

**ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON EDUCATION**

March 13, 2003

11:05 a.m.

MEMBERS PRESENT

Representative Carl Gatto, Chair
Representative Paul Seaton, Vice Chair
Representative John Coghill
Representative Peggy Wilson
Representative Kelly Wolf
Representative Les Gara
Representative Mary Kapsner

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 154

"An Act relating to admission to and advancement in public schools of children under school age; and providing for an effective date."

- MOVED CSHB 154(EDU) OUT OF COMMITTEE

HOUSE BILL NO. 165

"An Act relating to community schools; and providing for an effective date."

- MOVED HB 165 OUT OF COMMITTEE

HOUSE BILL NO. 171

"An Act repealing the charter school grant program; and providing for an effective date."

- MOVED HB 171 OUT OF COMMITTEE

HOUSE BILL NO. 174

"An Act relating to the state centralized correspondence study program, to funding for educational programs that occur primarily outside school facilities, and to the duties of school boards of borough and city school districts and regional educational attendance areas; and providing for an effective date."

- HEARD AND HELD

PREVIOUS ACTION

BILL: HB 154

SHORT TITLE: UNDER SCHOOL AGE STUDENTS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
03/05/03	0421	(H)	READ THE FIRST TIME - REFERRALS
03/05/03	0421	(H)	EDU, HES, FIN
03/05/03	0422	(H)	FN1: (EED)
03/05/03	0422	(H)	GOVERNOR'S TRANSMITTAL LETTER
03/11/03		(H)	EDU AT 11:00 AM CAPITOL 124
03/11/03		(H)	Heard & Held MINUTE(EDU)
03/13/03		(H)	EDU AT 11:00 AM CAPITOL 124

BILL: HB 165

SHORT TITLE: COMMUNITY SCHOOLS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
03/05/03	0437	(H)	READ THE FIRST TIME - REFERRALS
03/05/03	0437	(H)	EDU, HES, FIN
03/05/03	0437	(H)	FN1: (EED)
03/05/03	0437	(H)	GOVERNOR'S TRANSMITTAL LETTER
03/11/03		(H)	EDU AT 11:00 AM CAPITOL 124
03/11/03		(H)	Heard & Held MINUTE(EDU)
03/13/03		(H)	EDU AT 11:00 AM CAPITOL 124

BILL: HB 171

SHORT TITLE: REPEAL CHARTER SCHOOL GRANTS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
03/05/03	0445	(H)	READ THE FIRST TIME - REFERRALS
03/05/03	0445	(H)	EDU, HES, FIN
03/05/03	0445	(H)	FN1: (EED)
03/05/03	0445	(H)	GOVERNOR'S TRANSMITTAL LETTER
03/11/03		(H)	EDU AT 11:00 AM CAPITOL 124
03/11/03		(H)	Heard & Held

03/13/03 (H) MINUTE(EDU)
EDU AT 11:00 AM CAPITOL 124

BILL: HB 174

SHORT TITLE: CORRESPONDENCE STUDY

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
03/05/03	0449	(H)	READ THE FIRST TIME - REFERRALS
03/05/03	0449	(H)	EDU, HES, FIN
03/05/03	0449	(H)	FN1: (EED)
03/05/03	0449	(H)	GOVERNOR'S TRANSMITTAL LETTER
03/10/03	0496	(H)	FN2: (EED)
03/11/03		(H)	EDU AT 11:00 AM CAPITOL 124
03/11/03		(H)	Heard & Held MINUTE(EDU)
03/13/03		(H)	EDU AT 11:00 AM CAPITOL 124

WITNESS REGISTER

DEE HUBBARD

Sterling, Alaska

POSITION STATEMENT: Testified via teleconference on HB 154 and HB 165, and asked questions from the committee.

EDDY JEANS, Manager

School Finance and Facilities Section

Education Support Services

Department of Education and Early Development

Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 154, HB 165, HB 171, and HB 174, and responded to questions from the committee.

KATHLEEN FLEMIN, Community Schools Monitor

Matanuska-Susitna School District

Talkeetna, Alaska

POSITION STATEMENT: Testified via teleconference in opposition to HB 165.

JACK CADIGAN

Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 174, offered suggestions, and answered questions from the committee.

LAURELL CLOUGH

Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 174 and answered questions from the committee.

RICK CURRIER, School Counselor;
English and Elective Teacher
Alyeska Central School
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 174.

JEANNE FOY
Alyeska Central School Education Association
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 174.

MICHAEL I. JEFFERY, Presiding Judge
Alaska Superior Court
Barrow, Alaska

POSITION STATEMENT: Testified via teleconference as a parent in opposition to HB 174.

RICH KRONBERG, President
NEA-Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to HB 174 and offered suggestions to the committee.

ALEXANDER DOLITSKY, Ph.D., Social Studies Teacher
Alyeska Central School
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 174.

JON PADEN, Ph.D., Counselor
Alyeska Central School;
Representative, Alyeska Central School Association
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to HB 174.

VICTORIA MARTIN
Anchorage, Alaska

POSITION STATEMENT: Testified via teleconference in opposition to HB 174.

JOYCE JONES
Karluk, Alaska

POSITION STATEMENT: Testified via teleconference in opposition to HB 174.

SHEILA SYMONS

Central, Alaska

POSITION STATEMENT: Testified via teleconference in opposition to HB 174.

JESSIE GIYER

Palmer, Alaska

POSITION STATEMENT: Testified via teleconference in opposition to HB 174.

NANCY RICHAH

Trapper Creek, Alaska

POSITION STATEMENT: Testified via teleconference in opposition to HB 174.

ACTION NARRATIVE

TAPE 03-11, SIDE A

Number 0001

CHAIR CARL GATTO called the House Special Committee on Education meeting to order at 11:05 a.m. Representatives Gatto, Seaton, Wilson, Wolf, Gara, and Kapsner were present at the call to order. Representative Coghill joined the committee as the meeting was in progress.

HB 154-UNDER SCHOOL AGE STUDENTS

CHAIR GATTO announced that the first order of business would be HOUSE BILL NO. 154, "An Act relating to admission to and advancement in public schools of children under school age; and providing for an effective date."

Number 0280

DEE HUBBARD testified via teleconference. She asked the committee about the meaning of the language in HB 154, specifically, starting on page 1, line 9, and going through line 10, saying "a district's educational program must prescribe". She asked if this mean that even if a child is not ready to advance to the next grade, he/she must advance; or does this mean that the program itself has to prescribe that stepping-stone capability. Ms. Hubbard commented that this appears to be another unfunded mandate for school districts. She told the committee she really appreciates the fact that districts can get children into school early. She has been seeing no money coming with all of these bills that have made dramatic requests of

school districts over the past few years. School district money is drying up. She told the committee she thinks there should have been a fiscal note to tell the school districts what they will have to pay if a bill like this passes.

Number 0435

CHAIR GATTO read [lines 9 through 11], which said, "A district's educational program must prescribe that under school-age students advance through the curriculum or grade level by the following school year."

