

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 416
Juneau, AK 99801
(907) 465-4942
Fax: (907) 465-4589

Interim

P.O. Box 886
301 Willow Street
Bethel, AK 99503
(907) 543-5898
Fax: (907) 543-5892



Tribal Affairs Committee
Chair

**Health & Social Services
Committee**
Co-Chair

Education Committee
Member

Energy Committee
Vice-Chair

Rep.Tiffany.Zulkosky@akleg.gov

REPRESENTATIVE TIFFANY ZULKOSKY **DISTRICT 38**

HB 147 ver. B

Teacher recruitment and retention pose significant challenges to Alaska schools, but the issue is most pronounced in rural communities. Over time, this can be a contributing, systemic factor to success and achievement gaps experienced in Alaska classrooms.

HB 147 supports the goal of “growing our own” Alaska educators from eligible, rural communities, as well as retaining these high-quality educators in rural classrooms. The Teacher Education Loan (TEL) Program was created in 1986 to provide low-cost education loans for Alaska high school graduates pursuing careers in elementary or secondary education. Operated by the Alaska Commission on Postsecondary Education (ACPE), the program mailed nomination forms to Alaska school districts on an annual basis, that would in turn nominate qualifying students enrolled in university education programs and demonstrating financial need. Upon graduation, if they met all other eligibility requirements, the newly certificated teachers could receive loan forgiveness if they worked as a teacher in an eligible rural Alaska community.

HB 147 proposes a narrow statutory definition correction that unintentionally disqualified rural Alaska communities from eligibility for loan forgiveness due to an arbitrary and outdated population ceiling. The updated definition in HB 147 mimics the definition of a “rural community” as already defined through the WWAMI Education program. This will serve to restore the intention of the TEL Program, including Alaska communities in rural locations that experience chronic teacher recruitment and retention challenges, but have a population that narrowly exceeds the outdated definition in statute. It will also correct unfortunate circumstances where individuals received teacher education loans with the understanding that they would be forgiven upon returning to, or remaining in their rural communities, only to find that their village no longer met the definition of “rural” in the program’s statute.

This bill also includes a retroactivity clause that would make all recipients of a teacher education loan after January 1, 2016, eligible for loan forgiveness. Again, this seeks to remedy for those teachers who received the loan, with the expectation that some or all of it would be forgiven upon returning to teach in a rural Alaska, instead found themselves responsible for paying back the entirety of the loan because the community they were teaching in no longer met the definition of “rural” in statute.

By narrowly fixing the definition related to the TEL Program, we can support the training of high-quality educators already adapted to the unique conditions of living and teaching in rural Alaska and restoring the intent of Alaska to expand the availability of locally grown teachers in the parts of Alaska that need them most.

32-LS0692\B
Klein
5/5/21

CS FOR HOUSE BILL NO. 147()
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES ZULKOSKY, Snyder

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the teacher education loan program; and providing for an effective**
2 **date."**

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

4 *** Section 1.** AS 14.43.700 is amended to read:

5 **Sec. 14.43.700. Definition.** In AS 14.43.600 - 14.43.700, "rural" means a
6 community with a population of 7,500 [5,500] or less that is not connected by road or
7 rail to Anchorage or Fairbanks or a community with a population of 1,500 or less that
8 is connected by road or rail to Anchorage or Fairbanks.

9 *** Sec. 2.** The uncoded law of the State of Alaska is amended by adding a new section to
10 read:

11 **RETROACTIVITY.** Section 1 of this Act is retroactive to January 1, 2016.

12 *** Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).

HOUSE BILL NO. 147

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES ZULKOSKY, Snyder

Introduced: 3/24/21

Referred: Education, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the teacher education loan program; and providing for an effective
2 date."

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

4 * **Section 1.** AS 14.43.700 is amended to read:

5 **Sec. 14.43.700. Definition.** In AS 14.43.600 - 14.43.700, "rural" means a
6 community [WITH A POPULATION OF 5,500 OR LESS] that is not connected by
7 road or rail to Anchorage or Fairbanks or a community with a population of 1,500 or
8 less that is connected by road or rail to Anchorage or Fairbanks.

9 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 **RETROACTIVITY.** Section 1 of this Act is retroactive to January 1, 2016.

