

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON EDUCATION

February 7, 2001

8:10 a.m.

MEMBERS PRESENT

Representative Con Bunde, Chair
Representative Brian Porter
Representative Joe Green
Representative Peggy Wilson
Representative Gary Stevens
Representative Reggie Joule
Representative Gretchen Guess

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 71

"An Act relating to the education of children with disabilities and of gifted children; relating to the Governor's Council on Disabilities and Special Education; making conforming amendments; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 43

"An Act relating to reimbursement of certain student loans; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 37

"An Act relating to reimbursement of certain student loans; and providing for an effective date."

- MOVED CSHB 37(EDU) OUT OF COMMITTEE

HOUSE BILL NO. 54

"An Act relating to reimbursement of student loans; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

PREVIOUS ACTION

BILL: HB 71

SHORT TITLE: EDUC. OF DISABLED OR GIFTED CHILDREN

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
01/17/01	0112	(H)	READ THE FIRST TIME - REFERRALS
01/17/01	0112	(H)	EDU, HES, FIN
01/17/01	0112	(H)	FN 1: ZERO(EED)
01/17/01	0112	(H)	GOVERNOR'S TRANSMITTAL LETTER
01/17/01	0112	(H)	REFERRED TO EDU
02/07/01		(H)	EDU AT 8:00 AM CAPITOL 106

BILL: HB 43

SHORT TITLE: STUDENT LOAN FORGIVENESS

SPONSOR(S): REPRESENTATIVE(S) GREEN

Jrn-Date	Jrn-Page		Action
01/10/01	0049	(H)	READ THE FIRST TIME - REFERRALS
01/10/01	0049	(H)	EDU, HES, FIN
01/10/01	0049	(H)	REFERRED TO EDU
01/12/01	0073	(H)	COSPONSOR(S): KERTTULA
02/07/01		(H)	EDU AT 8:00 AM CAPITOL 106

BILL: HB 37

SHORT TITLE: STUDENT LOAN FORGIVENESS

SPONSOR(S): REPRESENTATIVE(S) STEVENS

Jrn-Date	Jrn-Page		Action
01/08/01	0033	(H)	READ THE FIRST TIME - REFERRALS
01/08/01	0034	(H)	EDU, HES, FIN
01/08/01	0034	(H)	REFERRED TO EDU
01/17/01		(H)	EDU AT 9:00 AM HOUSE FINANCE 519
01/17/01		(H)	Heard & Held
01/17/01		(H)	MINUTE(EDU)
01/31/01		(H)	EDU AT 8:00 AM CAPITOL 106
01/31/01		(H)	Heard & Held
01/31/01		(H)	MINUTES(EDU)
02/07/01		(H)	EDU AT 8:00 AM CAPITOL 106

WITNESS REGISTER

DEBBIE OSSIANDER, Member and Legislative Chair
Anchorage School Board
PO Box 670772
Chugiak, Alaska 99567
POSITION STATEMENT: Testified and asked questions on HB 71 and
HB 43.

LOUISE PARISH
PO Box 1182
Valdez, Alaska 99686
POSITION STATEMENT: Testified and asked questions on HB 71.

GRETCHEN KEISER
PO Box 21883
Juneau, Alaska 99802
POSITION STATEMENT: Testified on HB 71.

KEVIN JARDELL, Staff
to Representative Green
Alaska State Legislature
Capitol Building, Room 403
Juneau, Alaska 99801
POSITION STATEMENT: Presented HB 43.

VERNON MARSHALL, Executive Director
NEA-Alaska [National Education Association]
114 Second Street
Juneau, Alaska 99801
POSITION STATEMENT: Testified on HB 43.

WENDY REDMAN, Vice President
Statewide University Relations
University of Alaska
P.O. Box 755200
Fairbanks, Alaska 99775
POSITION STATEMENT: Commented and answered questions on HB 43.

ACTION NARRATIVE

TAPE 01-5, SIDE A
Number 0001

CHAIR BUNDE called the House Special Committee on Education meeting to order at 8:10 a.m. Members present at the call to order were Representatives Bunde, Porter, Stevens, Joule, and Guess. Representatives Green and Wilson joined the meeting as it was in progress.

HB 71 - EDUC. OF DISABLED OR GIFTED CHILDREN

Number 0198

CHAIR BUNDE announced the first order of business as HOUSE BILL NO. 71, "An Act relating to the education of children with disabilities and of gifted children; relating to the Governor's Council on Disabilities and Special Education; making conforming amendments; and providing for an effective date."