MS. HUBBARD asked if that means the student must advance, even if he/she is not ready, or whether this is about the district's prescribing stepping stones for advancement.

CHAIR GATTO stated that this language refers to children under school age.

REPRESENTATIVE WILSON said the intent in the language is to address schools that have two-year kindergarten programs. If a child comes to kindergarten and is capable and ready to go to first grade, the school district must put that child in first grade rather than through a second year of kindergarten. Representative Wilson told Ms. Hubbard that districts get funding through the foundation formula for every child that is in the school system.

MS. HUBBARD responded that while the district does get funding for children in the school system, there are still many unfunded mandates. She repeated her question by asking if the bill means that a child may remain in kindergarten or advance to first grade when he/she is ready. She asked if her interpretation is correct.

Number 0648

REPRESENTATIVE SEATON asked Mr. Jeans if the department is saying the funding for a second year would not be in place. What would be the penalty for an individual student? He asked if what the plan is for the entire program.

Number 0670

EDDY JEANS, Manager, School Finance and Facilities Section, Education Support Services, Department of Education and Early Development, responded to the committee's questions on HB 154.

He told the committee the intent of this piece of legislation is to address the current policy of some school districts that are claiming all four-year-olds for kindergarten funding in a two-year kindergarten program. This bill will eliminate the districts' ability to do that. It does not block a district's ability to enroll a four-year-old that is ready for kindergarten and expects to move on to first grade in the following year.

MS. HUBBARD responded that she does understand what he is saying. She said she still has questions, but will take those questions to the next committee of referral.

CHAIR GATTO commented that what he understands this to say is that if an under school-aged child is admitted to kindergarten, it is expected that that child will go on to first grade. If that expectation is not there, the child should never have been admitted into kindergarten in the first place. Chair Gatto pointed out that putting this language in statute [that these students are expected to move on to the next grade] eliminates the possibility of districts' trying to work around the system.

MS. HUBBARD responded that is exactly what her problem is with this bill. If statute states that a child can only remain in that grade for one year, it is pushing a child on to the next grade even if he/she is not ready. She asked what good that would do.

CHAIR GATTO replied that the whole point of putting an under school-age child in kindergarten at four years old is that the child is ready. This legislation is intended to prevent underage children who are not ready from being admitted into kindergarten. This bill would also eliminate a two-year kindergarten program that some districts have implemented through a loophole in the statutes.

Number 0908

REPRESENTATIVE GARA asked Mr. Jeans how many four-year-olds will lose funding statewide.

MR. JEANS responded that he does not know because he does not know how liberally school districts have been applying this provision. He stated that this bill and fiscal note are based on the number of all four-year-olds the department funded this year. He said he believes that the number of true four-year-olds that are the exceptional children who will be ready for kindergarten will be a minimal number.

REPRESENTATIVE GARA said he needs to know how many four-year-olds the department is talking about before the committee passes this bill.

MR. JEANS said he can provide the committee with the actual number of students that were claimed this year and which the department used to generate the fiscal note. Mr. Jeans pointed out that those four-year-olds that were claimed this year will not be losing anything, since they will be in kindergarten next year. The department will be providing funding for them as five-year-olds in kindergarten. What this bill does is prevent those districts that are enrolling all four-year-olds in their communities from doing it next year.

Number 1057

CHAIR GATTO told the committee there are two amendments to HB 154.

Number 1100

REPRESENTATIVE GARA moved to adopt Amendment 1, labeled 23-GH1123\a.1, Ford, 3/10/03, which read:.

Page 1, line 1:

Delete "**admission to and**"

Page 1, lines 11 -13:

Delete "**A child under school age may be admitted to first grade or higher if the child meets the minimum standards prescribed by the board under this subsection.**"

Number 1150

REPRESENTATIVE COGHILL objected to Amendment 1.

CHAIR GATTO commented that he agrees completely with Amendment 1 because it is simply redundant language that appears earlier in the bill. This amendment simply cleans up an error that someone missed when drafting the bill.

REPRESENTATIVE COGHILL asked if there is another reason for the language, and said he would like to hear what the department's position is on Amendment 1.

Number 1207

MR. JEANS responded that the Department of Education and Early Development supports this amendment. He noted that the original draft of HB 154 starting on line 2 says "may be admitted to first grade or higher that meets the minimum standards". If that language were to remain in the bill, the department could not allow a child that is four years old to enter kindergarten so the rest of that referring to the standards prescribed is covered in line 6 through 9. It was not the department's intent to block the district's ability to enroll a bright four-year-old in kindergarten.

REPRESENTATIVE COGHILL responded that he remembers testimony that the original intent was to allow those that could advance to advance, but not create a two-year kindergarten system.

Number 1295

REPRESENTATIVE COGHILL removed his objection.

CHAIR GATTO asked if there were any other objections. Hearing none, he announced that Amendment 1 was adopted.

Number 1302

REPRESENTATIVE GARA began discussion of Amendment 2, 23-GH1123\A.2, Findley/Ford, 3/13/03, which read:

Page 1, following line 3:

Insert a new bill section to read:

"* Section 1. The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE INTENT. It is the intent of the legislature that public school funding that will be saved due to the amendment made by sec. 2 of this Act shall be redirected to head start preschool programs in areas of the state where the programs are needed. The current program of state aid to public schools is used to provide early education for children who are four years old in a manner that is unequal among school districts. This inequality, and the possibility that school districts might qualify for an additional \$50,000,000 or more in public school funding by taking advantage of the current

statutory language, necessitates the amendment made by sec. 2 of this Act. However, the legislature supports the goal of providing learning opportunities for preschool and pre-kindergarten children. This goal can better be accomplished through increased funding to the state's head start programs. Thus, any money saved by the amendment made by sec. 2 of this Act shall be redirected to state head start programs."

Page 1, line 4:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill section accordingly.

REPRESENTATIVE GARA said the testimony from the Department of Education and Early Development was not necessarily that the department wanted to save the \$3.9 million that is currently being spent on educating four-year-olds, but that the intent was to prevent a future problem. The future problem that is feared is that if all school districts start utilizing this two-year kindergarten program within the foundation formula, it might turn out to be a \$60 million fiscal note in a matter of years. Representative Gara said he is sympathetic to the administration's concerns of the program's mushrooming to a \$60 million fiscal note, but not sympathetic to the idea of removing the existing program without providing something to take its place. He compared the bill to restructuring a house by taking out all the beams, and letting the house collapse because nothing is being constructed to take its place. He said right now the state is educating four-year-olds; that is not a bad thing. It is being done in a discriminatory manner, and that is a bad thing. The state is only allowing four-year-olds to be educated in those school districts that are taking advantage of a loophole in the law, and it is not benefiting four-year-olds in school districts that are not.

REPRESENTATIVE GARA told the committee the earlier education of children, the better children do in school. If the state is going to withdraw this program, that benefits an untold number of four-year-olds; he said he has a problem voting on this bill without knowing how many children this will affect. He asked what will be put in its place. Representative Gara pointed out that this may not be a good program, but the department has only answered half the question. The question is what the state should be doing.