12 * **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).

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REPRESENTATIVE TIFFANY ZULKOSKY DISTRICT 38

HB 147 ver. B Sectional Analysis

Section 1. Removes the statutory requirement that a community have a population of 5,500 or less and replaces that figure with 7,500 or less to be defined as “rural.” Teacher education loans are only available to applicants from communities that qualify as rural. This new language brings alignment with language in AS 14.43.510(i) related to the Medical Education Support loans.

Section 2. Adds a clause to make the changes set out in Section 1 retroactive to January 1, 2016.

Section 3. Establishes an immediate effective date.

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version: HB 147
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB147-EED-ACPE-1-7-22
Title: RURAL DEF. TEACHER EDUCATION LOAN
PROGRAM
Sponsor: ZULKOSKY
Requester: House Education

Department: Department of Education and Early Development
Appropriation: Alaska Commission on Postsecondary Education
Allocation: Program Administration & Operations
OMB Component Number: 2738

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services	2.0						
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	1,017.5						
Miscellaneous							
Total Operating	1,019.5	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	1,019.5						
Total	1,019.5	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

Prepared By:	Sana Efird, Executive Director	Phone:	(907)465-6740
Division:	Alaska Commission on Postsecondary Education	Date:	01/07/2022
Approved By:	Lacey Sanders, Administrative Services Director	Date:	01/08/22
Agency:	Department of Education & Early Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

BILL NO. HB 147

Analysis

This bill would change the definition of rural for the Alaska Teacher Education Loan Program (TEL) administered by the Alaska Commission on Postsecondary Education (ACPE). Under this bill, Kodiak and Bethel would become communities eligible for TEL forgiveness.

Using current address information of TEL borrowers in ACPE's loan servicing system, ACPE determined 20 borrowers living in Bethel or Kodiak could become eligible for forgiveness if they fulfill the service obligation and meet other eligibility requirements.

The number of eligible teachers could be higher if teachers in Bethel and Kodiak have a permanent address on file with ACPE in urban areas. ACPE is unable to determine if that is the case and how many additional eligible teachers there may be in that scenario.

Assumptions for fiscal analysis:

- \$50,874 per TEL borrower (based on average forgiveness benefit)
- Estimate no more than 20 TEL borrowers becoming eligible if the bill passes

Total \$1,017,480 (\$50,874 x 20 borrowers)

ACPE staff time to implement changes including communication with TEL borrowers, procedural updates, application processing, etc.

- Estimate 40 hours of staff time (2 hours processing time per TEL application x 20 borrowers)
- Assume a Range 14 staff is performing the work at \$50 per hour

Total \$2,000

Additional personal services funding will support an existing position budgeted with Alaska Student Loan Corporation (ASLC) Receipts. Since this is not an allowable expenditure of ASLC Receipts, unrestricted general funds are needed to pay for the time spent working on the TEL Program.

2021 UPDATE

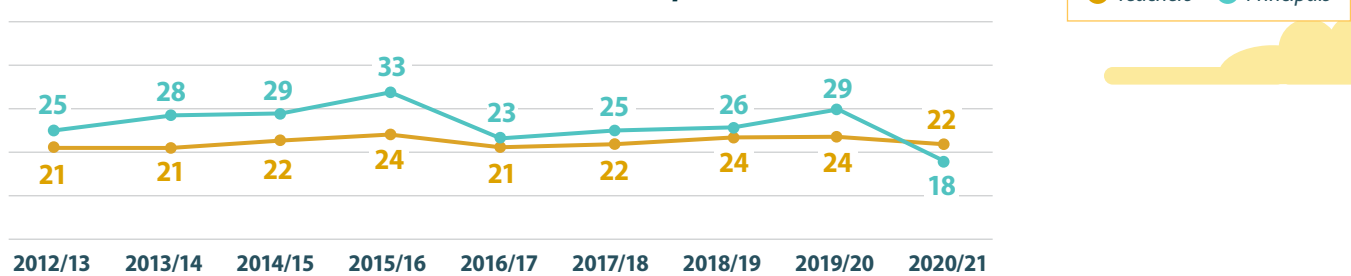
Educator Retention and Turnover in Alaska

Educator turnover is associated with a broad range of negative outcomes for students.¹ Alaska continues to experience high rates of educator turnover, as measured by the number of teachers and administrators who do not return to a position or school in a given year. This issue is particularly acute in rural areas of the state. This infographic provides updated data that supplements a **2019 REL Northwest report** on educator turnover in Alaska.

