



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Education
& Early Development**

OFFICE OF THE COMMISSIONER

333 Willoughby Ave., 9th Floor, SOB
P.O. Box 110500
Juneau, Alaska 99811-0500
Main: 907.465.2800
TTY/TDD: 907.465.2815
Fax: 907.465.2806

March 27, 2025

The Honorable Rebecca Schwanke
Alaska State Capitol, Room 409
Juneau, AK 99801

Dear Representative Schwanke,

This memo responds to the questions you submitted in advance of the Department of Education and Early Development's (DEED) first hearing on [House Bill \(HB\) 59, State-Tribal Education Compacts](#)¹, held during the House Special Committee on Tribal Affairs meeting on Thursday, March 13, 2025. Some questions reference the [Senate Bill \(SB\) 34 Report to the Legislature](#)², while others relate directly to HB 59. Where applicable, DEED has provided references to both documents.

1. What happens if negotiations break down? What happens to schools - are they in limbo?

No. The compact includes provisions for dispute resolution and termination, ensuring schools are not left in limbo. These provisions are detailed in the draft compact agreement included in the SB 34 Report to the Legislature.

- Section VII. Compliance, page 46
This section establishes that both DEED and the Tribe agree to remain subject to and comply with the terms of the compact. If either party is in violation of a material provision of the compact, the agreement provides for a series of remedies that may include formal dispute resolution, the withholding of funds, a corrective action plan, or termination. In the event of a breach, the Commissioner of DEED and the Tribe must mutually agree upon a reasonable timeline to resolve the issue. Failure to comply with the corrective plan constitutes a breach.

¹ State of Alaska, Legislature, House Bill 59, State-Tribal Education Compacts.
<https://www.akleg.gov/basis/Bill/Detail/34?Root=HB59>.

² State of Alaska, Department of Education and Early Development, Senate Bill 34 Report to the Legislature.
<https://education.alaska.gov/tribalcompacting/STEC%20Legislative%20Report.pdf>.

- **Section VIII. Nonrenewal and Termination, pages 46 - 48**
This section outlines how either DEED or the Tribe may elect not to renew the compact by providing written notice by September 1 of the final school year. In cases of termination for cause, the process requires formal notice of a material breach, an opportunity for response, and, if unresolved, formal termination. Upon termination, the compact calls for DEED, the Tribe, and school personnel to work collaboratively to wind down the school's operations in an orderly manner. The State does not assume liability for any outstanding school obligations following termination.

2. Please share information on insurance for the school building, general liability, and health insurance.

These responsibilities mirror those of existing school districts. Tribal Compact Public Schools (TCPS) must maintain appropriate coverage for school building insurance, liability coverage for civil wrongs (TORT), personnel liability coverage, and employee health insurance. These insurance and liability requirements ensure TCPS operate with the same level of legal and operational protection required of all public-school districts. As outlined in the draft compact agreement, these provisions reflect the standards already in place for Alaska's existing school districts. See SB 34 Report to the Legislature, page 49, Section X. Waivers and Liability, Item 1: Insurance.

3. The bill terms and the report terms are different. The language says district but is listed as "like a district" by definition. Can you explain?

The SB 34 Report to the Legislature used an approach that would amend Title 14 by updating the definitions section to recognize TCPS as districts. This comprehensive strategy allowed the department to consider the TCPS model within the full scope of Alaska's education laws. In contrast, HB 59 is drafted as uncodified law, meaning it does not amend each of the individual sections and subsections of Title 14 that reference school districts. This uncodified approach supports a targeted pilot program with a narrow, clear focus, while still addressing the core areas identified in the SB 34 Report.

4. How does the State Tribal Education Compact (STEC) teacher certification process would work.

Teacher certification would be addressed through compact negotiation. Tribes would verify that teacher training meets Alaska's statutory requirements under [Alaska Statute \(AS\) 14.20.020](#)³. This mirrors the process by which out-of-state teachers are certified under [AS 14.20.015](#)⁴. HB 59 also authorizes DEED to issue subject-matter certificates with waivers, when appropriate.

³ State of Alaska, Alaska Statute (AS) 14.20.020, Requirements for issuance of certificate; fingerprints.
<https://www.akleg.gov/basis/statutes.asp#14.20.020>

⁴ State of Alaska, Alaska Statute (AS) 14.20.015, Recognition of certificates of out-of-state teachers.
<https://www.akleg.gov/basis/statutes.asp#14.20.015>

5. Please clarify that TCPS employees would not be state employees. Given this, would they be evaluated under the STEC evaluation process per the policies agreed to in the compact agreement?

Under [AS 14.20.130](#),⁵ employees of a tribally compacted public school are employees of the tribe—not the state. According to [AS 14.20.149](#),⁶ teacher evaluations are conducted by the district that employs the teacher or staff member. Because the tribe functions as a school district under the compact, it serves as the employer and is therefore responsible for evaluating its employees in accordance with policies adopted by its governing body and included in the STEC agreement.

