

HOUSE BILL NO. 351

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/26/98

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to academic performance and accreditation of public schools;
2 relating to state aid to school districts and regional educational attendance areas;
3 and providing for an effective date."

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

5 * **Section 1.** FINDINGS AND INTENT. (a) The legislature finds that

6 (1) it is in the best interests of the people of the state to provide a quality
7 education that prepares all public school students for a successful and productive future;

8 (2) students can be expected to learn certain basic skills no matter where they
9 attend public school in the state;

10 (3) public schools in the state are expected to meet or exceed required
11 academic standards in the basic skills of reading, writing, and mathematics;

12 (4) students who are not learning the basic skills must be identified as early
13 as possible through frequent and meaningful testing in public schools;

14 (5) public schools are required to assist students who are not learning the basic

1 skills;

2 (6) the people of this state expect their public schools to be accountable and
3 each public school to provide student performance information based on student test scores,
4 graduation and dropout rates, and other accurate and reliable indicators of performance;

5 (7) public schools that are successful in preparing students in the basic skills
6 are to be granted state accreditation;

7 (8) public schools that are not successful in teaching students the basic skills
8 of reading, writing, and mathematics are required to make necessary changes to improve
9 student performance;

10 (9) state aid to school districts and regional educational attendance areas must
11 be revised to provide public schools with the flexibility to implement these findings; and

12 (10) public schools need increasing financial support to maintain high standards
13 and assess student performance.

14 (b) It is the intent of the statutory changes made by this Act to require that students
15 in all public schools meet high academic standards in reading, writing, and mathematics and
16 to finance those schools in a manner that is fair, efficient, and proper to provide public school
17 students in this state with the best possible public education.

18 * **Sec. 2.** AS 14.03.120(d) is repealed and reenacted to read:

19 (d) Annually, but before the date set by the district under (e) of this section,
20 each public school shall provide, in a public meeting of parents, students, and
21 community members, a report on the school's performance and the performance of the
22 school's students. The report shall be prepared on a form prescribed by the
23 department and must include

24 (1) information on accreditation;

25 (2) results of norm-referenced achievement tests;

26 (3) results of state standards-based assessments in reading, writing, and
27 mathematics;

28 (4) a description, including quantitative and qualitative measures, of
29 student, parent, community, and business involvement in student learning;

30 (5) a description of the school's attendance, retention, dropout, and
31 graduation rates as specified by the state board; and

1 (6) the annual percent of enrollment change, regardless of reason, and
 2 the annual percent of enrollment change due to student transfers into and out of the
 3 school district.

4 * **Sec. 3.** AS 14.03.120(e) is repealed and reenacted to read:

5 (e) By a date set by the district, each public school in the district shall provide
 6 the report described in (d) of this section to the chief school administrator of the
 7 district. Along with the report, each public school shall submit a summary of
 8 comments made on the report by parents, students, and community members. By
 9 July 1 of each year, beginning in 2000, each district shall provide to the department
 10 a report on the performance of each public school and the public school students in the
 11 district. The district's report must

12 (1) be entitled "School District Report Card to the Public"; and

13 (2) include

14 (A) copies of the reports and summaries of comments submitted
 15 under this section by each public school in the district; and

16 (B) a compilation of the material described in (A) of this
 17 paragraph by each public school in the district.

18 * **Sec. 4.** AS 14.03.120(f) is repealed and reenacted to read:

19 (f) By January 15 of each year, beginning in 2001, the department shall
 20 provide to the governor and make available to the public and the legislature a report
 21 on the performance of public schools in this state. The report must be entitled
 22 "Alaska's Public Schools: A Report Card to the Public." The report must include

23 (1) comprehensive information on each public school compiled,
 24 collected, and reported under (d) and (e) of this section for the prior school year;

25 (2) a summary of the information described in (1) of this subsection;
 26 the summary must be prepared in a manner that allows school performance to be
 27 measured against established state education standards; and

28 (3) for a report due by or after January 15, 2003, the performance
 29 designation under AS 14.03.123(b) received by each public school during the prior
 30 school year.

31 * **Sec. 5.** AS 14.03 is amended by adding a new section to read:

1 **Sec. 14.03.123. School accreditation and accountability.** (a) Each public
2 school in this state must become accredited by the department. By July 1, 1999, the
3 state board shall establish in regulation a process for accreditation under this section.
4 The accreditation process must be based on multiple student measures, including
5 student achievement data.

6 (b) Beginning in August 2002, and during each of the following 12-month
7 periods, the department shall assign each public school in each district the performance
8 designation of distinguished, successful, deficient, or in crisis using the process
9 established under (a) of this section. The department shall accredit each public school
10 that is assigned a performance designation of distinguished or successful. A public
11 school assigned a performance designation of deficient or in crisis shall develop a
12 school improvement plan under (e) of this section. The department shall inform the
13 chief school administrator of each district of the performance designation assigned to
14 each public school in the district.

