

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON EDUCATION

April 3, 2003
11:05 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 19

"An Act relating to appropriations for operating expenses for primary and secondary public education; and providing for an effective date."

- MOVED CSHB 19(EDU) OUT OF COMMITTEE

HOUSE BILL NO. 26

"An Act relating to the base student allocation used in the formula for state funding of public education; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

PREVIOUS ACTION

BILL: HB 19

SHORT TITLE: EDUCATION FUNDING

SPONSOR(S): REPRESENTATIVE(S) STEVENS

Jrn-Date	Jrn-Page		Action
01/21/03	0036	(H)	PREFILE RELEASED (1/10/03)
01/21/03	0036	(H)	READ THE FIRST TIME - REFERRALS
01/21/03	0036	(H)	EDU, HES, FIN
02/04/03		(H)	EDU AT 11:00 AM CAPITOL 124

02/04/03		(H)	-- Meeting Canceled --
02/06/03		(H)	EDU AT 11:00 AM CAPITOL 124
02/06/03		(H)	Heard & Held MINUTE(EDU)
02/07/03	0154	(H)	COSPONSOR(S): WOLF
04/03/03		(H)	EDU AT 11:00 AM CAPITOL 124

WITNESS REGISTER

DOUG LETCH, Staff
to Senator Gary Stevens
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented HB 19 on behalf of Senator Gary Stevens, sponsor.

EDDY JEANS, Manager
School Finance and Facilities Section
Education Support Services
Department of Education and Early Development
Juneau, Alaska
POSITION STATEMENT: Testified on HB 19 and responded to questions from the committee.

AMY LUJAN
Nome City Schools
Nome, Alaska
POSITION STATEMENT: Testified on HB 19 and answered questions from the committee.

TODD SYVERSON, Assistant Superintendent
Kenai Peninsula School District
Kenai, Alaska
POSITION STATEMENT: Testified on HB 19 and answered questions from the members.

STEVE CATHERS, Superintendent
Valdez City Schools
Valdez, Alaska
POSITION STATEMENT: Testified in support of HB 19.

DOROTHY MOORE, School Board Member and City Council Member
City of Valdez
Valdez, Alaska
POSITION STATEMENT: Testified on HB 19.

ACTION NARRATIVE

TAPE 03-16, 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 Ogg arrived while the meeting was in progress.

HB 19-EDUCATION FUNDING

Number 0159

CHAIR GATTO announced that the only order of business would be HOUSE BILL NO. 19, "An Act relating to appropriations for operating expenses for primary and secondary public education; and providing for an effective date."

Number 0337

DOUG LETCH, Staff to Senator Gary Stevens, Alaska State Legislature, presented HB 19 on behalf of Senator Gary Stevens, sponsor [who had been a Representative at the time he first sponsored the bill]. He explained that while this bill had been heard by the House Special Committee on Education earlier in the session, there was no proposed committee substitute as a result of that hearing. Mr. Letch told the committee the purpose of the bill is to provide for a separate appropriation for the education budget in an effort to help school districts and local governments plan their budgets by giving them advanced notice of state appropriations for education. Currently, the districts and local communities do not know what they will be receiving until the last day of the fiscal year, June 30th.

MR. LETCH reminded the committee of Senator Gary Stevens' main reasons for introducing this bill. During Senator Gary Stevens' many years of service as a member of the Kodiak Island City Council and the Kodiak Island School District Board of Directors, he found that school districts often had to lay off teachers because they were not sure of the funding level. Later the district would find that they were allocated sufficient funds, but would lose those individuals to other jobs before the funding was known.

Number 0486

CHAIR GATTO said his understanding is that on May 1 the school districts solidify their budgets, and it is done without knowing how much money the district will actually have. That is a tough call when dealing with a \$120-million budget or, in Anchorage's case, a \$400 or \$500 million budget. This bill says that districts will be advised by April 1 and then the districts can solidify their budget on May 1. He commented that this bill should be a big help.

MR. LETCH responded that is correct.

CHAIR GATTO asked if there is any drawback to this legislation.

MR. LETCH replied that historically, whenever there has been a substantial increase in education funding, it has happened at the end of the legislative session as part of negotiations to end the session and to tap the CBR [Constitutional Budget Reserve]. There are a number of individuals that feel districts are in a position of being a player if the foundation formula funding is not finalized until the end of the session. That is an argument against the bill.

