

Article 04. ALASKA WORKFORCE INVESTMENT BOARD

Sec. 23.15.550. Alaska Workforce Investment Board.

(a) The Alaska Workforce Investment Board is established in the department. The board consists of the following voting members, not to exceed 26:

- (1) the lieutenant governor or the lieutenant governor's designee;
- (2) the commissioners of commerce, community, and economic development, education and early development, health and social services, and labor and workforce development, or each respective commissioner's designee;
- (3) one representative from the University of Alaska;
- (4) four additional representatives of education, with one from local public education, one from secondary vocational education, one from a postsecondary vocational education institution, and one from adult basic education;
- (5) four representatives of business and industry;
- (6) four representatives of organized labor whom the governor shall appoint from lists of nominees submitted by recognized state labor organizations; the governor may reject a list submitted under this paragraph and request that another list be submitted;
- (7) at least one representative from an organization representing employment and training needs of Alaska Natives;
- (8) at least one representative of a community-based service organization;
- (9) at least one representative who has personal or professional experience with developmental disabilities; and
- (10) at least one and up to five additional members of the private sector to ensure a private sector majority and regional and local representation on the board.

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

(c) A member of the board under (a) of this section may appoint a designee to serve in place of the member. The member shall appoint the designee in writing [for a period of no less than 90 days. This must be submitted and approved by Boards and Commissions.](#)

Sec. 23.15.555. Appointment and term of members.

(a) Members of the Alaska Workforce Investment Board other than those listed in [AS 23.15.550](#) (a)(1) and (2) are appointed by the governor and serve at the pleasure of the governor. The governor may appoint one person to fill two or more of the places listed in [AS 23.15.550](#) (a) if the person is qualified in all of the areas

the person represents. A member appointed to fill more than one place under this subsection is entitled to only one vote and may appoint only one designee to replace the member in the event the member is unable to attend a meeting.

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

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

Sec. 23.15.560. Compensation.

Members of the Alaska Workforce Investment Board listed in or appointed under [AS 23.15.550](#) (a), including a designee of a member attending in place of the member, serve without compensation but are entitled to per diem and travel expenses authorized by law for boards and commissions under [AS 39.20.180](#) . Nonvoting members of the board appointed under AS 23.15.550(b) serve without compensation and are not entitled to per diem and travel expenses. A commissioner appointed under AS 23.15.550(a)(2) or the commissioner's designee is entitled to per diem and travel expenses as a state employee.

Sec. 23.15.565. Officers.

The Alaska Workforce Investment Board shall elect a chair and a vice-chair from among the members listed in or appointed under AS 23.15.550(a)(5)[and a\)\(10\)](#). The chair and vice-chair serve in their positions at the pleasure of the board.

Sec. 23.15.570. Meetings, quorum, and committees.

(a) The Alaska Workforce Investment Board shall meet not more than ~~three~~ [four](#) times in a calendar year at the call of the chair to conduct its business. A majority of the members listed in or appointed to the board under [AS 23.15.550](#) (a) constitutes a quorum.

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

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

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

(1) report to the board in a timely fashion on actions taken on behalf of the board; and

(2) supervise the affairs of the board between regular meetings of the board.

~~(d) The assessment and evaluation committee shall~~

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

~~(2) call for and monitor the workforce development system for increased accountability in performance and continuous quality improvement along the goals and strategies of the board's overall statewide strategic plan for workforce development;~~

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

~~(4) perform other duties assigned by the board.~~

~~(e) The policy and planning committee shall~~

~~(1) build policies regarding day to day operations and long term responsibilities of the board;~~

~~(2) work to increase awareness of the board and its mission throughout the state;~~

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

~~(4) perform other duties assigned by the board.~~

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~~(f) The employment and placement committee shall~~

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

~~(A) customer needs at the local level;~~

~~(B) moving welfare recipients into the workforce;~~

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

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

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

~~(3) perform other duties assigned by the board.~~

~~(g) The workforce readiness committee shall~~

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

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

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

~~(4) perform other duties assigned by the board.~~

Sec. 23.15.575. Board as state planning entity.

The Alaska Workforce Investment Board shall act as the lead state planning and coordinating entity for state human resource programs administered under

(1) 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998);

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

(3) 29 U.S.C. 49 - 49 l-1 (Wagner - Peyser Act);

(4) federal law for work programs for needy families with children under the Social Security Act;

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

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

(7) all state laws involving employment training, vocational education, and workforce development.

Sec. 23.15.580. Functions of the board.

