

**ALASKA STATE LEGISLATURE  
HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES  
STANDING COMMITTEE**

April 3, 2003  
3:04 p.m.

**MEMBERS PRESENT**

Representative Peggy Wilson, Chair  
Representative Carl Gatto, Vice Chair  
Representative John Coghill  
Representative Paul Seaton  
Representative Kelly Wolf  
Representative Sharon Cissna  
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 CSHB 165(HES) OUT OF COMMITTEE

HOUSE BILL NO. 167

"An Act relating to grants for alcoholism and drug abuse programs; and providing for an effective date."

- MOVED CSHB 167(HES) OUT OF COMMITTEE

**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
03/11/03		(H)	MINUTE(EDU)
03/13/03		(H)	EDU AT 11:00 AM CAPITOL 124
03/13/03		(H)	Moved CSHB 154(EDU) Out of Committee
03/13/03		(H)	MINUTE(EDU)
03/14/03	0538	(H)	EDU RPT CS(EDU) NT 4DP 2DNP 1NR
03/14/03	0538	(H)	DP: WILSON, COGHILL, SEATON, GATTO;
03/14/03	0538	(H)	DNP: GARA, KAPSNER; NR: WOLF
03/14/03	0538	(H)	FN1: (EED)
03/18/03		(H)	HES AT 3:00 PM CAPITOL 106
03/18/03		(H)	<Bill Hearing Postponed>
03/25/03		(H)	HES AT 3:00 PM CAPITOL 106
03/25/03		(H)	Heard & Held
03/25/03		(H)	MINUTE(HES)
04/03/03		(H)	HES AT 3:00 PM CAPITOL 106

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
03/11/03		(H)	MINUTE(EDU)
03/13/03		(H)	EDU AT 11:00 AM CAPITOL 124
03/13/03		(H)	Moved Out of Committee
03/13/03		(H)	MINUTE(EDU)
03/14/03	0539	(H)	EDU RPT 5DP 2DNP
03/14/03	0539	(H)	DP: WOLF, SEATON, WILSON, COGHILL,
03/14/03	0539	(H)	GATTO; DNP: GARA, KAPSNER
03/14/03	0539	(H)	FN1: (EED)

03/18/03	(H)	HES AT 3:00 PM CAPITOL 106
03/18/03	(H)	<Bill Hearing Postponed>
03/25/03	(H)	HES AT 3:00 PM CAPITOL 106
03/25/03	(H)	Heard & Held
03/25/03	(H)	MINUTE(HES)
04/03/03	(H)	HES AT 3:00 PM CAPITOL 106

BILL: HB 167

SHORT TITLE:ALCOHOLISM AND DRUG ABUSE GRANTS

SPONSOR(S): RLS BY REQUEST OF THE GOVERNOR

Jrn-Date	Jrn-Page		Action
03/05/03	0439	(H)	READ THE FIRST TIME - REFERRALS
03/05/03	0439	(H)	HES, FIN
03/05/03	0439	(H)	FN1: (HSS); FN2: (HSS)
03/05/03	0439	(H)	FN3: (HSS); FN4: (HSS)
03/05/03	0439	(H)	GOVERNOR'S TRANSMITTAL LETTER
03/13/03		(H)	HES AT 3:00 PM CAPITOL 106
03/13/03		(H)	Scheduled But Not Heard
03/18/03		(H)	HES AT 3:00 PM CAPITOL 106
03/18/03		(H)	Heard & Held
03/18/03		(H)	MINUTE(HES)
03/25/03		(H)	HES AT 3:00 PM CAPITOL 106
03/25/03		(H)	Heard & Held MINUTE(HES)
04/03/03		(H)	HES AT 3:00 PM CAPITOL 106

**WITNESS REGISTER**

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 165 and HB 154;  
answered questions from members.

**ACTION NARRATIVE**

**TAPE 03-32, SIDE A**

Number 0001

**CHAIR PEGGY WILSON** called the House Health, Education and Social Services Standing Committee meeting to order at 3:04 p.m. Representatives Wilson, Gatto, Coghill, and Cissna were present

at the call to order. Representatives Wolf, Seaton, and Kapsner arrived as the meeting was in progress.

HB 154-UNDER SCHOOL AGE STUDENTS

CHAIR WILSON 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 0013

CHAIR WILSON said CSHB 154(EDU) is a bill that addresses a concern the administration has with several school districts across the state that are offering a two-year kindergarten program instead of a one year program. Those districts are getting an extra year of funding. She said if the legislature does not deal with this problem, next year it is likely there will be many more districts with two-year kindergarten [programs].

Number 0143

REPRESENTATIVE KAPSNER asked Eddy Jeans, Manager, School Finance and Facilities Section, Education Support Services, Department of Education and Early Development, how much would be lost in public law or the federal impact aid. She said she knows that if the state precludes school districts from doing the two-year kindergarten [program], under federal law the department is able to count those four-year-olds who are in their first year of kindergarten. If the school districts do not keep the aid, the funds go directly to the state. Do you have an estimate of what the state will lose in federal funding, she asked.

Number 0216

EDDY JEANS, Manager, School Finance and Facilities Section, Education Support Services, Department of Education and Early Development, testified in support CSHB 154(EDU). He explained that Representative Kapsner is correct; the school districts will be able to continue to apply for those funds, and the department does use the funds as an offset in the foundation program. However, he said the department did a policy memo a couple of years ago to school districts that were claiming the four-year-olds. The memo said if districts claim four-year-olds, then the department will count [those districts] impact aid in the foundation program, he explained.