15 (c) The state board shall adopt regulations to allow a district to appeal the
16 performance designation assigned to a public school in that district.

17 (d) The department may establish a program of special recognition for those
18 public schools that achieve the performance designation of distinguished.

19 (e) A public school that fails to become accredited under (b) of this section
20 shall prepare a school improvement plan to improve student performance based on the
21 process established under (a) of this section and provide that plan to the district to
22 submit to the department. The public school shall undertake an improvement process
23 under that plan to lead to a designation of successful or distinguished. The school
24 improvement plan must be prepared with the maximum feasible public participation
25 of the community, including, if appropriate, interested individuals, teachers, parents,
26 parent organizations, students, tribal organizations, local government representatives,
27 and other community groups. The school board of a district and the chief school
28 administrator of the district shall consult with and assist the public school in the
29 preparation of the school improvement plan. The commissioner may provide technical
30 assistance to a public school or the district at any time during the preparation and
31 implementation of the school improvement plan, upon the request of any interested

1 person and the approval of the district.

2 (f) Beginning August 1, 2002, and periodically during each of the following
3 12-month periods, the department shall monitor the progress of the implementation of
4 each school improvement plan prepared under (e) of this section for each public school
5 that is not accredited under this section.

6 (g) The department may use existing staff or contract with one or more
7 qualified persons to assist a public school that is not accredited under this section to
8 improve student performance. Qualified persons to provide assistance under this
9 section may include educators, business leaders, school board members, and
10 community leaders. The provisions of AS 36.30 do not apply to a contract awarded
11 under this subsection.

12 (h) Notwithstanding any contrary provisions in this title, if the performance
13 designation of a public school has continued to be deficient or in crisis for two
14 consecutive school years, the commissioner, after consultation with parents and the
15 community, shall manage the school's fiscal or academic affairs, or both. The
16 commissioner may implement other emergency measures determined by the
17 commissioner to be a necessary and appropriate intervention. If the commissioner
18 assumes a public school's duties under this subsection, the commissioner may withhold
19 the disbursement of money under AS 14.17 to the district, in an amount sufficient to
20 operate that school, and may use that money to operate the school.

21 (i) The state board shall develop, in regulation, measures that may be
22 progressively implemented by the commissioner to assist a public school to improve
23 student performance in accordance with this section.

24 (j) In this section, "district" has the meaning given in AS 14.17.250.

25 * **Sec. 6.** AS 14.07.020 is amended by adding a new subsection to read:

26 (c) In implementing its duties under (a)(2) of this section, the department shall

27 (1) develop

28 (A) performance standards in reading, writing, and mathematics
29 to be met at designated age levels by each student in the public schools in the
30 state; and

31 (B) a comprehensive system of student assessments, composed

1 of multiple indicators of proficiency in reading, writing, and mathematics: this
 2 comprehensive system must be made available to all districts and regional
 3 educational attendance areas and shall include a developmental profile for
 4 students entering kindergarten or first grade, and performance standards in
 5 reading, writing, and mathematics for students in age groups five - seven,
 6 8 - 10, and 11 - 14; and

7 (2) provide

8 (A) technical assistance to school districts and regional
 9 educational attendance areas to meet and maintain statewide standards for
 10 student performance;

11 (B) adequate and timely information to parents and students
 12 about student progress toward meeting state performance standards in reading,
 13 writing, and mathematics; and

14 (C) technical assistance to school districts and regional
 15 educational attendance areas to develop comprehensive procedures to enable
 16 them to monitor student progress, in order that the district or regional
 17 educational attendance area is able to intervene and assist students who are not
 18 meeting state performance standards.

19 * **Sec. 7.** AS 14.17.021(c) is amended to read:

20 (c) The basic need of a school district is determined by multiplying the area
 21 cost differential of the district under AS 14.17.051 by the number of instructional units
 22 in the district under AS 14.17.031, adding to that product the district's
 23 correspondence instructional units as calculated under AS 14.17.048, and then
 24 multiplying that sum [PRODUCT] by the instructional unit value in AS 14.17.056.

25 * **Sec. 8.** AS 14.17.022 is amended to read:

26 **Sec. 14.17.022. Money for centralized correspondence study.** Money for
 27 providing centralized correspondence study programs for students not enrolled in an
 28 approved school district correspondence study program includes an allocation from the
 29 public school foundation account in an amount calculated by multiplying the
 30 instructional unit value in AS 14.17.056 by the total number of instructional units, as
 31 determined by applying the number of correspondence students to the formula for

1 elementary schools in AS 14.17.041(b)(1), then multiplying that product by 70 [65]
 2 percent.