(a) As the lead state planning and coordinating entity, the Alaska Workforce Investment Board has responsibility, to the extent authorized by federal and state law, for planning and coordinating federal, state, and local efforts in human resource programs in this state related to employment training, including the work activities of the Alaska temporary assistance program under AS 47.27.

(b) The board shall

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) The board shall develop standards that encourage agencies to contract for training programs that meet local demands and maximize the use of resources. The board shall adopt standards for the evaluation of training programs listed in (f) of this section with regard to the following:

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

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

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

(4) the percentage of former participants of a training program who indicate that they were satisfied with or somewhat satisfied with the overall quality of the training program;

(5) the percentage of employers who indicate that they were satisfied with the services received through the workforce development system.

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

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

(A) programs under 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998), assisting communities in moving toward a self-sustainable economy and providing training;

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

(C) employment-related adult basic education;

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

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

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

(G) Kotzebue Technical Center;

(H) Alaska Vocational Technical Center;

~~(3)~~(1) in the Department of Education and Early Development or operated by the department, the non-public-school portions of the

(A) vocational education and technical preparation program; and

(B) Alaska Career Information System.

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

~~(1) in the Department of Commerce, Community, and Economic Development or operated by the department;~~

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

~~(B) energy operations, providing training in management and administration of~~

~~electric utilities and bulk fuel storage systems;-~~

~~(2) in the Department of Corrections:-~~

~~(A) Correctional Academy, training individuals applying for a correctional officer position;-~~

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

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

~~(3) in the Department of Environmental Conservation:-~~

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

~~(B) water and wastewater operator training and assistance;-~~

~~(C) federal drinking water operator training and certification;-~~

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

~~(5) in the Department of Public Safety:-~~

~~(A) fire service training to maintain emergency training skills for existing fire fighter staff and volunteers and individuals interested in becoming fire fighters;-~~

~~(B) Public Safety Training Academy, training trooper recruits;-~~

~~(6) in the Department of Transportation and Public Facilities:~~

~~-~~

~~(A) engineer in training program, providing on the job training for apprentice engineers to enable them to gain the experience necessary to be certified;-~~

~~(B) statewide transportation improvement program, offered by the United States National Highway Institute;-~~

~~(C) local technical assistance program, transferring technical expertise to local governments;-~~

~~(D) Native technical assistance program, transferring technical expertise to Native governments;-~~

~~(E) border technology exchange program, to coordinate highway issues with the Yukon Territory;-~~

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

(h) The University of Alaska shall evaluate the performance of its training programs using the standards set out in (e) of this section and shall provide a report on the results to the board for inclusion in the board's annual report to the legislature.

(i) The board shall review each program listed in (f) of this section to determine whether it is in compliance with the standards set out in (d) and (e) of this section. If the board finds that a program has failed to comply with the standards set out in (d) and (e) of this section, it shall notify the program director of the failure. If the program director fails to improve the performance of the program within a reasonable time, the board shall notify the governor and the Legislative Budget and Audit Committee that the program is out of compliance. A contract entered into by a state agency relating to a training program set out in (f) of this section must contain terms consistent with this section.

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

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

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

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

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

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

(2) may include a certificate or associate degree course or a course that is not for credit, whether it is offered by a public or private institute or contracted for by the private sector, so long as it is related to employment. [Sec. 23.15.585. Administration.](#)

(a) The governor shall appoint the executive director for the Alaska Workforce Investment Board. The department shall provide professional, technical, and administrative staff for the Alaska Workforce Investment Board.

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

Article 05. MANPOWER DEVELOPMENT AND TRAINING

Sec. 23.15.610. Participation in Manpower Development and Training Act. [Repealed, Sec. 1 ch 103 SLA 1968].

Repealed or Renumbered

Sec. 23.15.611. Department participation in manpower training programs. [Repealed, Sec. 84 ch 58 SLA 1999].

Repealed or Renumbered

Sec. 23.15.614. Manpower training division. [Repealed, Sec. 84 ch 58 SLA 1999].

Repealed or Renumbered

Sec. 23.15.617. Manpower Training Advisory Council. [Repealed, Sec. 2 ch 174 SLA 1975].

Repealed or Renumbered

Article 06. STATE TRAINING AND EMPLOYMENT PROGRAM

[Sec. 23.15.620. State training and employment program.](#)

There is created in the department a program to finance and award grants to employment assistance and training entities. Employment assistance and training entities shall give appropriate state agencies full access to accounting records concerning grants received to assure compliance with program standards.