Number 1429

REPRESENTATIVE GARA said Amendment 2 addresses the question about what should be done for early childhood learning. He said early childhood learning works, and the state's Head Start Program is underfunded. The Head Start Program is available for preschool children from families who cannot afford other preschool programs. It is underfunded to the tune of about 77 percent. He said the last estimate he saw was that the state funds Head Start at about 23 percent of the need. Representative Gara said he does not have any problem with taking the \$3.9 million or whatever savings are achieved by enacting this bill and redirecting those funds to the Head Start Program. He said he heard from the school districts that the actual savings will be about \$3.5 million. Representative Gara said he has no problem withdrawing these educational services if the state puts something better in their place for the same amount of money. Amendment 2 would state that it is the intent of the legislature to redirect the savings achieved by eradicating this program for four-year-olds so that it shall be used more efficiently by funding the Head Start Program.

CHAIR GATTO commented that what the amendment says is that whatever funds are saved in this bill would be shifted to the Head Start Program around the state.

REPRESENTATIVE GARA explained that if the governor could not efficiently use the \$3.5 million this year, then the funds would not have to be spent. The amendment would leave it to the discretion of the governor to efficiently use these funds up to the \$3.5 million.

Number 1542

Representative Gara moved to adopt Amendment 2 [text provided previously].

Number 1559

REPRESENTATIVE COGHILL objected to Amendment 2. He pointed out that the program districts have been utilizing was not intended as the policy states in statute. If the legislature eradicates a program, that issue is up for debate. Representative Coghill said he believes the letter of intent [this amendment] is circumventing that whole policy discussion, which he believes the committee should not do. He said he believes the policy discussion before the committee is cleaning up that point in

statute that says what the state will supply for educating those younger children who are capable of going on. That is a totally appropriate policy call. Representative Coghill told the committee the intent of the bill is to clean up the language so it will reflect the intent of the statute.

REPRESENTATIVE SEATON commented that he agrees with the principle of getting more money into the Head Start Program. However, he believes there should be a bill on the Head Start Program to do that. He said he is uncomfortable doing that through a method of taking funds that were used in the K-12 system and routing it this way. The federal government is not fully funding Head Start now, so he does not believe state funds would have federal matching funds. Representative Seaton said he still does not have a full determination on that issue.

REPRESENTATIVE SEATON told the committee one other issue to consider in this amendment is that this reduction is part of the governor's package of reductions. The budget presented by the governor includes this money being eliminated from this program; to have this money being redirected to Head Start would mean the legislature would have to find that \$3.5 million or \$3.9 million in the budget to fund this section. Although conceptually he supports early childhood education, he said he would have to oppose the amendment.

Number 1746

REPRESENTATIVE KAPSNER told the committee that she is supportive of the amendment and agrees that it is a policy decision; however, in the absence of that discussion, she believes this is a good amendment to the bill. She said she supports Head Start not just because there are parents who cannot afford other preschool programs, but because there is the issue of poverty of access. There are so many communities in Alaska that do not have any alternative. She said in the absence of a preschool or Head Start Program, there is nothing that can be done for the children who come to school lacking oral skills or who do not have a print-rich environment. She told the committee she is in favor of the amendment.

Number 1787

REPRESENTATIVE GARA said he would work with Representative Seaton to find a way to fund the Head Start Program in a more appropriate manner. He still maintains his support of the amendment because the bill the committee is looking at is a non-

comprehensive approach to how the state is going to educate young children. It takes away schooling from four-year-olds and does not give anything back. If the governor would propose an efficiency measure that would better educate four-year-olds, he said he would be happy to support it. Representative Gara told the committee that he does not feel that it is his role to support the exact budget number the governor has proposed. He said he supports budget reductions but not to the point that they withdraw educational opportunities from children.

A roll call vote was taken. Representatives Gara and Kapsner voted in favor of Amendment 2 to HB 154. Representatives Gatto, Seaton, Coghill, Wilson, and Wolf voted against it. Therefore, Amendment 2 failed to be adopted by a vote of 2-5.

REPRESENTATIVE COGHILL moved to report HB 154, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

Number 1897

REPRESENTATIVE KAPSNER objected, saying that a lot of the discussion is based on the fiscal implications of the bill. She said that many Representatives have said they wish to let the House Finance Committee deal with the fiscal implications. She told the committee that she believes the members are all on the House Special Committee on Education because they share a firm commitment to further education to Alaska's children to the best of their abilities. She said she does not think this bill furthers education to the best of the members' abilities.

REPRESENTATIVE GARA agreed with Representative Kapsner that it is the members' job to find a way to educate Alaska's children better, not to find a way to educate Alaska's children worse. This bill, by not taking a comprehensive approach, educates Alaska's children worse.

Number 2001

A roll call vote was taken. Representatives Gatto, Seaton, Coghill, Wilson, and Wolf voted in favor of reporting HB 154, as amended, from committee. Representatives Gara and Kapsner voted against it. Therefore, HB 154(HES) was reported out of the House Special Committee on Education by a vote of 5-2.

HB 165-COMMUNITY SCHOOLS

Number 2050

CHAIR GATTO announced that the next order of business would be HOUSE BILL NO. 165, "An Act relating to community schools; and providing for an effective date."

Number 2113

KATHLEEN FLEMIN, Community Schools Monitor for Talkeetna, Matanuska-Susitna School District, testified via teleconference in opposition to HB 165. She told the committee that Talkeetna has about 350 residents, with an additional 500 on the road system. The town has very dedicated community school participants. She told the committee she keeps yearly statistics for both the fall and spring semesters. These number may reflect people who participate more than once. Last year community schools had 44 volunteers who gave a total of 890 hours to the program, and 43 activities were offered, with 432 people, both kids and adults, enrolled. She told the committee that all that was accomplished and she is just a half-time employee. She told the members they were getting a lot of bang for the buck for Talkeetna community schools. Talkeetna is only one of two schools in the Matanuska-Susitna area with a monitor and an active community schools program. Matanuska-Susitna used to have eight community schools programs, and the program is already at a bare-bones level. A lot of people feel that they are paying for the schools with property taxes, although many do not have children in the schools, but by being able to use the facilities they develop a much more positive sense of their role in education.

MS. FLEMIN said the school in a small town becomes the center of the community. It has the town's only gym, classrooms, and meeting space. It is a safe, wholesome place to learn, have fun, network with other families, and make new friends. If the committee needs proof of Talkeetna's support of community schools, she could get 50 letters of support to members' offices within a week, she said.

Number 2239

MS. FLEMIN gave a brief summary of the programs offered. They are after-school programs for kids, including roller-skating, art, and singing, which are provided by all-volunteer leaders. Other programs include many health and safety classes such as babysitting, first aid, cardiopulmonary resuscitation, nutrition, and cooking. Some classes are taught by local health

professionals. Ms. Flemin said with the long winters the crafts and gym activities help people to have fun with their neighbors and expand their circle of friends, and even develop new moneymaking skills. Community schools offer do-it-yourself classes such as woodworking and auto maintenance. Tapping some of the very well-educated local folks, she said she has been able to work with the University of Alaska system to offer classes with optional college credit, since the nearest campus is 75 miles away. The computer classes have been very popular with the school's wonderful computer lab, and the school staff agrees this resource should be made available to the public.

