

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

January 24, 2018

7:59 a.m.

MEMBERS PRESENT

Senator Gary Stevens, Chair
Senator Cathy Giessel
Senator John Coghill
Senator Tom Begich
Senator Shelley Hughes

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 131

"An Act relating to a separate appropriation bill for operating expenses for public education and establishing a date by which the bill must be passed by the legislature and transmitted to the governor each year; relating to the budget responsibilities of the governor; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 131

SHORT TITLE: EDUCATION FUNDING; BUDGET

SPONSOR(S): SENATOR(S) STEVENS

01/16/18	(S)	PREFILE RELEASED 1/8/18
01/16/18	(S)	READ THE FIRST TIME - REFERRALS
01/16/18	(S)	EDC, FIN
01/17/18	(S)	EDC AT 8:00 AM BUTROVICH 205
01/17/18	(S)	Heard & Held
01/17/18	(S)	MINUTE(EDC)
01/24/18	(S)	EDC AT 8:00 AM BUTROVICH 205

WITNESS REGISTER

MICHAEL JOHNSON, Ph.D., Commissioner

Department of Education and Early Development (DEED)
Juneau, Alaska

POSITION STATEMENT: Presented information about SB 131 and the Alaska Education Challenge (AEC).

TIM PARKER, President
NEA Alaska
Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 131.

JACK WALSH, Superintendent
Craig City School District
Craig, Alaska

POSITION STATEMENT: Testified in support of SB 131.

MONICA GOYETTE, Ph.D., Superintendent
Matanuska-Susitna Borough School District
Palmer, Alaska

POSITION STATEMENT: Testified in support of SB 131.

DAVID NEES, Representing self
Anchorage, Alaska

POSITION STATEMENT: Suggested a change to SB 131.

LISA SKILES PARADY, Ph.D., Executive Director
Alaska Council of School Administrators
Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 131.

ACTION NARRATIVE

[7:59:40 AM](#)

CHAIR GARY STEVENS called the Senate Education Standing Committee meeting to order at 7:39 a.m. Present at the call to order were Senators Coghill, Giessel, Begich, and Chair Stevens. Senator Hughes joined shortly thereafter.

SB 131-EDUCATION FUNDING; BUDGET

[7:59:47 AM](#)

CHAIR STEVENS announced the consideration of SB 131 and his intention to hear and hold the bill. [SB 131, version 30-LS1106\A, was before the committee.]

[8:01:08 AM](#)

MICHAEL JOHNSON, Ph.D., Commissioner, Department of Education and Early Development (DEED), presented information about SB 131 and the Alaska Education Challenge (AEC). He said hundreds of Alaskans have participated in the Alaska Education Challenge. He thanked the senators for their participation in the AEC committees and said many Alaskans may not know the depth of their experience and knowledge of education in Alaska. The AEC began around "dissatisfaction with the tragic achievement gap that currently exists in our state as well as an optimism that together we can inspire all Alaskans to share a vision for both raising expectations and closing the achievement gap." The result of the AEC work was more unity than he had hoped for and more impatience for things to happen quickly than he had expected.

[8:04:17 AM](#)

COMMISSIONER JOHNSON said addressing the achievement gap includes two parallel efforts, the AEC and the [federal law] Every Student Succeeds Act (ESSA) accountability plan, which over 4,000 Alaska contributed to. Both projects are designed to deliver an excellent education to every student in the state. The three primary commitments of the AEC (1. Increase student success 2. Cultivate safety and well-being 3. Support responsible and reflective learners) contain the 13 AEC recommendations and the new ESSA accountability system. Commitments come with action. The next steps will be done with unity from partners across the state who have agreed to share these commitments.

[8:06:53 AM](#)

COMMISSIONER JOHNSON reported that DEED has held meetings with partners to align current efficient practices with promising practices identified within the AEC and the ESSA plan. Based on that alignment DEED will work with each district and community to implement the 13 recommendations and ESSA accountability system. "There's no quick fix for the challenges we face in society that are reflected in our public schools," he said. Tribes, the associations for school boards and administrators and the Alaska National Education Association (NEA) are some of the organizations eager to partner with DEED to transform education. He said that he hopes that in five years there will be students reading who wouldn't have been without this work.

