

ALASKA STATE LEGISLATURE
SENATE HEALTH, EDUCATION & SOCIAL SERVICES COMMITTEE

April 17, 2002
2:52 p.m.

MEMBERS PRESENT

Senator Lyda Green, Chair
Senator Loren Leman, Vice Chair
Senator Gary Wilken
Senator Jerry Ward
Senator Bettye Davis

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 239

"An Act establishing a pilot program for a regional learning center."

MOVED SCS HB 239(HES) OUT OF COMMITTEE

PREVIOUS SENATE COMMITTEE ACTION

HB 239 - No previous action to record.

WITNESS REGISTER

Representative Richard Foster
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Sponsor of HB 239

Dr. Larry Labolle
Staff to Representative Foster
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Answered questions about HB 239

ACTION NARRATIVE

TAPE 02-31, SIDE A
Number 001

CHAIRWOMAN LYDA GREEN called the Senate Health, Education &

Social Services Committee meeting to order at 2:52 p.m. Senators Wilken, Ward, Davis and Green were present. The committee took up HB 239.

#HB 239

HB 239-VOCATIONAL EDUCATION PILOT PROGRAM

REPRESENTATIVE RICHARD FOSTER, sponsor of HB 239, introduced staff member Larry Labolle, Dr. Davis, Superintendent of the Bering Straits REAA, and Dr. Lujan, Superintendent of the Nome Public Schools. He then highlighted the bill as follows.

HB 239 creates a learning center, a cooperative program that utilizes the existing Nome-Beltz school complex to develop and operate a pilot regional learning program. Both the Bering Strait School District and the Nome Common Council, the two educational entities based in the entire Bering Straits area, support HB 239. The bill is also supported by Kawerak and other non-profits in the area.

HB 239 will provide students from the villages with several weeks of training in skills they can use in the "outside world" once they finish school. He is hoping that by pooling the resources of both school districts, this pilot program will be successful and provide hope for the students. Those districts are not offering skill training to students right now and do not have much to look forward to. He asked Dr. Labolle to testify.

MR. LARRY LABOLLE, PhD, staff to Representative Foster, told members that House members asked why this program is different from other boarding programs. It will differ because it will emphasize short courses and bring students in from village high schools for short periods of time. It will give them a concentrated chance to take courses such as driver education and water safety, and it will provide job shadowing with private industry and government agencies in the Nome area. This learning center will give students in the smaller high schools a better idea of the job opportunities available to them when they finish high school.

DR. LABOLLE said a second important concept behind the learning center is to teach urban survival skills. Those skills include planning, shopping and preparing meals when put in an independent living situation. Vocational training will also be provided. For those reasons, the learning center will be different from a traditional boarding school where students remain all year. Students will continue to be part of their communities, school districts, and high schools and will be counted as such for

attendance purposes.

SENATOR LEMAN referred to page 2, line 5, and asked if there is any significance to the July 1, 2001 date.

DR. LABOLLE said that date applied when the bill was drafted last year so that date will have to be moved forward one year.

DR. JOHN DAVIS, Superintendent of the Bering Straits School District, stated support for HB 239 and explained that the effort between the two school districts represents a unique step for their particular region and their students. Not long ago REAAs began as school districts. During that time, the Bering Straits School District had its headquarters in Nome; it is now located in Unalakleet. During that era, there was little effort for the two school districts to coordinate. Although both districts have prospered and grown, economies of scale do matter and neither has been able to offer a wide variety of programs. In speaking with the superintendent from Nome, he found similar concerns. HB 239 was born out of an effort to resolve those concerns.

DR. DAVIS said various discussions have taken place around the state on how to reform education. Former Representative Gail Phillips came to Nome and asked the community about the boarding school concept several years ago. The boarding school concept is not particularly revered in that region of the state, based on previous experience. However, there is a great need and desire for students to be exposed to and explore the greater riches of the world and what is available to them. He said he questions the belief that there are no jobs in his region as he doesn't find that to be true. Each year he must go outside of his region and the state to fill teaching positions. The medical, aviation, and government professions do the same, as well as the trades. He feels it is necessary to help students to build assets.

DR. DAVIS said he does not want to use another boarding school format. That format is successful for many students, but others would rather stay home during the high school years. For those students, the learning center will provide an enriched program. He said he is sensitive to the state's reluctance to add new programs, so this proposal will not add a new expense to the foundation formula. This program will allow students to be counted once in their resident school district. The program, in order to be self-supporting, will take supplemental funds. The two districts expect to secure those supplemental funds through Alaska's congressional delegation, primarily Senator Stevens. He comes to the legislature today in an effort to begin the process. At the local level, the districts have begun the process of

consolidating support between the districts and local agencies. However, Senator Stevens made it clear that for him to go forward, he needs a level of state support as well. HB 239 provides that support.

SENATOR LEMAN asked if the level of support is reflected in the picking up the total cost in the fiscal note or whether funding a portion of the cost would suffice and federal funds would be used for the remainder.