MS. FLEMIN said local individuals and businesses have directly benefited by these low-cost local classes. The theme of lifelong learning is alive and well, thanks to the community schools program. With a small, extra expenditure, the legislature makes it possible for kids and adults to have the opportunities to utilize the buildings after the K-12 program is over. She said it provides a very good message to students that adults are coming into their school to take classes voluntarily. This is a win-win situation.

Number 2304

CHAIR GATTO asked if Talkeetna community school is part of the Matanuska-Susitna School District. He told Ms. Flemin that the funding for Matanuska-Susitna community schools would be reduced 25 percent, and while it does not eliminate community schools, it does reduce the funding. Representative Gatto told her he believes that Matanuska-Susitna will be able to keep community schools but must find funds to make up the difference in the reduction. He commented that in some areas of the state the funds were reduced 100 percent, because the state was handling 100 percent of the community schools' costs.

MS. FLEMIN asked if Chair Gatto believed that school districts would increase their budgets to cover community schools, when everyone seems to be cutting budgets.

CHAIR GATTO responded that is why there are school board meetings. It is certainly something that she could ask for.

MS. FLEMIN said that she fears the program will be lost.

Number 2363

DEE HUBBARD, a resident of Sterling, testified via teleconference on HB 165. She asked the committee not to cut funding to community schools programming. She said when she lived in Anchorage her entire family participated in community schools, and she even taught classes. Previous years' discussions have highlighted that this small amount of money affects so many people. A lot of people cannot afford to take classes if the fees go up. She said she sees this as another cut in educational programming.

CHAIR GATTO commented that the state and school districts supply the building, heat, lights, and snow removal. He pointed out that there is a fairly large investment from the districts and the state already. He said the state is asking community schools to pick up a little more in the cost of running the program. He suggested going to school board meetings to see what else could be done to help keep community school programs operating.

Number 2466

REPRESENTATIVE WILSON moved to report HB 165 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE KAPSNER objected. She said that she has already commented on her objection at previous meetings.

REPRESENTATIVE GARA said he believes it is poor public policy and sloppy educational policy to take away educational opportunities on the grounds that it is an efficiency measure, and then put nothing in its place. The efficiencies need to be thoughtful. Representative Gara said there is no analysis from the administration on what impact this will have on community schools. The committee does not know how many community schools will close as a result of this bill. He noted that the chart the Department of Education and Early Development provided the committee shows that 15 to 20 schools rely completely on grant funding received from the state. Eradicating this program will have a big impact. He pointed out that in some communities the only programs for at risk-kids and GED [general equivalency diploma] programs are run by community schools.

Number 2582

EDDY JEANS, Manager, School Finance and Facilities Section
Education Support Services, Department of Education and Early

Development, testified on HB 165. Mr. Jeans told the committee that the schedule provided to the committee shows the community schools grant allocations and what has been reported in the school districts' financial statement. He said that as Representative Gara pointed out, the committee may note that in some districts there is 100 percent in a number of these districts, but what that represents is that the districts have to account for that in a special revenue fund outside the school operating fund. In many of these cases, districts are providing funding for community schools after hours that exceed what is reflected. The district just is not showing that expenditure over in the community schools grant side. It is just showing up in its operating budget to keep the school open, heated, and lit.

REPRESENTATIVE GARA pointed out that this does not show the expenses of the school that is there, and therefore the amount of money allocated and provided for community schools. He said, for example, if 100 percent of Alaska Gateway Schools comes from the state grant program, then that means that 100 percent of the staffing comes from the state grant program. He asked if that is correct.

MR. JEANS responded that what he is saying is that a number of the communities have head teachers who live right in the community and go over and open up the gym to have the gym open for after-hours basketball under the community school allocation. It is simply a function of that person's job that is showing up in the school's operating budget.

CHAIR GATTO said the issue is pretty clear as to whether or not the committee wants to vote to eliminate the \$500,000 from community schools. He said this debate can be very extended, with the same issues being revisited. Chair Gatto commented that he knows Representative Gara wants to spend the money some other way and the governor wants to save the money. The issue is not that complicated. Chair Gatto told the committee he would entertain new questions.

Number 2733

REPRESENTATIVE GARA asked how many community schools will be closed because the state is withdrawing the grant money. He told the committee that the grant money is used to go out into the community and find more grant money. He asked Mr. Jeans if he knows how great a ripple effect this will have on community

schools. How much will community schools lose in leveraging these funds to obtain more funds?

CHAIR GATTO responded that he does not believe Mr. Jeans will be able to answer how many community schools will close until the event occurs and does not believe it is a fair question. Chair Gatto said the question about a ripple effect through community schools on leveraging funds is questionable, since the state does not even know if there is a ripple effect or a savings. He told Representative Gara that no one there is equipped to answer these questions because they are theoretical questions.

Number 2854

REPRESENTATIVE GARA told the committee that if the members do not know the answers to these questions, this bill should not pass out of the committee because he believes it is bad public policy.

A roll call vote was taken. Representatives Gatto, Seaton, Coghill, Wilson, and Wolf voted in favor of reporting HB 165 from committee. Representatives Gara and Kapsner voted against it. Therefore, HB 165 was reported out of the House Special Committee on Education by a vote of 5-2.

HB 171-REPEAL CHARTER SCHOOL GRANTS

Number 2865

CHAIR GATTO announced that the next order of business would be HOUSE BILL NO. 171, "An Act repealing the charter school grant program; and providing for an effective date."

REPRESENTATIVE KAPSNER asked what the definition is of a charter school. How does it differ from a public school or a private school?

Number 2954

EDDY JEANS, Manager, School Finance and Facilities Section Education Support Services, Department of Education and Early Development, testified in support of HB 171. He explained that a charter school is actually a public school where there is a contract between the parent advisory group, the people that set up the charter school, and the local district.

REPRESENTATIVE KAPSNER asked if charter schools have a certain mission that they are trying to obtain. How is it different than just a regular public school?

MR. JEANS replied that charter schools are allowed to develop innovative educational programs that the school district may not be employing at the time. Typically, charter schools are developed through a grassroots movement by parents that want to be very involved in their children's education.

TAPE 03-11, SIDE B

Number 2998

CHAIR GATTO agreed with Mr. Jeans that the parents are very involved in their children's education. They do painting, fix the heater, and volunteer in the classrooms. At Academy Charter School they might have 100 students enrolled, and they have another 100 who are trying to enroll. Midnight Sun and now Horizon are also trying to do a different take on how to educate children by getting parental input to a large degree. He said he believes this is something all the members wish would happen. He said often the schools are in substandard buildings, but fewer students are in the classroom. He told of one friend who is a pilot for FedEx and was busy painting six buildings. These schools do have good community involvement. Chair Gatto said he believes that charter schools may actually get more money than traditional schools because of startup funds that are available.