[Sec. 23.15.625. Employment assistance and training program account.](#)

The employment assistance and training program account is established in the general fund. The commissioner of administration shall separately account for money collected under [AS 23.15.630](#) that the department deposits in the general fund. The annual estimated balance in the account may be appropriated by the legislature to the department to implement [AS 23.15.620](#) - 23.15.660. The legislature may appropriate the lapsing balance of the account to the unemployment compensation fund established in [AS 23.20.130](#).

[Sec. 23.15.630. Special employee unemployment credit and contributions for program.](#)

(a) In the manner provided in AS 23.20, the department shall collect from each employee an amount equal to one-tenth of one percent of the wages, as set out in

[AS 23.20.175](#), on which the employee is required to make contributions under [AS 23.20.290](#) (d). The department shall remit to the Department of Revenue, in accordance with [AS 37.10.050](#), money collected under this subsection.

(b) Notwithstanding [AS 23.20.290](#) (d), the department shall credit each employee with an amount equal to the amount collected from the employee under (a) of this section against unemployment contributions owed by the employee under AS 23.20.

(c) The department shall assess and collect, under [AS 23.20.185](#) -23.20.275, interest and penalties for delinquent reports and payments due under this section. Interest and penalties collected shall be handled in accordance with [AS 23.20.130](#) (d).

Sec. 23.15.635. People to be served.

Within the limits of its grant, an employment assistance and training entity receiving a grant under [AS 23.15.651](#) shall provide services set out in [AS 23.15.640](#) (a) to state residents who, immediately before beginning training or receiving benefits under a grant financed by this program,

(1) are unemployed and

(A) are receiving unemployment insurance benefits; or

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

(2) are employed, but liable to be displaced within the next six months because of

(A) reductions in overall employment within a business;

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

(C) a change in conditions of employment requiring that, to remain employed, the employee must learn substantially different skills that the employee does not now possess; or

(3) have worked in a position covered by AS 23.20 at any time during the last three years, and are not currently eligible for unemployment insurance benefits because

(A) their employment has been seasonal, temporary, part-time, or marginal;

(B) their qualifying wages are insufficient because of limited job opportunity; or

(C) they are employed but, because they are underemployed, they are in need of employment assistance and training to obtain full employment.

[Sec. 23.15.640. Services for eligible people; repayment.](#)

(a) Subject to the limits of its grant, an entity receiving a grant under [AS 23.15.651](#) shall provide one or more program elements. The program elements include

- (1) industry-specific training;
- (2) on-the-job training;
- (3) institutional or classroom job-linked training;
- (4) support services, including allowances;
- (5) relocation assistance; or

(6) provisions of necessary tools, work-related clothing, safety gear, or other necessities to obtain or retain employment.

(b) A granting entity may award a grant that includes a program element listed in (a)(4), (a)(5), or (a)(6) of this section only if all funds from other assistance or aid programs or grants for that purpose are either not available to the granting entity or have been exhausted.

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

(d) In this section, a support service under (a)(4) of this section means a service provided to an individual participating in a training program described in (a)(1) - (3) of this section to enable the individual to participate in the training.

[Sec. 23.15.645. Duties and powers of the department.](#)

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

(b) When a grant is awarded to the board, the department shall annually provide to the board a priority list of targeted projects or services, based on unemployment statistics, unemployment insurance claims, occupational and industrial projections, availability of other training and employment programs, and other relevant data. The department shall also provide annually to the board a priority list of criteria for eligibility to maximize services to those people most in need of training under [AS 23.15.620 - 23.15.660](#). In developing the priority list for targeted projects and services, the department shall solicit comments from the Department of Education and Early Development, the Department of Commerce, Community, and Economic Development, the University of Alaska, organized labor, and the board. The department shall give preference to projects and services that train individuals in industries identified in the resident hire report required under [AS 36.10.130](#) as employing a disproportionate percentage of nonresident individuals.

(c) The department may adopt regulations necessary to implement this chapter.

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

(e) In making a grant under this section, the board shall require that the qualified entity and grantees of the qualified entity limit the amount of the grant proceeds spent on administration so that the total spent on administration from the proceeds of the employment assistance and training program account, including amounts spent by the board itself, does not exceed 20 percent of program expenses in the prior fiscal year.

Sec. 23.15.650. Work Incentive Program for Welfare Recipients. [Repealed, Sec. 7 ch 128 SLA 1990].

Repealed or Renumbered

[Sec. 23.15.651. Duties of Alaska Workforce Investment Board; grants; eligible entities.](#)

(a) In implementing this program under a grant received under AS 23.15.645, and subject to the limit of its grant, the board shall award grants, in accordance with the priority list established by the department under [AS 23.15.645](#) (b), to employment assistance and training entities. A training entity is eligible for a grant under this section if the entity meets program requirements and can demonstrate that

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

(2) its activities do not replace or compete in any way with a federally approved

apprenticeship program or any other existing training programs.