6. Clarify how TCPS districts can operate local and statewide correspondence study programs.

Like existing school districts, TCPS may operate local and statewide correspondence programs. This authority is explicitly preserved in HB 59 to ensure TCPS can offer flexible learning opportunities under Alaska law. The intent to operate such programs must be included in the negotiated compact agreement to ensure alignment with applicable statutes and oversight mechanisms.

7. When you reference "district's," is this the TCPS or an existing district?

In this context, "districts" refers to Tribal Compact Public Schools (TCPS), as used in the SB 34 Report to the Legislature and supporting documentation.

8. Clarify where this text originates: "The Tribe, through a negotiated STEC agreement, will create, operate, discontinue, and combine schools with the TCPS district."

This language is adapted from the statutory powers granted to existing school districts under AS [14.08.101](#),⁷ which begins: "*A regional school board may establish, operate, alter, and discontinue schools subject to the approval of the commissioner.*" The phrase was included in the SB 34 Report to the Legislature to reflect that TCPS, through the compact, would have similar operational authority. HB 59 does not amend AS 14.08.101, as the bill is drafted as uncodified law and is intended to establish a pilot program with specific negotiated terms.

⁵ State of Alaska, Alaska Statute (AS) 14.20.130, Employment contracts. <https://www.akleg.gov/basis/statutes.asp#14.20.130>

⁶ State of Alaska, Alaska Statute (AS) 14.20.149, Employee evaluation. <https://www.akleg.gov/basis/statutes.asp#14.20.149>

⁷ State of Alaska, Alaska Statute (AS) 14.08.101, Powers. <https://www.akleg.gov/basis/statutes.asp#14.08.101>

9. Are the bilingual-bicultural education statutory requirements also for non-native languages?

Yes. This refers to AS [14.30.410](#),⁸ which governs the provision and funding of bilingual-bicultural education programs. Under HB 59, Tribal Compact Public Schools (TCPS) would be required to comply with this statute. The law does not limit programs to Alaska Native languages; it supports instruction in any language spoken by a significant number of students, including non-Native languages.

10. What will the bump be used for? Does it go through the formula?

Yes. The initial startup grant is calculated by the average daily membership (ADM) in the state's public school funding formula, using the base student allocation (BSA) established in statute for the year the school opens. For each ADM, an additional amount for the school's start-up costs will be provided.

The funds are designated to address costs associated with FF&E (furniture, fixtures, and equipment) as well as for initial school supplies and materials.

11. What was the definition for Alaska Native used in the STEC agreement?

The definition of "Alaska Native" is found in Section XII of the STEC agreement. Definitions from the draft compact agreement are included in the SB 34 Report to the Legislature, page 51.

It reads: Alaska Native means all persons of Indian or Alaska Native descent who are:

(a) Members or citizens of any Federally Recognized Indian Tribe, or individuals who are eligible to enroll as members or citizens of any Federally Recognized Indian Tribe;

(b) Any citizen of the United States who is regarded as an Alaska Native by an Alaska Native Tribe, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or a group of which he or she claims to be a member or citizen;

(c) A person of Alaska Indian (including Tsimshian Indians not enrolled in the Metlakatla Indian Community), Eskimo, or Aleut blood, or any combination thereof;

⁸ State of Alaska, Alaska Statute (AS) 14.30.400, Section 14.30.410, Bilingual-bicultural education funds.
<https://www.akleg.gov/basis/statutes.asp#14.30.400>

(d) An individual whose grandparent, father, or mother is (or, if deceased, was) regarded as an Alaska Native;

(e) A lineal descendant of an Alaska Native.

12. Are TCPS eligible for bonds?

No, TCPS are not eligible to issue bonds under HB 59. The bill does not grant TCPS taxing authority, which is a prerequisite for issuing general obligation bonds. For funding purposes, TCPS are treated similarly to Regional Educational Attendance Areas (REAAs), which also lack taxing authority. As a result, TCPS must rely on state appropriations, grants, and other funding mechanisms outlined in the compact agreement, rather than local bond measures.

Note: Questions related to topics discussed in the SB 34 Report but not addressed in HB 59 are considered hypothetical, as they fall outside the scope of the bill. These items were included in the Cross Reference HB 59 and SB 34 State Tribal Compacting Legislative Report document to show transparency for the policy items discussed in the SB 34 Report to the Legislator that are beyond the scope of what is included in HB 59.

Please don't hesitate to reach out with anything further.

Sincerely,



Deena Bishop, Ed.D.
Commissioner

Enclosure: Cross Reference HB59 and SB34 State Tribal Compacting Legislative Report

cc: Jordan Shilling, Director, Governor's Legislative Office
Dr. Joel Isaak, Contractor, Tribal Affairs Consultation Services