Number 2933

REPRESENTATIVE GARA asked what the administration's premise is behind the bill. He asked Mr. Jeans if the reason behind removing startup funding for charter schools is based on federal funding to take its place.

MR. JEANS replied that is correct.

REPRESENTATIVE GARA asked if the federal funding will be adequate for startup of charter schools.

MR. JEANS responded that adequate funding is in the eye of the beholder. The amount of money that is being proposed to be allocated through federal startup grants is more than what charter schools are currently receiving under the combined total of the federal and state grant funding. Charter schools will get more money.

REPRESENTATIVE GARA asked if the federal grant has been enacted yet or is still under discussion in Congress.

MR. JEANS said that there is actually an application process that the state must go through. The state charter school administrator has already been in contact with the director of charter schools at the U.S. Department of Education. He has indicated that he is supportive of this proposal.

REPRESENTATIVE GARA asked whether there is a 100 percent certainty that the state will receive this money.

MR. JEANS replied that it is not 100 percent sure, but he has a letter supporting this proposal from the director of charter schools, who knows [the state's] application is coming and who has given every indication that he will approve [the state's] request.

REPRESENTATIVE GARA said he is concerned with enacting this bill in the event that there might be problems with the approval by the U.S. Department of Education. The state needs to be sure not to make the mistake of eliminating the funding only to find out the federal funding is not coming through.

MR. JEANS responded that the bill has a one-year delay in effective date as it is. If the grant does not come from the federal government, the legislature could readdress this.

Number 2805

REPRESENTATIVE SEATON moved to report HB 171 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE GARA objected to the motion. He told the committee he would support the bill when the state knows it will receive federal funding. He said he cannot support this bill based on the administration's representation that it believes it will receive this funding.

A roll call vote was taken. Representatives Gatto, Seaton, Coghill, Wilson, and Wolf voted in favor of reporting HB 171 from committee. Representatives Gara and Kapsner voted against it. Therefore, HB 171 was reported out of the House Special Committee on Education by a vote of 5-2.

CHAIR GATTO announced that the committee would take a brief at-
ease at 11:58 a.m. The committee reconvened at 12:06 p.m.

HB 174- CORRESPONDENCE STUDY
Number 2751

CHAIR GATTO announced that the final order of business would be
HOUSE BILL NO. 174, "An Act relating to the state centralized
correspondence study program, to funding for educational
programs that occur primarily outside school facilities, and to
the duties of school boards of borough and city school districts
and regional educational attendance areas; and providing for an
effective date."

Number 2700

JACK CADIGAN told the committee he is a retired U.S. Coast Guard
captain, retired teacher, and physics professor at the
University of Alaska, and taught physics, mathematics, and
physical science at the Alyeska Central School (ACS) for
thirteen years. He told the committee he sees four issues with
the bill. First is the savings to the state in closing ACS,
which is shown in the fiscal notes. Fiscal note 1 includes a
projection for savings in fiscal year 2004 (FY 04) of [\$5.5]
million from the foundation fund to operate the K-12 portion of
Alyeska Central School. In addition, it cites \$500,000 in
receipt services from 33 other Alaska school districts.

MR.CADIGAN said in fiscal note 2, the department notes a savings
of [\$1.17] million from the secession of the summer school
program as an option for Alaska's students. He pointed out that
Mr. Jeans acknowledged the fact that the only actual savings to
the state would be the closing of the summer school program.
This is because the remainder would simply be redistributed to
the various districts absorbing ACS's students. To summarize
what Mr. Jeans said, Mr. Cadigan noted that closing Alyeska
Central School Summer School Program saves the state [\$1.17]
million, and closing the Alyeska Central School entirely still
only saves the state [\$1.17] million. Mr. Cadigan told the
committee this fact was alluded to by Mr. Jeans in his
testimony, so fiscal note 1 would seem irrelevant if there is
neither savings to be realized nor superior educational
environments to be provided. Thus the question pertains to the
quality of education provided by Alyeska Central School
District. Please note that the school is fully accredited, he
told members. Numbered among its graduates are students who

have distinguished themselves at numerous prestigious universities.

Number 2625

MR. CADIGAN said there seem to be 11 other districts authorized to operate distance education for the next fiscal year. Research on the Department of Education and Early Development and school district web sites reveals that three of these define themselves as charter schools, four define themselves as providing homeschool support through provisions of computers, and an allotment varies from \$1,400 to \$1,500 to \$1,800 per student. Another provides an undefined level of home support, and three provide no web site information at all. Five of these districts currently purchase some services from ACS simply because they do not themselves provide similar service. Thus the students being evicted from Alyeska Central School do not have an available similar alternative, as only ACS offers an in-state, fully-accredited-instruction correspondence school program.

Number 2570

MR. CADIGAN told the committee that savings in closing Alyeska Central School Summer School Program should be the only item in this bill, as it is the only portion that can actually reduce the foundation fund expenditures. He said he supports the objectives and successes of the summer school program for the past 15 years, but he recognizes the committee must balance the value of that unique program against the cost involved, and as such must be a subject of judgment by the committee.

MR. CADIGAN spoke about the economic impact this closure would cause. Placing 44 persons on the unemployment rolls in Juneau might be considered a wash if the foundation money being redirected would create jobs in other districts within Alaska. However, as noted before, this is not the case. All districts listed on the web providing distance education do so by either purchasing service by ACS or by purchasing from homeschool support companies or from correspondence schools in the Lower 48 states. As a practical matter, closing Alyeska would simply move more state money out of state.

MR. CADIGAN provided a solution to the dilemma by suggesting the department combine Alyeska Central School with Mount Edgumbe High School. The advantage would be that the state would have a single superintendent who oversees both districts. The

department would actually save one-half person in staff salaries and benefits. At the same time, it would save the \$5 million that the governor is trying to do. He told the committee that is his favorite option.

CHAIR GATTO asked if his second favorite option is as good as his first.

MR. CADIGAN replied that it is almost as good as the first. The second favorite option would be to keep Alyeska Central School as a separate school district and remove it organizationally from the [Department of Education and Early Development](DEED). It would do the same thing - remove those funds out of [DEED's] budget - and it is better situation for the superintendent of Mount Edgecumbe High School.

Number 2388

LAURELL CLOUGH told the committee that she is a lifelong Alaskan, is a retired public school teacher of 24 years, and currently has two sons taking classes at Alyeska Central School. She said her family tried the school district's correspondence school first, and based on their recommendation and poor materials that she received, she went to Alyeska Central School. She told the committee that she called all 11 schools on the list provided that currently offer correspondence education and those that plan to next year. She found that none of the schools will take her sons because she wants to keep them enrolled part-time in their own schools here in Juneau because she thinks [the combination] is the best education they can get.