CHAIR GATTO commented that if districts get numbers earlier, then they may lose out at the end of session, so the districts are undecided on this issue. Districts would like to know how much money they will be getting earlier and bargain later, but it cannot be both ways.

MR. LETCH said that Chair Gatto is correct. This is the argument districts make, and there is merit to that point. He said he believes this bill may be a little ahead of its time because the state still has the CBR. There is a danger in waiting until the end, however, especially in these days when there may not be anything there in the end. He said that this bill in no way precludes the legislature from coming back later and adding funding either to the foundation formula or Learning Opportunity Grants (LOGs). This is a good-faith effort to say to the school districts that this is the minimum amount they will be getting in funding, so start to plan now.

CHAIR GATTO commented that this is a way for the districts to know they do not have to lay off employees and then hire them back later.

Number 0745

EDDY JEANS, Manager, School Finance and Facilities Section, Education Support Services, Department of Education and Early Development, testified on HB 19 and responded to questions from the committee. He said that Mr. Letch explained the bill very well and it appears that the members have a good understanding of the pros and cons of the bill.

Number 0758

REPRESENTATIVE WOLF said that his understanding of this legislation is that it does not prevent the legislature from setting the foundation formula figure in April, and then increasing funding at the end of session.

MR. JEANS responded that is correct. What this bill requires is that the legislature make an appropriation for the foundation program only. He commented that he knows the members are aware of the other programs related to education like pupil transportation, school debt service, and others. He said that as this bill is currently written, the budget that would come before the legislature would be the fully funded foundation program, which is required under the current statutory scheme. The legislature would have the ability to add money later on in the session, or the legislature could also prorate this legislation if that is what legislators felt would be necessary to meet their budget plans. Mr. Jeans said what Mr. Letch mentioned about this bill being a good-faith effort is true. There is a lot of flexibility in this legislation.

REPRESENTATIVE WOLF commented that this is really a "people" bill. This is about letting people know if they have a job or not.

Number 0889

MR. JEANS replied that retention notices must be issued by March 15, so the districts still need to consider retention of teachers before they get notification of the appropriation.

Number 0933

CHAIR GATTO said that this is a complicated issue. It is likely that all the tenured teachers will be hired; however, the non-tenured teachers will still be waiting to know if they have a job. It is tough on those waiting to be rehired.

CHAIR GATTO asked Mr. Jeans to clarify, if the foundation funding formula were fixed, whether the legislature could add to the funding later.

MR. JEANS replied that to add money later in the session to the base student allocation would require legislation. If there was a desire to add additional funding outside of the foundation program, that would also require an appropriation. The legislature still would have the authority and ability to add additional monies.

CHAIR GATTO asked how this bill would affect the legislature.

Number 1007

REPRESENTATIVE GARA pointed out a problem with providing early funding and then possibly adding to it later on in the session. He said that if school districts have gone ahead and fired teachers based on early funding notification, then they have lost a compelling case to argue for more funding. If the legislature does all funding at the same time, the school districts can say this is the number of teachers that will be fired if there is not adequate funding. He said he believes this undercuts their negotiating position.

REPRESENTATIVE GARA asked Mr. Jeans to clarify the point that this bill as it is written only addresses the foundation-funding formula. He asked if that is correct.

MR. JEANS replied that is correct.

Number 1100

REPRESENTATIVE GARA said that in a year like this one when there is \$30 million in last year's LOGs, \$6 million in additional appropriations made last year outside the foundation formula program, and a proposed \$10-million reduction in student transportation funding, the school districts still will not know what their funding will be. The districts will only know of the foundation formula appropriation. He asked Mr. Jeans if he saw this as a problem for the districts as the bill is currently written.

Number 1111

MR. JEANS responded that this bill does not address any funds outside the foundation formula program, and even though this is

the majority of the funding that school districts operate on, districts are accustomed to receiving additional money such as LOGs, and full funding for transportation. This legislation addresses one piece of the entire puzzle.

CHAIR GATTO commented that education funds will be coming from one pile of money, whether it is LOGs or pupil transportation reductions. If the legislature fixes the amount of the foundation formula without knowledge of other funding requirements, then later on when there is a reduction in pupil transportation funding, the funds will have to come out of the classroom to pay for that reduction because at that point districts will already have contracts [for pupil transportation].