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

(c) *[Repealed, Sec. 6 ch 49 SLA 2003]*.

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

Sec. 23.15.660. Definitions.

In [AS 23.15.620](#) - 23.15.660,

(1) "board" means the Alaska Workforce Investment Board established in [AS 23.15.550](#) ;

(2) *[Repealed, Sec. 6 ch 49 SLA 2003]*.

(3) "program" means the state training and employment program established in [AS 23.15.620](#) - 23.15.660.

(4) *[Repealed, Sec. 46 ch 86 SLA 2002]*.

Article 07. BUSINESS INCENTIVE TRAINING PROGRAM

*Sec. 23.15.700. - 23.15.810 Business incentive training program.
[Repealed, Sec. 6 ch 49 SLA 2003].*

Repealed or Renumbered

Article 08. ALASKA TECHNICAL AND VOCATIONAL EDUCATION

Sec. 23.15.820. Powers and duties of the Alaska Workforce Investment Board.

(a) The Alaska Workforce Investment Board shall

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

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

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of [AS 23.15.820](#) - 23.15.850, including regulations that set standards for the percentage of a grant that may be used for administrative costs; the regulations must clearly identify and distinguish between expenses that may be included in administrative costs and those that may not be included in administrative costs; the percentage allowed for administrative costs may not exceed the lesser of five percent or the amount permitted under the requirements

of a federal program, if applicable;

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

(b) The board may

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

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

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

Sec. 23.15.830. Alaska technical and vocational education program account.

The Alaska technical and vocational education program account is established in the general fund. The commissioner of administration shall separately account for money collected under [AS 23.15.835](#) that the department deposits in the general fund. The legislature may appropriate the annual estimated balance in the account to the board to implement [AS 23.15.820](#) - 23.15.850. The legislature may appropriate the lapsing balance of the account to the unemployment compensation fund established in [AS 23.20.130](#).

[Sec. 23.15.835. Special employee unemployment contributions for program.](#)

(a) In the manner provided in AS 23.20, the department shall collect from each employee an amount equal to one-tenth of one percent of the wages, as set out in [AS 23.20.175](#), on which the employee is required to make contributions under [AS 23.20.290](#) (d). The department shall remit to the Department of Revenue, in accordance with [AS 37.10.050](#), money collected under this subsection.

(b) Notwithstanding [AS 23.20.290](#) (d), the department shall credit each employee with an amount equal to the amount collected from the employee under (a) of this section against unemployment contributions owed by the employee under AS 23.20.

(c) The Department of Labor and Workforce Development shall assess and collect, under [AS 23.20.185](#) - 23.20.275, interest and penalties for delinquent reports and payments due under this section. Interest and penalties collected shall be handled in accordance with AS 23.20.130(d).

[Sec. 23.15.840. Grants for technical and vocational education.](#)

(a) The board shall award grants, in accordance with the priority list adopted

under (f) of this section, to technical and vocational education entities. A technical and vocational education entity is eligible for a grant under this section if the entity meets program requirements, the grant program is physically located in Alaska, and the entity can demonstrate that

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

(2) the entity's activities do not replace or compete in any way with a federally approved apprenticeship program or any other existing training programs; and

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

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

(c) Subject to the limits of its grant, an entity receiving a grant under this section shall provide one or more program elements. The program elements include

(1) industry-specific training;

(2) on-the-job training; and

(3) institutional or classroom job-linked training.

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

(e) In making a grant under this section, the board shall require that the qualified entity and grantees of the qualified entity limit the amount of the grant proceeds spent on administration so that the total spent on administration from the proceeds of the technical and vocational education program account, including amounts spent by the board itself, does not exceed five percent. A training program funded by the board must

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

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

(f) To the extent that funding is available, grants shall be awarded to entities that apply for funding by the deadline established by the board by regulation. The

board shall give priority to grant applications from qualified entities whose purpose is listed first on the list of priorities adopted under this subsection. If money remains after grants for the first priority have been awarded, the board may make grants to entities whose purpose is listed next on the list of priorities. The board shall proceed in this fashion until it has exhausted the money available for granting for the year. The board shall adopt a priority list each year based on economic, employment, and other relevant data in order to maximize employment opportunities for participants.

[Sec. 23.15.850. Definitions.](#)

In [AS 23.15.820](#) - 23.15.850,

- (1) "board" means the Alaska Workforce Investment Board;
- (2) "program" means the Alaska technical and vocational education program established in [AS 23.15.820](#) - 23.15.850.