MS. CLOUGH said the part-time issue is important for both of her boys, who will be in high school next year. One will be a junior and other one will be a freshman. The problem is that to receive part-time funding, a student can only enroll in two classes at a regular high school and two classes in correspondence. At that rate, it would take her sons six years to complete high school, which she considers unacceptable. She said she is doing part-time enrollment in public school not by choice, but by necessity. No parent chooses to homeschool his or her kids because it is easier. It is much easier to put them on the bus and be done with it. She said she chose to homeschool her kids because they were failing in the regular system. After 24 years as a public school teacher, she really supports public schools. She told the committee she is currently on the site council at Dzantik'i Heeni Middle School in Juneau. She explained that when her son was making Ds,

hating school, and threatening suicide, she realized that she had to look at alternatives. Alyeska Central School was there. Within a month, he was getting "A"s, he was happy, and he was removed part-time from what was a very stressful social situation. He continues to be an A student with ACS and is very happy. He would like to continue this kind of education through high school. A lot of kids like to do this because they are pursuing things that the schools cannot offer.

MS. CLOUGH said she had her daughter out of school part-time because there were no violin lessons during the after-school period that she could do. There are many reasons why people have done this, and providing nothing that offers part-time education, is a disservice to the approximately 440 students statewide. She said other kids may find it easier to go back to their own school. Her oldest son has autism, and has been homeschooled. He came out of school in January as a desperate measure. He was there one day and out the next, because it was such a failure for him. She told the committee they tried correspondence and part-time. He is in high school part-time now, and is making it in his high school work and ACS work for about three periods a day, which is about all he can handle at Juneau-Douglas High School, with about 1,700 students in a building that was designed for about 1,300. She said she feels she is in a place where there is no place left to send her children. She said she talked to wonderful people who told her that they could not hope to do what ACS does. Accreditation is an issue also. Five of these schools are currently seeking accreditation; however, it is a process that they go through. She pointed out that ACS is currently accredited. It is sort of scary to put a high school kid's education in the hands of someone who is seeking accreditation that might be denied when that student is a senior, she told members.

Number 2194

MS. CLOUGH pointed out that none of these schools are mandated by law to exist. She said she could put her kids with a school and [the school] may decide to fold its hand and leave the next year. Then she would be hunting again to find a place to put her sons. She said the other schools are all clearinghouses for a wide variety of services. Some of these are great services, but having a teacher on the other end of the phone and having that teacher know and understand what it is like to live in Alaska is important. She said ACS's curriculum is written for Alaskans. It uses images that make sense to the students who live in rural areas. For example, there is none of this

"football field lengths" for a kid who has never seen a football field. Alyeska Central School has years in the business, and while these other schools may be good, she does not think they come close to ACS, and these schools will not take her children.

Number 2145

REPRESENTATIVE GARA asked Ms. Clough about the summer program and asked if any of her children utilize that program.

MS. CLOUGH responded that she has used the summer program because it took over one calendar year to do an algebra class. Her son just started a geometry class in January, and if her family loses this program, she will have to start a new textbook and new system next year.

Number 2105

RICK CURRIER, School Counselor; English and Elective Teacher, Alyeska Central School, spoke on the proposed changes to Alaska Statute 14.07. He said to the committee that ACS delivers courses, enrolls students all year, graduates students, promotes students, and is not broken. As mentioned before, a majority of its funding comes from its enrolled full-time students. If those students go into Anchorage classrooms, it will cost the state 20 percent more in FTE [full-time equivalent]. Alyeska Central School currently has students in Barrow, Lake Iliamna, and other rural areas. If these students go into rural classrooms, how much more is it going to cost the state to fund their education? He told the committee they get a lot of bang for the buck at Alyeska Central School. The other issue that has been described is that ACS is a duplicate service. He said he hopes every school in the state does duplicate services by presenting content that meets educational standards and accesses students to make sure they meet those standards. Alyeska Central School does that.

Number 2046

MR. CURRIER used an analogy to retail stores, saying that Wal-Mart, Home Depot and Nordstrom all have display space, staff, and products to purchase; everyone knows they all target different clientele, have different products, and sell products differently. He told the committee Alyeska Central School is unique. To his knowledge, no other distance-learning program in Alaska has the faculty, the Alaska-directed, and Alaska-

generated curriculum that the staff has written, and 60 years of established infrastructure.

MR. CURRIER told the members that the school is expanding and updating the curriculum constantly. Right now, 19 of the 29 courses that the Alaska on-line consortiums of school districts has were written by ACS teachers in partnership with the on-line consortium. He said the school does not have the capacity to provide elective courses for students. He said ACS purchases courses from places like North Dakota, Division of Independent Study; the University of Nebraska; and the American School in Chicago. However, there is a difference. A majority of those classes ACS teaches itself. [The program] purchases the materials, but the teaching is done here in Alaska. Mr. Currier said he asked a student the other day how much response has been received from teachers in Nebraska and North Dakota. The response was that the student never got answers from those teachers. Time-difference problems for students is an issue, especially for students who are taking classes from schools further east.

Number 1910

MR. CURRIER summarized his comments by saying that the curriculum and faculty are the points that make Alyeska Central School unique. He commented that the summer school is done at the direction of the legislature. If the legislature wants to save [\$1.17] million, he suggested cutting summer school, but knowing that it is a lifeline for over 3,400 students statewide. He said the summer school is not run just in the summer. For instance, graduating seniors may start a class in March because they are a half credit short. He told the committee he often gets calls from parents and counselors asking if it is possible to get a student into a course right away because the student wants to graduate in June.

Number 1853

JEANNE FOY, Alyeska Central School Education Association, testified in opposition to HB 174. She said that she is an English teacher at Alyeska Central School (ACS) and was surprised at the governor's proposal to close the school because she thought parental choice was one of the key components of educational reform. She told members ACS has a long track record of being committed to providing high-quality courses and instruction to students in a variety of situations. The [federal] No Child Left Behind Act requires that students have

highly qualified teachers. She said ACS already has teachers certified in the specific subject areas and grade levels they teach. Families want teachers in Alaska who can be reached by a toll-free phone number or e-mail. Students who take courses from out-of-state correspondence programs often have difficulty reaching those teachers. Parents also want to talk to teachers who know the courses their children are taking. Parents appreciate the analysis ACS teachers provide of their students' work. They want an accredited program to ensure that the classes students take with ACS are on par with classes students take at a regular or brick-and-mortar school. Parents choose ACS because they recognize the value of what is offered.

Number 1755

MS. FOY said that on Tuesday, Eddy Jeans said that other statewide programs have called the department stating that they could develop and offer a similar program to ACS's. The ability and expertise to develop and teach distance-delivery courses cannot be developed quickly. It requires a long-term commitment. Right now, state law mandates that the Department of Education and Early Childhood Development operate this school. That means that this alternative method of delivering a public school education will always be available to students, available, that is, as long as the law is not changed. The list of districts offering statewide programs for the next school year is not the same as this year's list. Districts can choose to discontinue to offer statewide programs at any time.

