUATIONS IN THE STATE  
 8 ECONOMY OR ADVERSELY AFFECTED BY TECHNOLOGY  
 9 ADVANCES IN THE WORKPLACE];

10 (C) employment-related adult basic education;

11 (D) employment training services operated as part of the  
 12 Alaska temporary assistance program (ATAP);

13 (E) unemployment insurance grants provided under the federal  
 14 training relocation assistance program;

15 (F) Alaska works programs, assisting with the welfare-to-work  
 16 program;

17 (G) Kotzebue Technical Center;

18 (H) Alaska Vocational Technical Center;

19 (2) in the Department of Education and Early Development or operated  
 20 by the department, the non-public-school portions of the

21 (A) vocational education and technical preparation program;

22 and

23 (B) Alaska Career Information System.

24 \* **Sec. 3.** AS 23.15.620 is repealed and reenacted to read:

25 **Sec. 23.15.620. State training and employment program.** (a) A program is  
 26 created in the department to provide financial aid to eligible persons who provide  
 27 training and employment assistance. The purpose of the program is to enhance the  
 28 quality of in-state job training and employment assistance and to make in-state job  
 29 training and employment assistance more easily available to employers, employees,  
 30 and future employees. To foster the success of the program, the department shall, to  
 31 the greatest extent feasible, combine the resources of the program with resources

1 available outside of the program.

2 (b) A person who provides training and employment services may apply for  
3 financial aid from the program and may use the financial aid to augment or improve  
4 public access to the training and employment services provided.

5 \* **Sec. 4.** AS 23.15 is amended by adding a new section to read:

6 **Sec. 23.15.636. Implementation of program.** The department and the board  
7 shall jointly implement the program as follows:

8 (1) after review and approval by the board, the department shall adopt  
9 regulations under AS 44.62 to implement AS 23.15.620 - 23.15.660 and to regulate  
10 the distribution and accounting of financial aid under the program;

11 (2) the department may use or distribute financial aid from the  
12 program through grants, the purchase of services or other contracts, or other  
13 mechanisms authorized by state law;

14 (3) the department may enter into interagency agreements with the  
15 University of Alaska and other state agencies for the provision of training and  
16 employment assistance under the program;

17 (4) after review and approval by the board, the department shall  
18 establish priorities for the provision of training and employment assistance services  
19 under AS 23.15.641 to eligible participants under AS 23.15.643; in setting priorities,  
20 the department shall consider unemployment statistics, unemployment insurance  
21 claims, projections of occupational and industrial workforce demand, availability of  
22 other training and employment assistance programs, available funding, and other  
23 relevant information; the department may give preference to financing projects and  
24 services that train or assist individuals in vocations, businesses, or industries identified  
25 in the resident hire report required under AS 36.10.130 as employing a  
26 disproportionate percentage of nonresident individuals;

27 (5) the board shall assist in the evaluation of proposals for grants of  
28 financial aid and make recommendations to the department regarding financial aid  
29 awarded by the program; the department may provide financing to the board to pay for  
30 some or all of the board's costs, existing or anticipated, that are related to evaluating or  
31 granting proposals for financial aid from the program.

1 \* **Sec. 5.** AS 23.15 is amended by adding new sections to read:

2 **Sec. 23.15.641. Financial aid eligibility of persons who provide training**  
3 **and employment assistance; use of assistance received.** (a) To be eligible for  
4 financial aid to help with the cost of providing training and employment assistance, a  
5 person shall

6 (1) meet or exceed the requirements of AS 23.15.620 - 23.15.660 and  
7 regulations adopted under AS 23.15.620 - 23.15.660;

8 (2) be authorized under state law to offer vocational training or  
9 employment assistance;

10 (3) be a governmental agency, a private business, an employer, or an  
11 organization exempt from taxation under 26 U.S.C. 501(c)(3) (Internal Revenue  
12 Code); and

13 (4) demonstrate to the satisfaction of the department and the board that

14 (A) the person's accounting system is organized and maintained  
15 in accordance with generally accepted accounting principles, promotes  
16 efficiency, ensures compliance with program requirements, and can be audited  
17 at the department's direction with not more than a reasonable amount of effort  
18 and expense; and

19 (B) financial aid awarded under the program will be used only  
20 as allowed under AS 23.15.620.

21 (b) A recipient of financial aid under the program may use the financial aid to  
22 provide any of the following training and employment assistance services to eligible  
23 participants:

24 (1) industry-specific training;

25 (2) on-the-job training, including apprentice training;

26 (3) institutional or classroom job-linked training;

27 (4) support services, including financial allowances and relocation  
28 expenses that the department determines are reasonably necessary to enable an eligible  
29 participant to receive training and employment assistance;

30 (5) assistance considered necessary to help an eligible participant  
31 obtain or retain a job for which training and employment assistance provided under the

1 program has prepared the eligible participant;

2 (6) purchases of basic tools, work clothing, safety gear, or other items  
3 the eligible participant needs to obtain or retain a job for which training and  
4 employment assistance provided under the program has prepared the eligible  
5 participant;

6 (7) other costs the department determines are necessary to pay in order  
7 that an eligible participant can receive training or employment assistance or obtain or  
8 retain a job for which the training and employment assistance provided under the  
9 program has prepared the eligible participant.

10 (c) The department may allow payment for items described in (b) of this  
11 section if the department determines that alternative sources of financing have been  
12 exhausted or are unavailable to the eligible participant or that financial aid from the  
13 program is otherwise required so that, when combined with other available financing,  
14 the financial aid will enable an eligible participant to receive training or employment  
15 assistance approved by the department.

16 **Sec. 23.15.643. Eligibility of program participants.** The department and an  
17 entity receiving financing under the program may use the financing only to provide  
18 training and employment assistance services to eligible participants. To be an eligible  
19 participant, the person may be employed or employable and shall, at the time of  
20 application for training or employment assistance under the program,

21 (1) be a resident of the state;

22 (2) have worked in a position covered by AS 23.20, or similar  
23 provisions in another state, at any time during the five years immediately preceding  
24 the application; and

25 (3) need training to improve the person's prospects for obtaining or  
26 retaining employment.

27 \* **Sec. 6.** AS 23.15 is amended by adding a new section to read:

28 **Sec. 23.15.652. Program accountability.** (a) The department and a person  
29 who receives financial aid under the program shall comply with state and federal laws  
30 and maintain records, including accounting records, as required by those laws.

31 (b) The department may allocate or authorize the expenditure of not more than

1           20 percent of the amount appropriated to the program for a fiscal year to pay for  
2           administration of the program by the department and the board.

3                   (c) The department shall annually prepare and present to the board a report  
4           concerning the program and notify the legislature that the report is available.

5           \* **Sec. 7.** AS 23.15.635, 23.15.640, 23.15.645, and 23.15.651 are repealed.

6           \* **Sec. 8.** Section 6, ch. 116, SLA 1996, as amended by sec. 9, ch. 85, SLA 1998, by sec. 47,  
7           ch. 86, SLA 2002, by sec. 1, ch. 86, SLA 2004, and by sec. 1, ch. 46, SLA 2008, is repealed.

8           \* **Sec. 9.** This Act takes effect immediately under AS 01.10.070(c).