CHAIR BUNDE went over HB 71 since there was no one from the administration to present it. The bill is a requirement of the federal government to adjust the funding of disabled children and basically remove gifted children from the disabled funding.

CHAIR BUNDE referred to the fiscal note, [\$103,400] of new GF [general fund], which would continue the gifted programs formerly funded out of the special education money. He noted that HB 71 amends the Alaska statutes and brings them into compliance with current federal special education mandates and emphasizes the participation of parents in making decisions. "In shorthand for that is if we don't do it, we'll stand to lose federal money." It clarifies the procedure for requesting due process hearings, streamlines the process for selecting a hearing officer, and provides allocation responsibilities and coordination of services among various educational agencies for special education students who are enrolled in alternative education programs.

CHAIR BUNDE went on to say that the bill requires local schools to provide services to disabled children who attend private or religious schools or who are home schooled. It allows parents of home schooled children to also refuse services; replaces the provision regarding separate transportation by school district with a requirement that issue be determined by the IEP [individual education plan] that special needs children have, which has been part of their education for years and years; separates Alaska statutes regarding special education services and gifted education services as required by federal law. It does, however, maintain procedural safeguards for both programs and repeals and re-enacts definitions.

Number 0409

DEBBIE OSSIANDER, Member and Legislative Chair, Anchorage School Board, testified via teleconference. She reported that the

Anchorage School Board has been following this issue for some time now and has heard comments from folks all over the community regarding the potential for this bill. The board is not supportive of separating the gifted out from other special education unless it has been determined with certainty that Alaska is in jeopardy of losing federal special education dollars. Last November some people from the department [Education and Early Development] told the board that that was not yet certain. First, the board would like some assurance that that has been determined.

MS. OSSIANDER said the board has a number of questions and concerns on this bill based on conversations between board members and their superintendent. It hasn't yet been thoroughly discussed with the Anchorage special education people, so at this point, there are more questions than anything.

MS. OSSIANDER referred to page 3, Section 9, lines 25 and 28, where the word "participate" is used rather than "consultation" in the evaluation. She wondered if that means a change in responsibility; what are the specific implications of that word choice for districts?

MS. OSSIANDER referred to page 7, Section 19, line 26, which uses the words "individualized education program," which is different than "individual education plan." The board believes that the intent was merely to reword current practice, but the first sentence in lines 26-27 basically says the district shall develop an individualized education program. She wondered if that means there is a separate, distinct district responsibility from the individual team responsibility to develop a plan for a child.

MS. OSSIANDER referred to page 9, Section 21, lines 15-19, which refers to a situation where a district does not have the capability for delivering the education that a child needs locally. The board has some concerns about this and may present an amendment after talking to the special education people in Anchorage. Anchorage serves as a statewide resource to provide medical needs and educational services for low incidence disabilities. Right now those children are in a separate category of the state funding formula. Typically they are more expensive to educate. Her concern is that these children need to come in before the count date in order for the district to receive additional funding to make sure the children's needs can be met adequately. She asked the committee to at least consider

the possibility of giving the district the ability to document the needs it is experiencing at some point through the year.

MS. OSSIANDER reported that additionally, there are some extremely unusual situations where there is no ability within the state of Alaska to provide for needed services. There was a case last year that caused great concern. That has usually happened with a severely emotionally disturbed child. There was an instance where a child was sent outside for services because the IEP team did not feel there were services available in Alaska. The Anchorage School District totally absorbed the cost for that education Outside. The board would be interested in discussing a responsibility for situations like that and hope that there would be at least some potential help from the state in a situation like that. She doesn't have wording for an amendment, but that is the concern in this area.

MS. OSSIANDER referred to page 12, Section 34, "informed consent." She specified (A), which says "fully informed" in talking about a parent's knowledge situation. She would appreciate some clarity and further definition of what it means to be sure that a parent is fully informed of all information relevant. There is some real potential for district liability if that is not fully done.

Number 0848

MS. OSSIANDER referred to page 13, Article 3A. "Education for Gifted Children", (f), lines 24-31, where it talks about a parent's right to obtain an independent evaluation if the parent doesn't believe that the district has done a correct assessment for his/her child. The concern is the wording "due process." The board would hope to, at least, discuss an "administrative appeal," which is cheaper for the district, it's less time consuming, and there is less burden of proof, rather than going immediately to due process.