DR. DAVIS said they expect that Senator Stevens will be "close to the chest" with what he considers to be support. They think the costs in the fiscal note provide the level of support the districts need to demonstrate that this is a viable idea. The amount in the fiscal note will allow the districts to get the program up and going.

SENATOR LEMAN asked what the federal funds will be used for if the state funds it to the level in the fiscal note.

DR. DAVIS said he is hoping the federal funds will allow the districts to rehabilitate the facility. The advantage of this proposal is that the districts are not looking for new facilities. The districts are looking for rehabilitation funds as well as funds to sustain the program. It will obviously encounter two ongoing components: the residential aspect and the program itself. He anticipates both districts will end up supporting, to a degree, the programs themselves and will look to the federal government for additional support. Their dream is to take the program beyond high school level students and track them to see if the program has been successful.

CHAIRWOMAN GREEN asked Dr. Lujan to address the committee.

DR. STAN LUJAN, Superintendent of the Nome School District, said he has been asked over the last few days what is in this proposal for the Nome students. During the last 6 to 10 years, the Nome School District has downsized. It had four vocational education teachers at one time and is now down to one. Vocational education has turned into career and technology education, which has added that critical component of technology. Many schools across the nation are offering classes such as Cisco Systems and other certification programs that can be as short as 6 months to 1 year. Those individuals are marketable in today's world. Technology has been incorporated into vocational education and districts must prepare their students for that piece. He sees the learning center as a program that will enhance the districts' abilities because of economies of scale, maximizing both

districts' resources and staff. The districts can consolidate their efforts without drawing any more money from the foundation formula and start to generate a viable program.

Both districts have been working with the Gates Foundation for the last two years and use proficiency-based standards. Three components were mentioned at the Gates Foundation presentation: personal/social health; service learning; and career and technology education. Those components will be incorporated into the program at the learning center when students arrive from the villages for two or three week modules. It will enhance the program for Nome students as well.

Kawerak has estimated that \$175 million will be spent in the Nome area in the next year on new construction. Right now, the villages average a 30 to 32 percent unemployment rate. The rate for adults not in the workforce, outside that percentage, is about 60 percent. The districts want to address that issue at the learning center by starting to prepare students for the future and tap into jobs available in the Seward Peninsula instead of bringing in people from outside.

3:07 p.m.

SENATOR WILKEN said he had the pleasure to visit the Beltz Center in Nome three or four years ago and is happy to see someone is thinking about what to do with the facility. He then asked that the sponsor to provide information to the Finance Committee on the operating cost of the program during the first two to five years so that members can get a sense of the positive or negative cash flow upon the districts and perhaps the state. He also asked how this differs from programs that are offered at Kotzebue Tech or Av-Tech, and why the state shouldn't develop a more robust program in those two places.

DR. DAVIS replied:

The difference is, number one, we don't think the resources or the will right now is available to add yet another program so we're going to look for capturing as much as we can within our own system as well as federal dollars that are out there and available. That would be one. Programmatically it differs in the sense that we want to preserve the integrity of the community school that currently exists and we believe with a supplemental program where students come out for a week, two - three weeks, to work on specific skill sets. We think that we can continue to build their level of confidence so when they ultimately do engage in the world of work and move out of the village, it

won't be quite as big of a shock. I try to help people understand that moving into Anchorage after you've lived in Brevig Mission all of your life is a heck of a shock on a system and it's not always successful and we hear about those stories. But can you just imagine taking one of your own children, children who you know have grown up in Anchorage or Palmer or Fairbanks, and then suddenly putting them on Diomedes and saying now function as a successful adult in a subsistence environment? That would be equally as shocking and if you've ever heard a child say this place is boring, imagine putting them on Diomedes where the helicopter might get out there once a month and there's no arcade, there's no movie theater, you're lucky if there's any cable or things of that nature. So the transition for both children to move is one that takes time and we want to do it in segments so that we feel that we're having success.

SENATOR WILKEN asked how the programs in the new facility will differ from those at Kotzebue Tech or Av-Tech.

DR. DAVIS said they wouldn't be nearly as comprehensive in their scope. The learning center will be much more exploratory and much more awareness oriented. It will also build on the components of the Gates Foundation. As an example, water safety or drivers education could be offered. Most people don't recognize that to work in Anchorage or Nome, people need a driver's license and the only way some students can get one is to go through a formal program, which is not available at either school at this time.

SENATOR WILKEN said that Senator Ted Stevens has also put forth money for a regional learning center in Bethel and asked how this program will differ from it.

DR. DAVIS replied:

We expect to capture that money and of course this is our effort to demonstrate good faith as well as a program that is worthy of the funds that are available there so we'll work on that simultaneously and we're hoping to make use of that - not just to rehabilitate the facility, but also to operate the program in the future.

SENATOR WILKEN asked how the program will differ from the Bethel program.

DR. DAVIS said he is not intimately aware of the Bethel program,

although he believes that program is based on students attending for longer periods of time.

SENATOR WILKEN acknowledged that the Bering Straits and Nome districts have a facility sitting there.