MS. FOY told the committee one good thing about this proposed closure is that ACS has been inundated with calls, letters, and e-mails from past students and families, as well as current families expressing how much they value the school. That has been encouraging. These families also ask why the governor wants to remove this educational choice from Alaskan families. To that question, she said she does not have an answer. Ms. Foy provided the committee with samples of assessments of the students' work.

Number 1657

MICHAEL I. JEFFERY, Presiding Judge, Alaska Superior Court, Testified via teleconference as a parent in opposition to HB 174. He told the committee he was testifying as a parent of children enrolled in Alyeska Central School. He said he has been listening to testimony on ACS and could not agree more with what has been said. About five years ago his family started

using ACS for his daughter, who is now graduating from ACS this year. While his family has opted for a course or two in local schools, the heavy academics have been done through ACS. In a rural location, the teachers are doing the best job they can, but the fact is that ACS has a terrific track record with scores on tests and admissions to colleges, and his family has the assurance that their children are getting the level of education that anyone is getting in any city anywhere in the country.

JUDGE JEFFERY noted that ACS kids are going on to Stanford [University] and other top universities. He said he has three students in ACS right now, and his oldest daughter is applying to colleges. One thing that he has been very grateful for is that ACS has this great track record. He commented that ACS has been there since 1939. College admissions offices know this program, and know that teachers are there that the student is relating to. This is not just a "cafeteria" of Internet courses. Judge Jeffery said considering the fine record that his daughter has built up, ACS has a quality program. Sometimes classes will be listed in ACS's catalog and will refer students to other schools. In these cases, [his family] has not been happy with the courses from these more distant places. The classes just do not seem to be set up as well. [His family] has a lot of interchange with the teachers. Judge Jeffery summarized his comments by saying it is a quality program that he hopes will continue for a very long time.

Number 1436

RICH KRONBERG, President, NEA-Alaska, told the committee it is much easier to maintain than to replace a program. The committee has heard that ACS has a proven track record, but the same cannot be said of any of the other schools that offer correspondence or homeschool support in this state. He pointed out that the monetary savings are doubtful at best. With the No Child Left Behind Act, parents and students need to have choices. He said ACS is certainly a preferable choice. He told the committee there will soon be many tests available to the state for which the students' test results are going to be very public. The difference is that the data is going to be disaggregated. Until the state knows what the data is going to look like, the state cannot say with any certainty that these other schools with supposedly equivalent correspondence programs are the equal of Alyeska Central School.

MR. KRONBERG offered a suggestion to the committee that a better way to deal with this issue is to phase in or allow for a

transition period. If it turns out that this is a program that is superior to others, there are minimal cost savings, if any, and parental choice does mean something; the state will not have to start all over again. Mr. Kronberg said the startup costs will be big and it will be a waste of precious state resources. It is much better to keep the program in place, and build in a transition period so that if, in fact, it is not doing the things the legislature needs it to do, it can be eliminated or cut back, but right now the legislature does not know that. In fact, there is overwhelming testimony that ACS is doing the right thing and it is doing it better than other places. He reiterated his suggestion that the committee build in a transition period and not lose this quality program until the members are sure there is something that can replace it.

Number 1246

ALEXANDER DOLITSKY, Ph.D., Social Studies Teacher, Alyeska Central School, offered a brief statement about HB 174. The format of Alyeska Central School is exactly what the legislature and the state wants to see in statewide education. He said ACS does not have a physical district like other districts. Students come to ACS for a certain purpose or for the quality of education. The teachers and administrators of ACS are on their toes every day or the school loses students. If students and parents are not satisfied with ACS's program, it would not be necessary to have HB 174; it would end by itself because of lack of enrollment. He said ACS does not give students free computers or \$1,000 for their supplies. He told the committee that parents have heard about the quality of the ACS program. He told the committee when he hears the term "duplication," he knows it is not a relevant term because as educators all 52 school districts in Alaska duplicate each other. They teach students to read, write, and do math. The hospitals in the world duplicate each other by treating patients. He suggested that this is not a relevant term. It is not properly used in ACS's case. In fact, ACS is open year-round, which is a great difference from other schools, not only correspondence schools. Furthermore, ACS enrolls students in the middle of the academic year. It provides academic, and student services, and programs like Close Up, the Academic Decathlon, and other programs.

Number 1079

DR. DOLITSKY said the summer school is a separate entity from a traditional school. The legislature asked ACS to perform this service. He told the committee he has been with the school for

15 years; he started as a summer school teacher. He recalled that under the Hickel Administration the summer school program was closed to save money. Then it was reinstated the next year and grew to the level that it currently holds. To cut the summer school does not require this bill; the legislature can just cut the funds to operate the summer school. Please do not confuse the traditional program with the summer school, he asked. The traditional program costs 20 percent less than conventional education and will cost as much as any other correspondence school, but there is no guarantee that 1,100 students enrolled in ACS will go to a correspondence school. The committee has heard that ACS is what the parents want; if these families cannot have ACS, the students may go back to the traditional schools where they live, and it can cost \$28,000 to educate a child in Barrow or other rural schools, or \$15,000 to educate a child at Mount Edgecumbe. He noted that ACS has over 50 students that live in are rural areas.

DR. DOLITSKY summarized his comments by saying that, first, ACS is not a duplicative institution and, second, there will be no budgetary savings in eliminating ACS.

Number 0912

JON PADEN, Counselor, Alyeska Central School; Representative, Alyeska Central School Association, testified in opposition to HB 174. He told the committee, first, ACS funding follows the kids wherever the students go. Second, the [\$1.17] million from summer school is really for kids in the districts around the state, not really the kids in ACS, and only as a secondary benefit to them. Third, what makes ACS unique has been said by other people, but to summarize the thought, it is a year-round school. A student's semester begins when that student receives textbooks and materials, and the semester ends for that student when four to six months have passed. He emphasized that ACS offers Alaskan-teacher-mediated and developed instruction, and a parent advisory council that takes in parents from all over the state. He said the department testified the day before yesterday that district are willing to develop similar programs and said his take on that is that there are folks who are willing to duplicate in the future what at present they do not have.

Number 0710

VICTORIA MARTIN told the committee she is a homeschoolteacher to two students. There are six courses that ACS has developed in

Alaska history and Alaska science. She said she has success stories with her students that were falling through the cracks at Anchorage public schools. Yesterday her granddaughter was asked by the committee what options were available to her. Ms. Martin told the committee she called and found that Iditarod School District has correspondence courses available; however, there is only one English teacher, one elementary teacher, one special education teacher, one office person, and four people who work there. CyberLynk has not returned her call. Raven Correspondence is district-only. PACE [Personal Alternative Choices in Education], which is part of Craig City Schools, does not offer dual enrollment, and students get "school in a box." The parent does all the work without support, whereas ACS has teachers available to help parents and students. The IDEA [Interior Distance Education of Alaska] program has parents grading the work, and there is one correspondence school through Delta Junction that is not adequate. Ms. Martin said one of her students has taken driver's education through North Dakota, and there was no way to call to ask questions. She pointed out that ACS offers many other programs including a Lego robotic team and academic decathlon. She said she has a gifted youngster who went to the gifted programs here and fell through the cracks. He was deliberately getting bad grades because he was being bullied because he is bright. She said he is now an A and B student. He is becoming well adjusted. Ms. Martin said ACS is a great program and asked the committee to please not eliminate it.