Number 0922

REPRESENTATIVE PORTER asked Ms. Ossiander to explain the difference between an administrative review and a due process hearing.

MS. OSSIANDER answered that to be accurate on this, she would need to refer it to the people who do it for a living, but generally, she understands that a due process hearing requires a greater standard of proof and is a very formalized process; an

administrative review is more informal. Both have disinterested and impartial hearing officers, but one is more similar to a litigation process, and one is more of a discussion. She noted she could stand corrected on this.

Number 0980

MS. OSSIANDER referred to page 14, line 17. As each child is reviewed, both for special education and gifted children, the team has been developing an individualized education plan or program as is listed in the bill. She wondered what the department had in mind with the term used in (2), line 17, "short-term instructional objectives."

MS. OSSIANDER referred to page 15, lines 4-9, that refer to a term that is part of federal special education law called "least restrictive environment." The board members support and understand this term with special education students. In the arena of gifted education, in the board members' minds, things can be viewed a little differently. All the educational research they have seen show real benefits allowing these children to have classes together rather than be at all times in with all their other classmates. There is a gifted education program in Anchorage, offered at the elementary school called the "Ignite" program, where children are taken from their neighborhood school one day a week and given special gifted education services at a neighborhood school, which is not necessarily their own. She wondered if Anchorage would be precluded from offering this program under the "least restrictive environment."

MS. OSSIANDER referred to page 17, [line 3], "Definitions". The specific concern here is item (4), lines 15-16. It includes creative talent and ability in the definition of gifted. Currently, Anchorage does not offer gifted services to children who may be creative musically or artistically, and the wording in this definition appears to include that. On line 16, it appears that gifted children will be determined under regulations adopted by the department. Currently, districts develop their own plan of delivery of services for gifted children. There has been some discrepancy among districts in the past. The board would very much like to retain local control and hopes to continue with its own definition of services.

Number 1160

MS. OSSIANDER said it was interesting that transportation delivery of gifted students was not mentioned. Currently, gifted students do qualify for transportation to their delivery site. She wondered if it is the department's intent to do away with that. She is also concerned about the change Chair Bunde mentioned at the beginning of the meeting where he said "transportation service for special education students additionally will be provided in a different fashion based on IEP rather than identifying label." She requested clarification on those points.

MS. OSSIANDER said the board is pleased to see that this bill is going through several committees because it needs a fair amount of discussion and work prior to passage.

Number 1223

LOUISE PARISH testified via teleconference. She is the parent of a learning disabled child and has a number of concerns regarding HB 71. She read the following testimony:

Why has the department [Department of Education and Early Development] completely ignored my numerous requests to change the word language to speech-language in eligibility regulations, even though IDEA [Individuals with Disabilities Education Act] uses the term speech-language? If you go to page 11, "child with a disability" at line 24 reads "speech impairment." I have commented numerous times to AkDEED [Alaska Department of Education and Early Development] that this needs to be changed to speech-language impairment. My daughter is language impaired. IDEA discusses speech-language impairment, not just speech impairments. I've complained about this to people at AkDEED, I've commented formally on their proposed regulation. I see no change in it and this one gross oversight, I believe, cost my daughter many years of appropriate services. And I don't understand at all why I have been able to pointedly complain about this and have absolutely nothing done about it. It gives me the feeling and the overall - and I also went to due process - and just my background gives me the feeling as though many of these statutes and regulations are just written without parent input and that often our concerns are simply disregarded and forces us into a situation where it's a brick wall, and the only way to change

anything is to take somebody to court. ... It's bad news. I would hope that at least that gets fixed.

I asked Dr. Johnson why the department never invited regular parents to participate in any legislative review of this bill as it was constructed. I felt we were left out of the picture. Dr. Johnson told me it was because the department didn't "have to." He said I could react after the bill was constructed to the legislature. ... Why does AkDEED exclude parents?

I have no certainty whatsoever that this bill is adequate or appropriate for our kids. I asked Dr Johnson and the state board to confer with private counsel in the construction so that parents could feel that their interests were represented.

Has the department even conferred as it promised it would do with private counsel practicing in this area of law before submitting this bill, and if so, please identify such private counsel?

Why is it that AkDEED never asked its hearing officers for input or comment on current or proposed state regs or statutes? That only makes sense to me.

