



**Testimony of
Sharon M. Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
March 3, 2015**

Good Day Senator Gomes, Representative Tercyak, Senator Hwang and Representative Rutigliano and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding **House Bill No. 6871 AAC Minor and Clarifying Changes to the Subsidized Training and Employment Program and Other Statutes Affecting the Labor Department**. My name is Sharon Palmer and I am the Commissioner of the Department of Labor.

I am here in support of the Department's technical bill. This bill seeks to clarify current language in the STEP program statutes and would prevent otherwise eligible businesses from receiving grants for program if a new hire is made to displace a current employee. The bill changes the term "new apprentice" to "preapprentice" to avoid ambiguity within current state and federal laws and regulations. The term "apprentice" has a specific meaning in both state and federal laws. An indication that an individual is an apprentice when he or she does not meet the definition under the law would cause confusion.

The bill would exclude the state and its political subdivisions from the STEP program because it appears that the intent of the program was for the benefit of individuals and private sector employers. Finally, the bill would delete extraneous statutory references regarding wage boards and minimum fair wage orders (Sec. 31-58 and 31-).

Thank you for the opportunity to provide this testimony.