

Sponsor Statement

CSSB 192 (L&C)

(Updated May 8, 2003)

This year, Governor Murkowski has proposed transferring the Alaska Vocational Technical Center (AVTEC) from the Department of Education and Early Development to the Alaska Department of Labor and Workforce Development. While the transfer of the school will be accomplished through the FY 2004 budget process, Senate Bill 192 will allow the transfer to occur with minimal disruption to the staff and operation of the school.

[SB 192](#) would specifically grant statutory authority to the Department of Labor and Workforce Development to employ teachers who are members of the Teachers Retirement System (TRS) and would enable current AVTEC instructional staff to remain members of the TRS after AVTEC transfers to the Department of Labor and Workforce Development. It also would allow future AVTEC instructional staff to become TRS members. Without this bill, the current teachers at AVTEC would need to transfer to the Public Employees Retirement System (PERS). This would not only be unfair to employees who were originally hired under the TRS system, but it would hamstring AVTEC management in their teacher recruitment efforts. The management of AVTEC has found it advantageous to offer a TRS retirement benefit as an incentive to attract experienced teachers to accept employment at AVTEC. It would be a disincentive to experienced teachers who have accrued years of TRS membership at other educational institutions in the state to consider employment at AVTEC under PERS.

SB 192 also would make amendments to clarify that AVTEC and the Kotzebue Technical Center will continue to be under the oversight, planning, and coordination responsibilities of the Alaska Workforce Investment Board (AWIB) through the Department of Labor and Workforce Development.

At the request of the Department of Labor and Workforce Development, the Senate Labor and Commerce Committee passed a committee substitute that also amends [AS 23.15.550\(a\)](#) relating to the local workforce investment area and boards. This action will consolidate the workforce investment area and boards to one, allowing for the more efficient operation of the Alaska Workforce Investment Board and enable the State of Alaska to better meet the goals of the federal Workforce Investment Act.

The committee substitute also makes changes to [AS 23.15.645\(b\)](#) and repeals the business incentive program which has not been funded for many years

In summary, this bill would implement good public policy by facilitating the transfer of AVTEC from one agency to another, allowing employees to remain in TRS, by giving management a tool to attract quality employees, and by clarifying the authorities and responsibilities of AWIB.

I urge your prompt consideration and passage of this important bill.