Why has the department refused to consider the proposal to set up a hearing panel as adopted by Missouri?

Why does the bill fail to state Alaskan policy on exceptional children? We should make a statement on what we want to see for our kids; other states do.

MS. PARISH said she has a number of other items that she will fax to the committee. She requested that the committee ask the department and Dr. Johnson these questions. She also read:

There seems to be no Comprehensive System of Personnel Development statute. There seems, just from my limited review of IDEA 97, to be a number of items that are not included in this statute or in the proposed regs. I don't like that AkDEED appears to have no oversight in this important legislation. It's almost as though the bill gets constructed, and then we start haggling about the minutiae in the bill

without looking at the big picture of what's missing to begin with.

I'm particularly concerned because in IDEA 97, they list additional procedural safeguards that should be written into statute. These additional procedural safeguards help us to be sure that kids are tested appropriately in the evaluation process. IDEA reads: "for teachers to ensure testing and evaluation materials and procedures ... will not be racially or culturally discriminating ... no single procedure shall be the sole criterion for determining an appropriate educational program." Often our districts use an IQ discrepancy formula, regression formula, and use this for determining whether a child is eligible or not. This needs to be written into statute so it is very clear that districts can't use this measure to exclude kids. The problem often is that kids with language learning disabilities, such as my daughter, may be tested using devices that detect certain disabilities, which would be reading, and therefore provide inappropriate data for determination of her eligibility.

The no CSPD (Comprehensive System of Personnel Development) with no additional procedural safeguards, AkDEED not addressing my request to add the word language to speech-language impairment gives me the overall impression that this bill may very well be extremely inadequate, and I would like a private lawyer to who deals with special education to review this. I attended a legislative review meeting that was held at least at AkDEED's behest for Parents Inc., DLC [Disability Law Center], district representatives, and the Governor's Council [on Disabilities and Special Education], but there were no regular parents that were represented there.... It was a listen only type of review. Parents need to be informed about all of this and should be in on the construction of the bill and hopefully what will be a number of changes that will improve this bill drastically.

CHAIR BUNDE told Ms. Parish that Dr. Johnson was at the meeting so has heard her questions directly.

Number 1577

GRETCHEN KEISER came forward to testify. She read the following testimony:

I come today as a parent of a child who has been determined to be high-ability, or gifted, student in our public school system here in Juneau. My son is a sophomore here at the high school.... Personally I have spent a considerable time in my son's classes over the years in Juneau and have made some effort to educate myself about how you go about educating gifted kids.

As a state, we are blessed with approximately 6,200 gifted kids from Ketchikan, Kodiak, Kaktovik. That's approximately 5 percent of our student population. That's a lot of children. If you place them together that would rank as about our eighth largest city, just behind Kodiak in population, or as our fifth largest school district, ahead of Juneau in size.

I want to speak briefly about educating gifted children -- is one piece within the broad array of efforts we're undertaking ... for a number of years to improve educational standards, increase and test competencies, and basically graduate children who are ready and able to tackle life's challenges. I would like to suggest some changes to the language of one section of HB 71 because I believe it may more closely match the educational needs of gifted kids.

There are a variety of ways schools can meet the needs of gifted children. In some circumstances, children can be accelerated through promoting them: just move them up a grade, and they're ready to move. Or you can have a classroom of gifted children who can zoom through the equivalent of two years of material in one year by ... compressing the curriculum. For example, rather than spending three days going through repetitive math problems on a particular topic, these kids are ready to move on to new material on day two. In another instance, a group of gifted children from one class can pull out to the library to do research or discuss books by an author the whole class has read, and then they could actually move on and write a play or their own short story based on the reading.

The common thread here is an enriched educational approach that matches and stimulates the ability of the gifted kids.... One point to make is we're not necessarily talking about more services provided to these children than other students. I think what we're really talking about are different services, a different educational method and pace, appropriately advanced materials, and a modified classroom setting in some circumstances.

Why should we worry about special education for gifted kids? Won't they be okay anyway? What happens to these kids if they don't get some special services?

Gifted kids who do not receive the necessary enrichment become bored, frustrated, discouraged, and even angry. To have ability, to feel power you are never allowed to use, can be traumatic for some of these children. You end up with social discontents and acting-out behavior in the class in some circumstances. An article I read recently said many researchers consider the gifted as the largest group of underachievers in the American education system today.