REPRESENTATIVE GARA said his point is that if this bill is adopted, the members should not assume this is a fix for the school districts because they still do not know about the other \$40 million in funding. Representative Gara said even if the legislature assumes the pupil transportation money will come from transportation funds, if the districts do not get enough money for transportation, the funds will be taken from the classrooms.

CHAIR GATTO said he would like to go to each of the school districts and ask what they would like done.

Number 1227

REPRESENTATIVE WILSON asked Mr. Jeans, if this bill passes, whether it is possible that the legislature could put a budget in place, and then at the end of session find that the budget put forward is not possible. Could the legislature change the numbers at that point?

MR. JEANS responded that as the bill is written, if the legislature passes an education budget within the timeframe this piece of legislation requires and the governor signs it into law, the figures are locked in. He said that does not mean the legislature could not pass another law later on, reducing the amount. There are still many avenues available to the legislature after the appropriation is made.

Number 1308

REPRESENTATIVE SEATON said he thinks what the members are really dealing with are the issues of the foundation formula and LOGs

that are used for pupil instruction and hiring of teachers. Debt reimbursement does not really go to the school districts; that goes to the boroughs and communities. If the borough does not have as much money, then it might not fully fund education. He said that is not direct money that comes out of instruction.

REPRESENTATIVE SEATON pointed out that the districts have to fire all the teachers unless the legislature funds them early enough. When the districts do not know the funding, then they send out all these pink slips because they are required to give the teachers notice. He said it is not as though they fire them later. That is one of the problems that this bill attempts to fix. He said he thinks the idea in the past has been that if the districts wait around until the end of session, it will be possible to negotiate and get more money into education. Representative Seaton said the way he looks at it, for the next number of years, is that the legislature is looking not at money to allocate, but at cuts to allocate at the end. He reiterated his statement that it is not so much allocating additional funds later as it is allocating additional cuts. He said the legislature is looking at a little different scenario than in the past. He said he thinks it would be better for the legislature to get the education budget on the fourth day of the session and work through the foundation formula, and get that section out of the way by the deadline.

Number 1480

REPRESENTATIVE KAPSNER commented that she believes this is a sad discussion the committee is having because it is a foregone conclusion that districts will be issuing pink slips. She said the members are not talking about adequate funding, but forward funding. She said she thinks this whole conversation should be put on hold until school districts can be told that the legislature is looking at adequately funding education. She reminded the committee that Kodiak said that with inflation there was a 36 percent decrease in the funds available to the school. She said she gets tired of telling people that the school districts are faced with the No Child Left Behind (NCLB), administrative overhead and the cost of remedial education because the state does not do enough in the early years of education. As a result, the state then has to worry about whether or not students can pass the exit exam. Representative Kapsner said there has been a 300 percent increase in insurance; she mentioned teachers' contracts coming up, and said the list goes on and on.

Number 1562

CHAIR GATTO told the committee that the governor has said the administration has no problem with members' adding to the budget, but the members must say where the funds would come from. That is the subject that is not discussed here, and maybe it is not this committee's domain to discuss that issue.

REPRESENTATIVE KAPSNER responded that she does not believe anyone got voted into office based on cuts to education. She said that she has been getting a lot of e-mails saying that constituents regret their votes because they did not understand that there would be cuts to education. Representative Kapsner told the committee that having a conversation about issuing pink slips to teachers, which directly affects parents and students, is not something she is thrilled about.

Number 1639

REPRESENTATIVE WILSON told the committee that if this bill were law today and the school districts she represents were advised that they would be getting the same foundation formula funding this year as last year, the districts would still be handing out pink slips to 25 percent of the teaching staff. She said she does not see how this bill will make that much of difference to districts and this would possibly be taking away some of the bargaining chips. Representative Wilson told the committee she does not believe this is the right time for this bill.

CHAIR GATTO said he understands that Representative Wilson does not want to hamper districts if there is a possibility that there will be more funding for education later in the session.

Number 1717

CHAIR GATTO said he would like to hear from all the superintendents of schools. This bill does not change the amount of money appropriated for education; it is just a matter of rearranging when school districts will be notified of the education budget. Whether it is known early or late, it is probably the same information.