Teacher turnover remains steady but high, while principal turnover decreased in 2020/21

Over a nine-year period, from 2012/13 to 2020/21, teacher turnover was relatively steady, with a small, recent decrease (from 24 percent in 2019/20 to 22 percent in 2020/21). Principal turnover during the same time period was more volatile, with a peak of 33 percent turnover in 2015/16 and a low of 18 percent turnover in 2020/21. Turnover rates in 2020/21—a year in which some expected to see higher turnover due to the COVID-19 pandemic—decreased for both teachers and principals.² In 2020/21, as in prior years, the majority of teachers who turned over (58 percent) and principals who turned over (78 percent) left Alaska or remained in the state but were no longer educators.

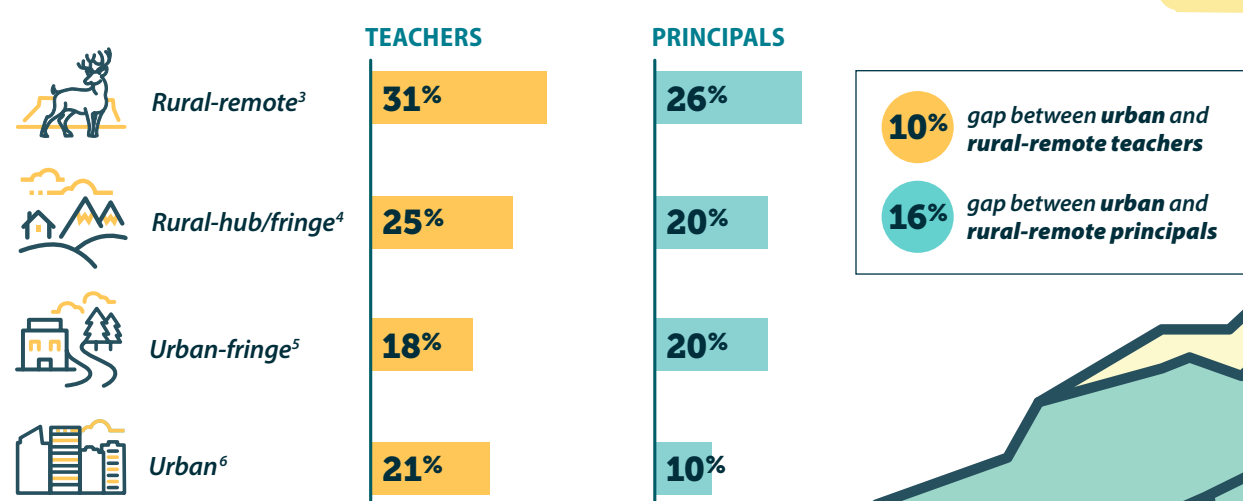
Annual turnover rates (percent)



Rural schools continue to be hardest hit by turnover

Rural schools have much higher teacher and principal turnover than urban or urban-fringe schools.

2020/21 annual turnover rates



Note: Percentages have been rounded to the nearest whole number

Teachers and principals prepared outside Alaska continue to be more likely to turn over

In 2020/21, teachers and principals who were prepared outside of Alaska continued to have higher turnover rates than those prepared in Alaska. This has important implications for state policy related to educator licensure and preparation.

2020/21 annual turnover rates

TEACHERS

19% prepared in Alaska **vs.** **23%** prepared outside Alaska

PRINCIPALS

15% prepared in Alaska **vs.** **22%** prepared outside Alaska



Strategies for improving educator recruitment and retention in Alaska

Alaska's geographic remoteness and other factors present significant challenges for educator recruitment and retention. This reality is most likely reflected in the higher turnover rates for educators who are trained out of state and may be less familiar with local culture and conditions. Alaska education stakeholders may want to consider the following strategies for improving educator recruitment and retention.⁷