On the other hand, bright kids who are never truly challenged find schoolwork easy and quite frankly, some of them develop an inflated view of their abilities, which can interfere with their future education or their employability down the road.

I draw your attention to HB 71 the section on page 15. The first speaker this morning ... spoke to this, beginning on line 4, the section which is identified as the "least restrictive environment." I have some difficulties with this prescription of the least restricted environment for gifted children. Now this virtually identical language is also in place earlier in the bill under the section for the children with disabilities.

We have made an important educational decision to integrate children with disabilities into the main classroom as a way to help them maximize their potential through interaction with other children. In this sense, it is the least restrictive environment

for those children, particularly given some of the alternatives in the past.

However, common sense suggests that the same does not hold for gifted children in a regular classroom. The least restrictive environment for these children, by and large, would be an accelerated classroom, ... differentiated curriculum ... more advanced material, small group setting with their ability peers, or individualized learning on their own.

From my personal experience, mainstreaming gifted kids ... for "education in regular classrooms with supplementary aids and services" typically means isolating one or two kids in a given classroom in what is equivalent to an intellectual straitjacket. There are not enough kids in any one of these classes to reach the critical mass ... you don't have enough of them to work together or feed off each other's quick learning. I also think, actually, using the word regular classroom ... we may be seeing that as somewhat of an obsolete ... term at this point.

As the results of our benchmark tests and qualifying exams begin to convulse through our school districts, we are in fact defining two groups of children: those who lack proficiency on material and those who are proficient and ready to move on. In this context, I think "regular classroom" has become obsolete. What's regular? If more than 50 percent of the third graders are proficient in writing, do these kids make up a "regular class" while additional remedial efforts in special classes are directed at the other children? Alternatively, if 60 percent of the eighth graders lack proficiency in math, do they constitute the "regular classroom" while the fewer students are proficient move forward? I think we really need to look at that language and maybe step back from it.

MS. KEISER provided copies to the committee of some language she came up with dealing with the least restrictive environment.

CHAIR BUNDE said there are obviously a lot of questions on HB 71. He remanded the bill back to the department and asked that it work with the questions that have come up from school districts, parents, and Mr. Briggs from the Disability Law

Center and bring it back to the committee with as much agreement as they can achieve. [HB 71 was heard and held.]

HB 43 - STUDENT LOAN FORGIVENESS

Number 2018

CHAIR BUNDE announced the next order of business as HOUSE BILL NO. 43, "An Act relating to reimbursement of certain student loans; and providing for an effective date."

Number 2040

REPRESENTATIVES WILSON and GREEN made a motion to adopt the proposed committee substitute (CS) for HB 43, version 22-LS0225\0, Ford, 2/6/01, as a work draft. There being no objection, Version 0 was before the committee.

REPRESENTATIVE GREEN, sponsor of HB 43, explained that it is a work in progress because the people from the student loan program pointed out some problems with it even with the modifications. It is hoped that the current version circumvents the most obvious problem of the tremendous drop out in the first two years of people who apply for loans, which is not uncommon. By making incentives to encourage people to take out student loans could create a problem. This bill now says there will be loan forgiveness only after 60 credits have been earned. The completion ratio from that point is much higher.

Number 2124

KEVIN JARDELL, Staff to Representative Green, came forward to present HB 43. The goal of the bill is to increase the number of students in subject matter areas that are determined to be underserved in the state and to encourage students in their final two years to look at teaching in geographical areas that have a shortage of teachers. The bill accomplishes this by allowing a program for Alaska student loans to be forgiven. In order to qualify for loan forgiveness -- it would only apply to loans taken after 60 credit hours -- the student would have to graduate from an institution in Alaska, and the student would have to either teach in a subject matter area that has been identified as underserved by the commissioner or teach in a geographically area that has been determined to have a shortage of teachers.

MR. JARDELL explained that the provision for payback allows for up to 100 percent of loans taken after 60 credit hours, and there is a five-year "ramp up" on the payback provisions to try to increase retention in those areas.

CHAIR BUNDE noted there had been a lot of public response on the issue of loan forgiveness. Many have asked, "Why only teachers?" He wondered if "we are killing students with kindness by allowing them to graduate \$50,000 in debt." These students are graduating from colleges and assuming what were, for many people in the past, home mortgages.