Number 1746

REPRESENTATIVE OGG commented that he was delayed in arriving at the meeting and is not sure if this question has already been asked. He said it appears this bill covers all receipts that

the school districts would receive through different sources. He asked if this bill includes the LOGs or pupil transportation.

MR. JEANS replied that the other funding sources for LOGs and pupil transportation are outside the foundation-funding program. This proposal refers to AS 14.17 [Chapter 14.17, Financing Of Public Schools], which is the foundation program and is limited to that program.

CHAIR GATTO reiterated that the bill only addresses the foundation formula. This bill does not address any other funding.

Number 1802

REPRESENTATIVE SEATON told the committee that he is seriously concerned about the dilemma of adequate funding of education. However, he pointed out that this bill addresses strictly a structural problem in laying out the date requirements and providing some security or information in concrete terms to the school districts so they can know a minimum level of funding. Representative Seaton told the committee that he knows all the members support education and will be looking for other funding mechanisms to increase funding, but this bill only deals with the foundation formula. He said this bill is really a separate issue from the adequacy of education funding.

Number 1877

REPRESENTATIVE GARA commented that it would be nice to have the school districts here at the meeting. He said he recalls Larry Wiget [Executive Director, Public Affairs Division, Anchorage School District] saying that he would prefer adequate funding rather than early funding. Representative Gara said he does not think this bill gets education anywhere beyond where it is today. School districts know that they will at least get last year's foundation formula funding, since the legislature has never cut foundation formula funding in recent history. The districts could base their pink slips on last year's funding level and not do a pink slip for every employee. What they really want to know is if they will be getting more than last year. Representative Gara said he does not think this bill changes anything for the districts. They will still have to issue a certain number of pink slips. He said he agrees with Representative Kapsner that the legislature needs to come up with an acceptable way of dealing with the foundation formula and inflation-proofing first. That commitment and a bill like

this would make a difference. Representative Gara summarized that he does not believe this bill can work on its own.

Number 1987

CHAIR GATTO asked Mr. Jeans to verify the accuracy of Representative Gara's statement that the state has never reduced the foundation formula.

MR. JEANS responded that Representative Gara said that the funding formula has not been prorated in recent history. And he said he would agree with that statement. The foundation program was prorated in 1987 by 10 percent, but it has been fully funded since then.

CHAIR GATTO asked what guarantee there is that the foundation formula will not be reduced.

MR. JEANS responded that the answer is in the hands of the legislature.

CHAIR GATTO asked if there is anything in statute that says the foundation formula must be fully funded.

MR. JEANS replied that it is not in statute that it must be fully funded. The statute says the program is subject to legislative appropriation. He clarified his comment that when he refers to fully funding the foundation program, he means the legislature is funding the statutory obligation. That does not account for the cost of inflation or other expenses that districts incur.

Number 2050

REPRESENTATIVE KAPSNER told the committee that although there has not been a decrease in the actual overall foundation formula, there have been changes in the foundation formula, which has meant certain school districts do get less money. For example, with SB 36 [legislation which was enacted in 1998] there were major funding shifts and some districts did see a loss in the foundation formula.

MR. JEANS commented to the committee that there have been a number of foundation formula rewrites in which the resource allocations have changed. So some districts have experienced a reduction in state aid and some have experienced an increase in aid, but these have been a result of the formula's being

rewritten and the amendment of the allocation of those resources, not necessarily as a result of the legislature's electing to prorate the formula.

CHAIR GATTO pointed out that the members are wandering away from the purpose of the bill and asked the members to address their concerns on this specific legislation.

Number 2119

REPRESENTATIVE KAPSNER asked Mr. Jeans to describe the difference between flat funding and fully funding the foundation formula.

MR. JEANS indicated that is not a question he can respond to.

CHAIR GATTO said he believes that flat funding means no change in funding; however, fully funding depends on interpretation. It means different things to different people.

REPRESENTATIVE KAPSNER commented that often when there are discussions about fully funding education, she believes the funding is really flat funding.

Number 2202

AMY LUJAN, Nome City Schools, testified on HB 19 and answered questions from the committee. She commented that she has worked in school administration for nine years and every year the uncertainty becomes worse. She said she is disappointed that this bill will not address the LOGs because in recent years that has been the icing on the cake. That does determine how many people the districts will be able to hire. If this bill does not address LOGs, it will not solve the problem. The teacher job fair is next week, and they still do not know how many vacancies that can be filled. In Nome's case, it is a matter of holding off on filing vacancies, then bringing in teachers at the last minute, right before school starts, which is very disruptive to staff and students. She pointed out that by waiting until the last minute, they do not get the best people. Ms. Lujan said because funding is up in the air, the districts are not able to make the best decisions for students. She encouraged the committee to continue to look at this problem.