[8:09:26 AM](#)

COMMISSIONER JOHNSON said that a lot of emotional energy is expended on the uncertain budget process. He hoped SB 131 and

the AEC would redirect that energy to implementing tailored solutions to raising expectations and closing the achievement gap in the state.

[8:10:02 AM](#)

CHAIR STEVENS asked him to reflect on problems districts have with hiring teachers.

[8:10:58 AM](#)

COMMISSIONER JOHNSON said nationally there is difficulty with recruitment and retention. Districts have varying levels with hiring difficulty and the same with different subject areas, such as special education, math and science.

[8:12:19 AM](#)

SENATOR BEGICH asked what impact an earlier education budget process would have.

[8:13:00 AM](#)

COMMISSIONER JOHNSON said certainty about funding allows districts to be more efficient and effective in their recruiting. Waiting to recruit changes the candidate pool, especially in rural Alaska, because people need to make decisions about where to live for the coming year.

[8:14:01 AM](#)

SENATOR HUGHES asked what an educational partnership with tribes would look like.

[8:16:10 AM](#)

COMMISSIONER JOHNSON said he is excited about what will be great conversations with tribes. He didn't know what those partnerships would look like yet and so didn't want to make any predictions.

[8:17:50 AM](#)

SENATOR GIESSEL said early funding makes sense, but many citizens wonder what the state is funding, what kind of results is the state seeing. She is a big fan of math and science but reading competency is more fundamental. Considering the state's bad reading results, she asked what is being done about reading.

[8:19:28 AM](#)

COMMISSIONER JOHNSON said he hopes in five years there will be students who are readers because of the work being done today. There are places in the state where it is difficult to recruit reading specialists. In other areas there are phenomenal reading

specialists. Reading is emphasized through the AEC and ESSA accountability plan. Alaska's accountability plan has a unique component to incentivize schools to get all student proficient in reading by the end of third grade

[8:21:19 AM](#)

SENATOR HUGHES said early funding would eliminate havoc in districts, but wondered that if the bill were to pass, could there still be havoc if districts and education advocates who were not satisfied with the funding level tried to get supplemental funding in the final budget and would pink-slips still be issued.

[8:23:14 AM](#)

COMMISSIONER JOHNSON said early funding would not eliminate the process or probability of pink-slipping because other Base Student Allocation factors, such as hold harmless, affect funding, but the pink-slip process and planning becomes more efficient.

[8:24:52 AM](#)

SENATOR HUGHES asked about implications for changing the fiscal year to the calendar year for districts.

[8:25:46 AM](#)

COMMISSIONER JOHNSON said finance people could speak more technically about that idea, but one issue would be three different fiscal years: district, state, and federal.

[8:26:38 AM](#)

SENATOR HUGHES asked if the local and state year could be the calendar year.

[8:26:58 AM](#)

COMMISSIONER JOHNSON said the fiscal year syncing with the school year was important.

[8:27:22 AM](#)

CHAIR STEVENS asked if there were other funding deadlines besides April 1 that would work.

[8:27:38 AM](#)

COMMISSIONER JOHNSON said any time before April 1 would be appealing, but April 1 is good.

[8:28:04 AM](#)

CHAIR STEVENS said there are other solutions. He appreciated the opportunity to have the bill and discussions on the record.

8:28:53 AM

TIM PARKER, President, NEA Alaska, testified in support of SB 131. He said student learning is the center of what educators are doing and requires strong relationships with students. Teachers get better at that with experience. Last summer district laid off more teachers than needed and then many weren't there for rehire. SB 131 provides certainty. He noted that NEA Alaska is committed to the success of AEC.