REPRESENTATIVE GREEN said that the concept here is to let teachers have "first crack at it" and see if this incentive is going to be effective before adding other disciplines that are facing shortages. He said regarding retroactivity: if it doesn't start now, then how far back does it go? "We have to start from a point and go forward."

CHAIR BUNDE added that the cost would be astronomical once it was opened up.

Number 2299

VERNON MARSHALL, Executive Director, NEA-Alaska [National Education Association], came forward to testify. He indicated that both HB 43 and HB 37 are steps in the right direction and loan forgiveness is one means of attracting individuals to the teaching profession and to the classroom. The NEA-Alaska sees a distinction between the two bills. Representative Green is on the right track in identifying need relative to geographic area and shortage as it relates to subject. It will give an opportunity to hopefully get teachers into critical areas and help the schools.

TAPE 01-5, SIDE B

Number 2371

MR. MARSHALL offered a thought relative to both bills. Loan forgiveness is applicable July 1, 2001, but the NEA-Alaska would like to see some opportunity to the students currently in education preparatory programs now to take advantage of the loan forgiveness, particularly as it serves as an encouragement to increase the pool of teaching applicants. The NEA-Alaska is concerned that with the 2001 timeline, it could take one to three years to get that pool enhanced to the point where it is beneficial to school districts. He suggested that the pool in

the university system now be taken advantage of so those teachers can get in the classroom immediately. He called it a modified retroactivity.

MR. MARSHALL agreed that the bill is one step in solving the problems relative to teaching that are critical to the capacity and ability to attract individuals to classrooms. These two bills and Representative Davies' bill are a step in the right direction to enhance and improve the pool of applicants from which teachers are selected.

Number 2247

DEBBIE OSSIANDER, Member and Legislative Chair, Anchorage School Board, testified via teleconference. She said the board members have been following the loan forgiveness bills with interest for the purpose of dealing with the shortages being experienced in specific areas. The board would like further discussion on how this would apply in the urban areas of Alaska in those high needs areas, which include special education and related services, but there is also difficulty with foreign language, math, and librarians. There was some mention earlier of a means of appealing to the commissioner for determining if an area was high need, and the board would like more information about that.

REPRESENTATIVE PORTER clarified that one difference between HB 43 and HB 37 is that HB 43 addresses loans that have been acquired by going to college in-state, and HB 37 addresses loans acquired by going to college anywhere.

REPRESENTATIVE GREEN said that not necessarily all a student's academic career must be in-state, but the student must graduate from an accredited Alaskan institution. Since there is a dearth of graduates from the University of Alaska, he is trying to encourage people to go into the teaching profession and graduate from Alaska colleges.

Number 2128

WENDY REDMAN, Vice President, Statewide University Relations, University of Alaska, came forward to comment and answer questions on HB 43. She pointed out two issues that she thinks are important. In response to a specific question asked, "I think if you are trying to get college graduates to stay in Alaska, investing in in-state institutions is the best way you can do it. We already know quantitatively that 82 percent of our graduates stay in Alaska, work here, make their homes here."

She told the committee that the University of Alaska could never meet all the shortage; there are other things at play.

MS. REDMAN said the second issue that is important is to consider extending it to students who are already enrolled. It also is known quantitatively that only 50 percent of the university's graduates in teacher education actually go into teaching. According to surveys that the university has done, the reason is primarily salary. It is also there aren't a lot of teaching jobs in the urban areas, outside of the specialty areas that Ms. Ossiander mentioned.

CHAIR BUNDE asked Ms. Redman what would be the minimum that a student would have to be in residence in the University of Alaska system to graduate.

MS. REDMAN answered that right now it is 30 credits, but there is some flexibility in that. Basically, it is the last two semesters.

Number 2048

REPRESENTATIVE WILSON asked Representative Green what the definition is of a geographically underserved area or subject for which there is a shortage of teachers. She asked: If a school has all the positions filled except one and can't get someone to go to that area, is that considered a shortage?

REPRESENTATIVE GREEN said he didn't want to presume how the school district would determine that; it would be up to the school district. He thought rather than a single position, it would have to be a single, perhaps, subject matter.

REPRESENTATIVE WILSON suggested perhaps that should be tightened up.

CHAIR BUNDE requested that Representative Green talk to school districts and see what kind of adjustment there could be.

Number 1982

REPRESENTATIVE GUESS asked if the loan forgiveness was 100 percent of the loans taken out after 60 credits.

REPRESENTATIVE GREEN answered yes. It would not apply toward the first 60 credits.