Number 0456

CHAIR GATTO told the committee he has a number of questions from the department. Specifically, if the money follows the students, aside from the summer school, is there some way the state realizes a large savings if it is paying out the money for the students anyway.

Number 0431

REPRESENTATIVE SEATON said if the state is funding this correspondence study at 80 percent, and if even 20 percent of these students go into regular public schools in rural areas, it does not save money, other than the summer school. Where is the savings in this bill?

Number 0389

MR. JEANS responded that Representative Seaton is correct that if the students go back and enroll in their community's schools, they are going to be funded at a higher level. [The department] has not crafted the actual savings in the long term as the result of closing Alyeska Central Schools. He told the committee he would produce that information for the committee so everyone can see the long-term savings. Right now the fiscal note only shows a savings from the closure of the summer school program. However, [the department] does believe there will be other savings with facility leases.

REPRESENTATIVE SEATON replied that he would like to see that information before going forward.

Number 0287

REPRESENTATIVE GARA commented that there are two parts to the bill. One is getting rid of the Alyeska Central School, and the second, is getting rid of the summer school. Closing the summer school is the only part that saves the state money. He said it is likely that a number of the students who leave ACS who currently receive 80 percent funding will then enroll in schools where they will receive 100 percent funding. Some of those students go to schools that have a high ADM [average daily membership], for example, in Goodnews Bay, where it will be even more expensive to fund their education.

Number 0199

MR. JEANS restated that if those students enroll in their community's school, there will be an increased cost to educate those students. The department has been very clear about that.

CHAIR GATTO suggested that the likelihood of a student at ACS going back to the public school instead of into an alternative program is low. He said he thinks students that are involved in these programs are there because they are successful, enjoy it, and would probably get first crack at one of the other correspondence schools.

REPRESENTATIVE GARA commented that he disagrees with Chair Gatto's point. He asked Mr. Jeans to give the committee a comparative dollar cost of sending one child to ACS versus one of the more expensive schools in the Bush. He said he would like to have a comparative number so that the committee can consider what it would cost to have a child leave ACS and go to the foundation formula.

Number 0046

MR. JEANS replied that the allocation to a correspondence program, whether Alyeska Central School or any other correspondence program is 80 percent of the base student allocation, which equals about \$3,800.

TAPE 03-12, SIDE A

Number 0001

MR. JEANS said the cost to operate a rural school with 20 to 25 kids is a cost of \$15,000 per student. He reminded the committee that the department has heard from teachers that ACS has about 45 to 50 students living in rural areas. However, many of the students that ACS is serving live right in Anchorage, Juneau, and other larger communities, so the comparison of \$3,800 to \$15,000 is the extreme, and not many of ACS's students fall into that category.

Number 0104

JOYCE JONES testified via teleconference that she currently has eight students enrolled in the ACS correspondence program. She told the committee that it is an option to go through a correspondence program in the local district; however, she tried that but it did not work out because the district was overwhelmed with the number of students already enrolled. She told the committee she used to live in Kodiak and had her two boys enrolled in Kodiak public schools. The school was just too overcrowded and she did not approve of the education they were receiving. Ms. Jones said her family moved back to Karluk, her hometown, where they thought about getting their school open, but it is a very small community. This year the community was not able to get the department to open Karluk School because of the low head count.

MS. JONES told the committee that the ACS program is very well laid out. The older students that are in sixth and ninth grades are pretty independent. Day-to-day classes and day-to-day lesson plans are provided. Her students started a month late and the kids are doing very well in the program and are right where they should be even, though they started late. The kids have contact with their own teachers, there is quick turnaround on the work that is being sent in, and the kids are getting good grades. Ms. Jones told the committee education is very

important in the small rural areas. She asked, if this is taken away, what her family will do.

Number 0389

SHEILA SYMONS testified via teleconference in opposition to HB 174. She told the committee she lives in Central, a rural community, and homeschools three of her four children. Her husband graduated from ACS and she has been homeschooling for eight years. She told the committee ACS is not a duplication of services. The teachers are fantastic. They support the parents, know the courses, and always have the answers. They have helped her be a better teacher by offering suggestions in presenting material in a different way if something is not getting through. They speak to her kids and have great bond. Ms. Symons told the committee they have a different schedule and frequently do not start school until November, but it does not matter if the school year does not end until August. She told the committee there is no Internet access where she lives, but ACS offers an excellent library service and a fantastic education to her children. For those who are getting started in homeschooling, ACS gives a daily lesson plan, and that is not available from other programs.

CHAIR GATTO commended Ms. Symons on her many years of work as a professional homeschooler. He wanted her to know that he and the other members of the committee appreciate and recognize those who are willing and capable of homeschooling.

Number 0697

JESSIE GIYER testified via teleconference and told the committee that she and her husband have been teaching their son through ACS for six years now. She said ACS is the best option because it provides a wide variety courses, and a high level of education, and is there to assist the parents. If the teacher is unavailable, they leave voice mail and ACS gets right back to them. She said they live in Palmer and are in the Matanuska-Susitna School District, and while the Matanuska-Susitna study program is available to them, they feel ACS is the better of the two programs. She summarized her comments by saying it would be a shame to lose this program.

CHAIR GATTO thanked everyone who has waited so long to testify on HB 174. He announced that even though the committee allotted the entire time for testimony, not everyone will have an opportunity to speak.

Number 0873

NANCY RICCHAR testified via teleconference in opposition to HB 174. She told the committee that her son attended ACS from Kindergarten through 12th grade and graduated in January, when he entered the University of Alaska Southeast (UAS), School of Fisheries, on five scholarships. She expressed concern for the students who will not graduate until July or September. She asked what will happen to them. Ms. Richar said ACS has survived and thrived since 1939 because they have a unique background, skill, and knowledge to adapt to each student's individual needs. The program has given the students the tools and skills to succeed in college. The teachers write their own courses supplemented by textbooks because there are no textbooks written for math, especially for correspondence. They have received awards for the courses they have written. She told the committee her son was very interested in marine life and the teachers wrote a course of study for him from Kindergarten through 6th grade. One course became a permanent course of study. Ms. Richar told the committee that this past summer he was admitted into the UAF [University of Alaska Fairbanks] Honors Institute, where he completed a full semester of three regular courses in six weeks, and earned eight college credits with a 3.25 GPA [grade point average]. She said he learned these skills at ACS. He is currently a straight-A student at UAS and has been allowed to take a postgraduate course in marine research as a freshman. She summarized by saying that her son is not unusual. There are many students who are doing an outstanding job and earning honors.

CHAIR GATTO announced that he will be holding the bill over until more information is provided from the Department of Education and Early Development.

ADJOURNMENT

Number 1194

There being no further business before the committee, the House Special Committee on Education meeting was adjourned at 1:03 p.m.