Number 2264

CHAIR GATTO asked Ms. Lujan if she knows what happens at job fairs in other states and if they face the same problems that Alaska does or have found a way to fix this problem.

MS. LUJAN responded that she could not comment on other states. She thought Mr. Jeans might know more about other states' solutions to this problem. She said that Nome public schools are having to go to other states to find teachers and it is a problem because the wages are higher down there.

Number 2340

TODD SYVERSON, Assistant Superintendent, Kenai Peninsula School District, testified on HB 19 and answered questions from the members. He told the committee that he believes having adequate funding is the most critical factor for school districts. Mr. Syverson said he represents 9,500 students and 1,200 employees in 43 schools with urban, rural, and remote sites. He said he has a strong belief in public education. It is the state's responsibility to provide the funding for students and schools, and that is the legislature's primary charge. The Kenai Peninsula School District is one that follows all the rules by meeting the 70-to-30 criterion for instructional expenditures, and spends less than 5 percent on administrative costs; even with local funding to the cap, which is approximately \$25 million and is one-third of the district's budget, he said they are punished for being competent, efficient, and frugal. Currently, the Kenai school district is in a crisis when the district has absolutely no other way of obtaining additional dollars other than through state funding. Just to give the members a picture of what it is like on the Kenai Peninsula with inefficient funding, he said the status quo budget for FY 04 will mean a \$5.2 million problem. The reductions to his school district have been done, whereas other school districts are just now starting to consider the same cuts. In order to balance the budget this year, the district will be laying off 56 teachers. The student-teacher ratio has been bumped up three students in each classroom. In the small schools with multi-grade, single classrooms the PTR [pupil teacher ratio] is 19 students for 1 teacher. In the larger elementary schools the PTR is 29 pupils for 1 teacher. He said they will be cutting entire programs at the Homer High School such as the Spanish foreign language program. They have had Spanish and French and just cannot afford to keep both. Library, music, physical education, and vocational education are getting massive cuts.

Number 2460

CHAIR GATTO interjected that Mr. Syverson's discussion is really targeted to a different issue. The committee is really interested in hearing what his thoughts are on forward funding.

MR. SYVERSON responded that if the district knew it was going to get \$4,500 per student, the district would be in favor of forward funding. The district is more interested in adequate funding than early funding.

CHAIR GATTO asked Mr. Syverson to clarify whether he favors the passage of this bill.

MR. SYVERSON said not knowing the amount concerns the district.

CHAIR GATTO responded to Mr. Syverson's comment by asking: What if the district knew what was funded, but did not like it?

Number 2471

MR. SYVERSON replied he would like to pick the amount [laughter and applause].

Number 2521

STEVE CATHERS, Superintendent, Valdez City Schools, testified in support of HB 19. He said that he supports forward funding as long as it does not mean a reduction in funding as was discussed earlier. Mr. Cathers said he believes districts fear that with forward funding after April 1 there will not be any urgency about adequately funding schools. There might be the feeling that the work has been done, since there are a number of other issues that have piled up at the end of session. There is concern that any extra money will be diverted. Mr. Cathers said all the districts are cutting and feeling a lack of adequacy at this time. If the question is if districts want early or forward funding or want adequate funding, it is like being asked if they would like to chop off their arm or leg. If the full package of funding including LOGs could be identified by April 1 that would be helpful. The legislature has a priority to fund education as well as possible, and the predictability and the ability to plan are things the districts have needed for many years. To that extent, he said he supports this legislation.

Number 2627

DOROTHY MOORE, School Board Member, City Council Member, City of Valdez, testified on HB 19. She said that having served on the city council for five years, she felt the budget process was difficult, but when she got on the school board she realized that in Valdez the district could be working more closely with the city. She found working on the school budget to be one of the most frustrating things she has ever done. Ms. Moore said the "moving target" funding and the inability to know what the funding frustrated the process immensely. She said she is in favor of the idea behind this bill, but as the superintendent pointed out, it is more important to have adequate funding.