- Create and support multiple teacher preparation pathways that can increase the supply of Alaska-educated teachers, including through University of Alaska programs, certification pathways available to rural residents, and grow-your-own teacher programs
- Recruit candidates who may be more likely to stay, considering community fit, and help orient new educators to the community through culture camps and facilitated connections with families
- Improve working conditions for teachers; for example, reducing the need for teachers to hold multiple positions in rural schools
- Increase incentives for educators (such as housing subsidies, loan-forgiveness programs, longevity bonuses, and access to amenities like high-speed internet)
- Support teacher growth by providing mentorship, leadership, and professional development opportunities, including cross-district connections to help reduce professional isolation in rural communities
- Encourage cross-district collaboration, such as offering joint professional development and collaborating on recruitment marketing materials, especially in rural environments and places with few teacher candidates

Notes

¹ Coelli & Green, 2012; Gibbons, Scrutino, & Telhaj, 2018; Henry, Bastian, & Fortner, 2011; Miller, 2013; Parker-Chenaille, 2012; Snodgrass Rangel, 2018; Waters & Marzano, 2006. Please see the full report for references.

² Turnover is measured using data on teacher and principal placement from October of the given school year compared to placement data from the prior year.

³ Rural-remote refers to schools located in small communities in off-road areas that are accessible only by small plane and/or by boat, such as the Pribilof Islands.

⁴ Rural-hub/fringe refers to rural-hub communities, such as Bethel, that may be off road, as well as rural-fringe communities, such as Healy, that are on the road system.

⁵ Urban-fringe refers to on- and off-road communities either near an urban locale or with commercial air access, such as Palmer and Sitka.

⁶ Urban refers to larger cities such as Anchorage, Juneau, or Fairbanks.

⁷ Strategies and examples drawn from Vazquez Cano, Bel Hadj Amor, & Pierson, 2019.

Read the report: Vazquez Cano, M., Bel Hadj Amor, H., & Pierson, A. (2019). *Educator retention and turnover under the midnight sun: Examining trends and relationships in teacher, principal, and superintendent movement in Alaska*. Portland, OR: Education Northwest, Regional Educational Laboratory Northwest. <https://eric.ed.gov/?q=ED598351>



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Teacher Education Loan Program

How does the program work / how is it implemented?

The Teacher Education Loan (TEL) program was created in 1986 to provide low-cost education loans to graduates of Alaska high schools that are enrolled in bachelor's degree programs in elementary or secondary teacher education or undergraduate certificate programs intended to lead to elementary or secondary teacher certification. The program has since ceased originating new loans due to a variety of factors (including a low teacher return rate) and awarded the last loan in 2018.

On an annual basis, the Alaska Commission on Postsecondary Education (ACPE) mailed nomination forms to school districts in Alaska that contained a rural community. School districts would nominate students interested in pursuing an education related to either elementary or secondary education. ACPE would mail these students a letter with information regarding the TEL and a Promissory Note (PN) to all nominated students. Once ACPE had received a completed PN, the school certified the student was enrolled in a qualifying education program and had financial need. ACPE would award eligible applicants up to \$7,500 per year. TEL recipients wishing to continue receiving funds from the program were required to apply annually for up to 5 years of funding.

TEL recipients may receive forgiveness benefits to equal 100% of principal and interest as long as they work as a teacher in an Alaskan rural community as defined in statute and meet all other forgiveness eligibility requirements. In order to receive forgiveness, borrowers must apply annually after each completed year of teaching and provide required documentation. The amount of the forgiveness benefit is determined by the number of years working in the state as a teacher. Borrowers completing their first, second or third year of eligible work in the state are awarded 15% forgiveness. The forgiveness amount increases to 25% for those students completing their 4th year of eligible work, and the fifth year of forgiveness is 30%. Loan recipients that do not return to Alaska and receive forgiveness are required to repay the debt.

How many people have utilized the program?

Since this loan program's inception, 1,368 borrowers have received 3,879 loans. The total amount of funding awarded was \$24,691,181.

How many loans have been forgiven?

Of 3,879 total loans, 1,126 have received one or more forgiveness benefits.

How much money is in this program?

Funding for this program was through the Alaska Student Loan Corporation until its cessation.

Funding source / Funding information / fund total

Same answer as above.

Teacher retention statistics related to the program.

Teacher retention statistics are not available and would require additional analysis to create.