DR. DAVIS agreed and said one component not available in the state right now is a program geared toward the student staying home. Several programs use the boarding concept and are available to students. This program will provide a niche for the other student who has yet to be served.

SENATOR WILKEN said legislators had this same conversation three years ago when it talked about the "Hutch" program in Fairbanks. That program was designed to bring students in from any part of Alaska and put them through a three or four week program. He maintained this all blends together to increase the availability of more robust programs.

CHAIRWOMAN GREEN asked if legislation is required to implement this program.

DR. LUJAN said they concluded that in order to receive funding, legislation is necessary. They were not able to find any need for legislation if funding was not attached.

CHAIRWOMAN GREEN asked Eddie Jeans to review the fiscal note for members. She then asked Mr. Jeans if the fiscal note contains the state dollars needed for a new facility over a four-year period in the amounts of \$150,000, \$236,000 and \$310,000 for two years. She also asked how this money would flow to a school district.

MR. EDDIE JEANS, School Finance Director, Department of Education and Early Development, said he would first like to point out that Senator Leman was correct in that the bill needs to be aligned with the fiscal note. He explained that HB 239 would establish a pilot program in the Bering Straits REAA, which only has two districts, the Nome and the Bering Straits districts. DOEED would enter into a grant agreement with the school districts to administer this pilot program. DOEED would establish a contract with the districts to operate the pilot program and require the districts to provide periodic reports of the progress of the program, as well as an assessment of student performance.

MR. JEANS said the detail on the fiscal note shows the anticipated cost of initiating this pilot project each year. In the first year, a program coordinator would travel between communities and provide support. There would also be additional travel from remote communities to Nome by school administrators to see how the program might assist their students. It would also provide funding for an engineer's report for renovation of the

housing unit. The districts would be seeking funds from Senator Stevens for the actual renovation. DOEED does not believe the renovation will be complete in the second year so students participating in the program will have to be boarded throughout Nome. The program coordinator will arrange housing in the second year. DOEED anticipates the renovation to be completed in the third year and two full-time house parents will be required.

CHAIRWOMAN GREEN asked why this is not considered to be a capital project.

MR. JEANS said the state money will not be used to renovate the school, although it will provide funding for the engineer's report. If DOEED was actually managing the capital piece of this, it would be a capital allocation but this pilot project will be done through a grant to the district.

SENATOR WILKEN said if in four years this program is found to be a rousing success, where the funding will come from in the fifth year.

MR. JEANS said the legislature will have to decide whether it wants to support the residential component. DOEED has no mechanism in place to support a residential program of this nature.

DR. DAVIS said he was asked the same question by Chairwoman Green. The districts provided her with a letter of commitment saying that the districts will not ask for supplemental funding from the state.

SENATOR WILKEN said it will be sink or swim in five years while the people's investment will be \$1 million over four years.

3:20 p.m.

CHAIRWOMAN GREEN asked why the state would be obligated to pay for transportation.

DR. DAVIS said the state is not obligated. The districts are hoping to give this program a running start so that they can demonstrate that it can be a rousing success. He said the basic funding formula for schools is tight. The districts do get supplemental funds but those funds are generally grant monies for specific purposes. In order to make this pilot project work, both districts need some latitude.

SENATOR DAVIS said she thinks HB 239 is a great concept, particularly since the facility is available. Although the districts will not come back to the legislature for funding after the fourth year, they anticipate receiving other monies to

support the program, some being federal, so the program is likely to stay intact. By that time, the districts may even be able to take some money from their foundation formula funds. She noted that residents of that area do not want their children to leave home. She urged members to support the bill.

SENATOR WILKEN commented that he supports moving HB 239 to the Senate Finance Committee, but there he will wear a different hat. While he is encouraged by the use of the vacant facility, he is struggling with the fact that the taxpayers of Alaska will be contributing to those in unorganized Alaska that do not pay anything for education. This bill takes that dilemma one more step. He will wrestle with whether he can support this type of expenditure without asking the people of that REAA to contribute anything when the people of his district do.

CHAIRWOMAN GREEN suggested that the district superintendents talk to community members before the bill is heard in the Senate Finance Committee. She believes that Senator Ted Stevens was referring to local money when he spoke of state support. That was the case when he spoke to the residents of her area and although he didn't preclude state money, he referred to the local people as generating part of the money. She cautioned that Finance members are making some tough decisions so to ask for an increase of this amount will be a very tough call.

SENATOR WARD moved HB 239 from committee with individual recommendations and then withdrew his motion.

SENATOR LEMAN moved to change, on page 2, line 5, "2001" to "2002" and "2005" to "2006" and to change the word "competed" to "completed" on page 1, line 6 [Amendment 1].

CHAIRWOMAN GREEN announced that with no objection, Amendment 1 was adopted.

SENATOR WARD moved SCS HB 239(HES) from committee with individual recommendations and its accompanying fiscal notes.

CHAIRWOMAN GREEN announced that with no objection, the motion carried. There being no further business to come before the committee, she adjourned the meeting at 3:26 p.m.