3 * **Sec. 9** AS 14.17.031(a) is amended to read:

4 (a) The department shall adopt regulations defining funding communities
 5 within each district that reflect geographic and attendance area factors. For the
 6 purpose of determining instructional units, students are counted in the district and the
 7 funding community from which they receive educational services. The total number
 8 of instructional units in a school district is the sum of the following units for each
 9 funding community within the district, as determined by the department:

10 (1) the number of units for elementary and secondary students
 11 determined under AS 14.17.041(a), [OR] (b), or (e), whichever is greatest;

12 (2) the number of units for vocational education determined under
 13 AS 14.17.043;

14 (3) the number of units for special education determined under
 15 AS 14.17.045; and

16 (4) the number of units for bilingual education determined under
 17 AS 14.17.047.

18 * **Sec. 10.** AS 14.17.041(a) is amended to read:

19 (a) For funding communities that have an average daily membership of less
 20 than 200 in grades K-6 or less than 200 in grades 7-12, combined elementary and
 21 secondary instructional units are determined under the following table:

22	ADM	No. Instructional Units
23	<u>1 - 7</u>	<u>as provided in (f) of this section</u>
24	<u>8 - 10</u> [1 - 10]	2
25	11 - 20	2 + ((ADM-10)/5)
26	21 - 60	4 + ((ADM-20)/8)
27	61 - 120	9 + ((ADM-60)/12)
28	121 - 525	14 + ((ADM-120)/15).

29 * **Sec. 11.** AS 14.17.041(c) is amended to read:

30 (c) Kindergarten students who attend school less than four hours a day are
 31 counted as 0.5 ADM under [(a) AND (b) OF] this section.

1 * **Sec. 12.** AS 14.17.041(d) is repealed and reenacted to read:

2 (d) Notwithstanding any contrary provision of this chapter, students who attend
3 public school on a part-time basis are counted in the applicable school grade level and
4 funding community from which they are receiving educational services from a public
5 school as determined under regulations adopted by the state Board of Education.

6 * **Sec. 13.** AS 14.17.041 is amended by adding new subsections to read:

7 (e) The instructional unit calculation for a school district with an ADM of 900
8 or less that consists of one funding community is increased by multiplying the
9 instructional units calculated under (a) or (b) of this section by the appropriate factor
10 set out in the following table:

11	District ADM	Factor
12	1 - 250	1.12
13	251 - 525	1.08
14	526 - 900	1.06

15 (f) For a funding community that has a combined elementary and secondary
16 ADM of less than 8, the combined elementary and secondary instructional units are
17 2 for a final year of funding and the funding community is decertified as a funding
18 community under this chapter for the following school year.

19 * **Sec. 14.** AS 14.17.045 is repealed and reenacted to read:

20 **Sec. 14.17.045. Special education instructional units.** (a) Additional
21 instructional units for special education purposes are calculated as follows:

22 (1) for each exceptional child who receives intensive or
23 hospital/homebound services as those services are defined by the department by
24 regulation and who is enrolled in an approved special education program on the last
25 day of the counting period for which a determination is being made, 0.333 instructional
26 units;

27 (2) for each exceptional child who receives services not specified in (1)
28 of this subsection, multiply the ADM of the relevant funding community by

29 (A) a gifted and talented special needs factor of .001; and

30 (B) a resource and self-contained special needs factor of .00854.

31 (b) Notwithstanding (a) of this section, in a district that serves one or more

1 children under a special education program approved by the department, the district
 2 receives a minimum of 0.25 instructional units for special education for each funding
 3 community in which a child is served by the program or the district receives a
 4 minimum of 1.00 instructional units for special education, whichever is greater.

5 (c) Special education for exceptional children requiring intensive or
 6 hospital/homebound services is financed only under (a)(1) of this section. Nothing in
 7 this section restricts a district from providing intensive services for an exceptional
 8 child in an innovative manner and in the least restrictive environment.

9 (d) In this section, "exceptional child" has the meaning given "exceptional
 10 children" in AS 14.30.350.

11 * **Sec. 15.** AS 14.17 is amended by adding a new section to read:

12 **Sec. 14.17.048. District correspondence instructional units.** Instructional
 13 units for students enrolled in a district correspondence program approved by the
 14 department are calculated as the district correspondence ADM of the program divided
 15 by 13.