CHAIR BUNDE said he had some questions about the fiscal note.

REPRESENTATIVE GREEN said there isn't a fiscal note yet, but he thinks it would be significantly lower because it doesn't cover the first two years, which is the bulk of people taking loans.

Number 1919

REPRESENTATIVE JOULE asked Representative Green: It was your intent not to include graduate students?

REPRESENTATIVE GREEN agreed it was just for an undergraduate degree and not the Masters in Teaching program.

CHAIR BUNDE announced that proposed CSHB 43 would be held over.

HB 37 - STUDENT LOAN FORGIVENESS

Number 1888

CHAIR BUNDE announced the next order of business as HOUSE BILL NO. 37, "An Act relating to reimbursement of certain student loans; and providing for an effective date."

CHAIR BUNDE asked if there was any more public testimony. Hearing none, he closed public testimony.

REPRESENTATIVE GUESS asked Representative Stevens if he would consider putting in a clause similar to the one in HB 43 on geographically underserved areas or subject shortage to target the problem.

Number 1849

REPRESENTATIVE STEVENS responded that there are some excellent issues to discuss. The idea of identifying the needs geographically and the shortages in subject areas, as long as they are identified, could easily be pulled in to HB 37. In essence, 100 percent forgiveness, one way or the other, accomplishes the same thing whether it is a five-year forgiveness, freshman through graduate school, in HB 37 or beyond 60 hours in HB 43; in the end he thinks it is a similar dollar amount.

REPRESENTATIVE GREEN reminded the committee:

If they take 100 applicants in year one, by the time we get to year three, that may be down to 20 or 25 because we've lost all these people who are not going to finish. So now we're talking about only using about whatever ratio ... that would be the group that would end up with effectively 50 percent of their loan pre-paid, not this big group that dropped out, and that's the difference between the two bills.

REPRESENTATIVE STEVENS clarified that the student would not receive forgiveness unless he/she was teaching in HB 37. He commented:

A lot of the discussion that has occurred is under the assumption that if you don't actually graduate, you somehow have failed.... There's a tremendous advantage to our state when people take any classes at the university or college. This does not apply, but still I ... keep hearing this that it's a failure, and you're not contributing to society if you don't actually get a college degree. That's really not true.

REPRESENTATIVE JOULE referred to the comment about the university providing about 30 percent of the state's needs for teachers. He asked if that percent takes out the 50 percent who completed the teaching degree but chose not to teach.

REPRESENTATIVE PORTER asked what information the fiscal note was comprised of.

Number 1679

MS. REDMAN answered Representative Joule that the 30 percent total is those who are actually teaching. It does not count the 50 percent of the university graduates who are doing something else. It could potentially be higher. The 30 percent is of all teachers. At the elementary level, close to 68 percent of the need is being filled; the problem is in the specialty areas, many of which the university does not even offer, like foreign languages, physical education, and other specialty areas.

REPRESENTATIVE JOULE referred to Ms. Redman's earlier points: "1) that we need to continue to invest in the University; and 2) that 50 percent of the people who did not go into teaching but received their degrees did it because they can get higher pay someplace else." He commented, "We seem to be missing the boat

on 50 percent of the people who are already in the system because ... we can't be competitive on the wage market."

MS. REDMAN replied that she had said, "Pay was one [reason]. It was the first thing in the polling we do, but the second issue is locale." It's a very significant issue that there are many graduates who want to teach in Anchorage, Fairbanks, or Juneau.

REPRESENTATIVE GREEN clarified his comments:

I'm not saying that if they don't qualify for this loan that they're failures; by no means do I imply that. I'm just saying that this is a single possibility to try and encourage students to go to school here and teach here, and if they don't do that, they just don't qualify for this loan forgiveness. That in no way means that they're failures. Even if they take one course, ... that's better than not taking any course.

CHAIR BUNDE indicated that he would like some conclusion today about HB 37. The committee will hear HB 43 next week. He said that HB 54 is going to be a difficult challenge financially because it spends the Student Loan Corporation's money.

Number 1470

REPRESENTATIVE STEVENS made a motion to move HB 37, as amended, from the committee with individual recommendations and attached fiscal notes. There being no objection, CSHB 37(EDU) moved from the House Special Committee on Education.

ADJOURNMENT

Number 1426

There being no further business before the committee, the House Special Committee on Education meeting was adjourned at 9:20 a.m.