Number 2673

CHAIR GATTO advised Ms. Moore and others who are listening that the committee will be addressing the foundation funding formula soon. He said he is hoping it will be addressed next Tuesday. But even though the House Special Committee on Education addresses the bill, until it is approved he urged those interested in education to continue to follow legislation.

Number 2696

CHAIR GATTO announced there would be a brief at-ease at 11:45 a.m. The committee reconvened at 11:56 a.m.

CHAIR GATTO spoke about the members' decisions to support forward funding or not. Some of the language in the bill refers only to mental health trusts, and new language only refers to the formula. He said some of the members were thinking of the constitutional budget reserve and the possibility that if it is not there forever, then it is possible they may wish to rethink this bill. He said his thoughts are that he would like to move the bill out of committee. The next committee of referral is the House Health, Education and Social Services Standing Committee. The membership on that committee is almost the same as the House Special Committee on Education. He said he would like to hear from superintendents, principals, and those directly involved, including teachers, because they always have very valuable input.

Number 2784

REPRESENTATIVE SEATON moved to adopt Amendment 1, as follows:

Page 1, line 1, after "relating"
Delete "to appropriations"

Insert "the appropriation date"

Number 2804

REPRESENTATIVE GARA objected to the motion for purposes of discussion. He asked, if the committee changes the title of the bill to say that this is the bill that is going to involve the appropriation date for public education, whether that prevents the committee from appropriating more [funds] later on.

CHAIR GATTO commented that although that is a legal question, he does not believe it would prevent additional appropriations.

REPRESENTATIVE SEATON agreed that he does not believe this amendment would prevent additional appropriations. He said the problem is that the title right now makes this an Act relating to appropriations, which could be the amount, could be early funding, or could be all kinds of things, and the idea of this bill is to specifically talk about early funding. This title change clarifies that confusion.

Number 2850

REPRESENTATIVE GARA asked if Representative Seaton would mind a friendly amendment to Amendment 1, as follows:

Page 1, line 1, after "relating to"
Delete "the"
Insert "an"

REPRESENTATIVE SEATON responded that the foregoing amendment to Amendment 1 would be fine. [Although there was no formal motion, the amendment to Amendment 1 was treated as adopted.]

Number 2879

REPRESENTATIVE GARA removed his objection to Amendment 1 [as amended].

CHAIR GATTO asked if there are any objections to Amendment 1 [as amended], which would read as follows [page 1, lines 1-2]: "An Act relating to an appropriation date for operating expenses for primary and secondary public education; and providing for an effective date." There being no objection, Amendment 1 [as amended] was adopted.

Number 2899

REPRESENTATIVE OGG said he wishes to speak on the bill. He said while he will be voting to move the bill forward with a recommendation of "do not pass" because he believes the language needs to be a little clearer, he is not willing to make an amendment at this time. He hopes that this bill would include all the appropriations that would go to K-12 education, including LOGs, transportation, and anything else.

Number 2940

CHAIR GATTO commented that it does sound like a major amendment.

TAPE 03-16, SIDE B

Number 2977

REPRESENTATIVE Wolf moved to report HB 19, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

Number 2970

REPRESENTATIVE GARA objected to the motion. He told the committee that he agrees with the chair that he would like to hear from superintendents and teachers about any amendment that might need to be made. He said since he is not on the next committee of referral, he believes the work should be done in the House Special Committee on Education.

A roll call vote was taken. Representatives Gatto, Seaton, Ogg, Wilson, and Wolf voted in favor of HB 19, as amended, out of committee. Representatives Gara and Kapsner voted against it. Therefore, CSHB 19(EDU) was reported out of the House Special Committee on Education by a vote of 5-2.

Number 2885

MR. LETCH thanked the committee and those who testified on HB 19. He said he believes the discussions today helped to clarify people's thoughts on the early funding issue.

REPRESENTATIVE WILSON spoke to the question concerning other states' actions with respect to job fairs. She said most states' communities are close enough that when people want to apply for a job, they just go to the school system and apply. She said some states that have geographical challenges like Alaska have job fairs, but most do not.

CHAIR GATTO said his personal experience with respect to other states' handling of funding issues has been that the communities decide how much to spend and then adjust the mill rate to reflect how much is needed.

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Education meeting was adjourned at 12:05 p.m.