16 * **Sec. 16.** AS 14.17.051 is amended to read:

17 **Sec. 14.17.051. Area cost differential.** The area cost differential for a school
 18 district is as follows:

School District	Area Cost Differential
[ADAK	1.27]
Alaska Gateway	1.19
Aleutian Region	1.31
<u>Aleutians East</u>	<u>1.31</u>
Anchorage	1.00
Annette Island	1.03
Bering Strait	1.39
Bristol Bay	1.27
Chatham	1.03
Chugach	1.14
Copper River	1.14
Cordova	1.11

1	Craig	1.03
2	Delta/Greely	1.16
3	<u>Denali</u>	<u>1.23</u>
4	Dillingham	1.27
5	Fairbanks	1.04
6	Galena	1.30
7	Haines	1.05
8	Hoonah	1.08
9	Hydaburg	1.03
10	Iditarod	1.33
11	Juneau	1.00
12	Kake	1.03
13	Kashunamiut	1.33
14	Kenai	1.00
15	Ketchikan	1.00
16	[KING COVE	1.27]
17	Klawock	1.03
18	Kodiak	1.09
19	Kuspuk	1.33
20	Lake & Peninsula	1.31
21	Lower Kuskokwim	1.42
22	Lower Yukon	1.35
23	Matanuska-Susitna	1.00
24	Nenana	1.20
25	Nome	1.34
26	North Slope	1.45
27	Northwest Arctic	1.45
28	Pelican	1.08
29	Petersburg	1.00
30	Pribilof	1.30
31	[RAILBELT	1.23

1	SAND POINT	1.27]
2	Sitka	1.00
3	Skagway	1.05
4	Southeast Island	1.04
5	Southwest Region	1.31
6	St. Mary's	1.30
7	Tanana	1.30
8	Unalaska	1.27
9	Valdez	1.11
10	Wrangell	1.00
11	Yakutat	1.08
12	Yukon Flats	1.46
13	Yukon-Koyukuk	1.34
14	Yupit	1.41

15 * **Sec. 17.** AS 14.17.056 is repealed and reenacted to read:

16 **Sec. 14.17.056. Instructional unit value.** (a) The instructional unit value for
17 the state fiscal year beginning July 1, 1998 is \$62,550.

18 (b) For a state fiscal year beginning on or after July 1, 1999, the instructional
19 unit value is equal to the previous year's instructional unit value multiplied by 1.01.

20 * **Sec. 18.** AS 14.17.250(2) is amended to read:

21 (2) "average daily membership" or "ADM" means the aggregate days
22 of membership of pupils, excluding correspondence pupils, divided by the actual
23 number of days in session for the counting period for which a determination is being
24 made;

25 * **Sec. 19.** AS 14.17.250 is amended by adding a new paragraph to read:

26 (9) "correspondence ADM" means the aggregate days of membership
27 of pupils enrolled in a district correspondence program divided by the actual number
28 of days in session for the counting period for which a determination is being made.

29 * **Sec. 20.** AS 36.30.850(b) is amended by adding a new paragraph to read:

30 (38) contracts of the Department of Education under AS 14.03.123.

31 * **Sec. 21.** TRANSITION: HOLD HARMLESS. (a) The Department of Education shall

1 determine the amount of state public school aid for which each school district would have
 2 qualified for the state fiscal year beginning July 1, 1998 under the provisions of AS 14.17 as
 3 those provisions existed on January 1, 1998, adjusted in accordance with AS 14.17.041(e),
 4 added by sec. 13 of this Act.

5 (b) Notwithstanding the provisions of secs. 7 - 19 and 24 of this Act, if for a fiscal
 6 year beginning July 1, 1998 through July 1, 2000, the amount of state public school aid for
 7 which a district qualifies under AS 14.17 is less than the amount calculated for that district
 8 under the following table, the district instead is eligible to receive the amount calculated under
 9 the following table:

10	For the fiscal year beginning	Percentage of amount determined
11		under (a) of this section
12	July 1, 1998	100
13	July 1, 1999	95
14	July 1, 2000	90

15 (c) For purposes of this section, "state public school aid" means all state financing of
 16 public education under AS 14.17.

17 * **Sec. 22.** TRANSITION: REGULATIONS. (a) Notwithstanding sec. 24 of this Act, the
 18 state Board of Education may proceed to adopt regulations necessary to implement this Act.
 19 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before
 20 July 1, 1998.

21 (b) To the extent regulations relating to financing of public schools adopted by the
 22 state Board of Education under AS 14.17 and in effect before July 1, 1998 are not inconsistent
 23 with the changes made in this Act to AS 14.17, those regulations remain in effect as valid
 24 regulations interpreting and implementing that chapter.

25 * **Sec. 23.** Section 22(a) of this Act takes effect immediately under AS 01.10.070(c).

26 * **Sec. 24.** Except as provided in sec. 23 of this Act, this Act takes effect July 1, 1998.