8:33:32 AM

MR. PARKER said NEA Alaska envisioned in the next three to six months engaging all 15,000 educators in Alaska about the AEC commitments. ESSA is part of those same discussions. The AEC is good for Alaskans. He noted that it was unusual to have all the educational groups give a big thumbs up to this plan. But last summer late budgeting caused many of the state's best educators to leave Alaska and districts were scrambling to hire in July and August. The state had 250 open teaching positions at the start of year. Passing SB 131 helps the state retain its best and brightest and prevent other states from snatching up some of the best educators. An earlier date than April 1 would be even better. Some states will be hiring teachers next month.

8:37:44 AM

JACK WALSH, Superintendent, Craig City School District, testified in support of SB 131. He said recruitment is more difficult for rural school districts. April 1 is a good place holder for a date. Half of teachers quit within their first five years and budget uncertainty makes it even more difficult to commit to a career in education.

8:41:39 AM

MR. WALSH said rural communities deserve the best educators, and he reassured the committee that educators every day are thinking about how to be better.

8:44:17 AM

MONICA GOYETTE, Ph.D., Superintendent, Matanuska-Susitna Borough School District, testified in support of SB 131. She said districts are waiting too long to know what funding will be available for the next school year. Because the budgeting process involves many variables such as enrollment projections, local funding amounts, and health insurance renewals, they need to resolve as many of these unknowns as soon as possible.

Funding assurances are needed to recruit the best teachers. Without knowing funding levels, Mat-Su has difficulty adapting a staffing plan that aligns with the anticipated resources, which delays early hiring and retention of nontenured teachers. Without knowing the state contribution, the borough's school board must confront numerous budget scenarios. She said that she would like to see the inclusion of a hold harmless provision for funding if the April 1 deadline is not met. SB 131 represents smart, thoughtful policy that benefits students.

[8:47:05 AM](#)

CHAIR STEVENS asked Dr. Goyette to speak about the increase in enrollment in the Mat-Su school district.

[8:47:19 AM](#)

DR. GOYETTE said the district did not grow as much as projected this year, but expects to grow by about .5 percent, about 100 additional students, next year. The growth is an additional concern because the longer the borough waits to hire more teachers, the more limited the pool becomes.

[8:48:18 AM](#)

SENATOR HUGHES asked what the growth was for the current school year.

[8:48:35 AM](#)

DR. GOYETTE said the district had 150 more students, half of the projection of 300 and growth has been slowing down the past decade. The district is projecting a growth of 75-100 students per year for the next few years.

[8:49:12 AM](#)

SENATOR HUGHES asked where the new students in Mat-Su are coming from.

[8:49:25 AM](#)

DR. GOYETTE said the district is working on identifying where students are coming from. She noted that many are transients, that 650 students entered the district, but 500 left. Poverty rates in Mat-Su are increasing. Higher income earners left and incoming families are struggling more. Three schools are qualifying for Title 1 because of poverty rates that never before qualified.

[8:50:42 AM](#)

DAVID NEES, representing self, suggested a change to SB 131. He said SB 131 has no guarantee that it funds teachers at the

levels of the previous year. Early funding of the system does not guarantee that. It is a good bill, but it needs this guarantee to solve the pink-slip issue.

[8:53:11 AM](#)

LISA SKILES PARADY, Ph.D., Executive Director, Alaska Council of School Administrators, testified in support of SB 131. She said that her members, which include superintendents, principals, school business officials, and other administrators, support this bill, which addresses their highest priority: timely, reliable, and predictable revenue.

[8:56:05 AM](#)

SENATOR HUGHES asked if Dr. Parady could provide her organization's thoughts on the suggestion to include a guarantee of the same funding level for teachers in the bill.

DR. PARADY said she would.

[8:56:41 AM](#)

ACTING CHAIR COGHILL closed public testimony and held SB 131 in committee for further consideration.

[8:56:50 AM](#)

There being no further business to come before the committee, Acting Chair Coghill adjourned the Senate Education Committee at 8:56 a.m.