MR. JEANS said if the district does not claim four-year-olds, it can keep all of the impact aid. He said unless the districts give him the actual numbers, he does not know what the actual impact to the foundation program will be. Mr. Jeans said districts have been claiming four-year-olds, so the department has been counting all the impact aid. He said if this legislation passes, it will be the district's responsibility to notify "us" about how much impact aid is attributed to four-year-olds, so the department can [take] it out of the calculations. Mr. Jeans said the voucher covers all students in the district that reside on Native land, and until the districts provide him with that identifying information, he cannot answer that question.

Number 0363

REPRESENTATIVE KAPSNER asked if districts have that information.

MR. JEANS, in response, said districts do have that information; those students that reside on Native land are funded at 125 percent of the base student allocation under the impact aid law. He said the department can only consider 100 percent, so 25 percent comes right off the table for the state to consider, and the state deducts 90 percent of the remaining funds. He reiterated that districts have to provide that information to the department.

REPRESENTATIVE KAPSNER asked Mr. Jeans how much funding goes to rural Alaska and how much goes to urban Alaska.

MR. JEANS pointed to a spreadsheet attached to the fiscal note. He said the Department of Education and Early Development always looks at the question of REAAs [Rural Education Attendance Areas] versus municipalities.

REPRESENTATIVE KAPSNER said the figures she has shows 92 percent is used in REAAs and 8 percent is used in municipalities. She asked Mr. Jeans if that is close to what the department had calculated.

MR. JEANS asked if Representative Kapsner is referring to the funding for four-year-olds. In response to Representative Kapsner, he said he has not done that calculation. Mr. Jeans offered to identify the REAAs and do that calculation.

Number 0444

REPRESENTATIVE GATTO asked what the fiscal note would be if every school in the state offered a two-year kindergarten program.

MR. JEANS, in response, said the department projects that if all schools districts were to enroll all four-year-olds, the cost to the state would be approximately \$60 million.

REPRESENTATIVE KAPSNER asked if there is a move underway for all districts to utilize this two-year kindergarten program.

CHAIR WILSON commented that the schools in her district are in trouble, and if those schools could add more students, they would be very happy to do that. She said this would be a way to get more education funding in her district.

REPRESENTATIVE KAPSNER said she noted in her research that areas that the state is short in numbers is not in the first years, but later on. While she did not have the research with her, she said she believed it was fifth grade through seventh grade, not primary grades, kindergarten, or pre-kindergarten that are short in numbers. She asked if it was true that most schools have a lot of students in primary grades.

Number 0559

MR. JEANS said he has had calls from all around the state from both REAAs and municipal school districts inquiring about the ability to claim four-year-olds for foundation funding.

MR. JEANS said that is the question that needs to be addressed - was the foundation program intended to fund four-year old students. He said the department's position is that the statute allows for the exceptional child, but was not intended to [fund] all four-year-olds. Mr. Jeans reiterated that this is a policy call the legislature needs to make. If the legislature wants to fund all four-year-olds, that is not a problem; the department will put it in the funding formula and all four-year-olds will be funded, he explained. Mr. Jeans said it is not just the foundation funding formula, but it also applies to school construction. Once the legislature funds those children, those students become eligible for space under school construction, he said. It is not just the foundation, but a broader policy issue, and the department is asking for clarification on whether the legislature wants to fund four-year-olds through the public

school foundation program, Mr. Jeans explained. He said it is the department's motivation on this bill.

CHAIR WILSON commented that one of the school systems in her district is ready to fall below the 425 [student] mark, and if that school could bring four-year-olds in to bring that figure back up, it would do it.

Number 0654

REPRESENTATIVE COGHILL moved to report CSHB 154(EDU) out of committee with individual recommendations and the accompanying fiscal notes.

Number 0664

REPRESENTATIVE KAPSNER objected to the motion. She reiterated her belief that the state has been playing the remediation game for too long. She said there is a wide consensus that the third grade is an important benchmark. Representative Kapsner suggested that teachers and parents know if a child is not reading by the third grade, there is slim to none chance of that child catching up, because up to the third grade children are learning to read. She said in fourth grade students are reading to learn, and a student cannot learn math or science without knowing how to read. Furthermore, she said there is also a lot of evidence that children that come out of homes that are not "print rich" and do not put a cultural value to reading, do not come to school comfortable with reading. Representative Kapsner said it gets really hard in first and second grade to make those connections.

Number 0764

REPRESENTATIVE KAPSNER told the committee she believed that the implementation of the high school qualifying exam needs to be countered with upstream measures to ensure that a lot of kids are not falling through the "cracks." She said she knows it is the parents' issue, and as a parent she puts a high priority in reading to her son every day. Representative Kapsner said she does not believe that schools that are putting a high priority on getting kids ready for the third grade benchmark should be penalized.

Number 0788

REPRESENTATIVE CISSNA agreed with Representative Kapsner. She shared her experience that as a parent, she did not see parents trying to get their kids in school early unless there was a very good reason. She said she sees this program as an enrichment that is vital and she would not be comfortable voting for the bill.

Number 0845

CHAIR WILSON responded that she does not disagree with comments that have been made. She said it is a policy issue, and there needs to be a grassroots effort across the state on the part of parent-teacher organizations, Native corporations, and other groups to work on this issue. She pointed out that the state is having trouble funding education at the same level as last year, and if the legislature wants to add a two-year kindergarten program, that adds another \$60 million in funding.

REPRESENTATIVE KAPSNER said so many of communities do not have learning environments for preschoolers. In Bethel, for instance, she said she is lucky if she can find a dependable, sober home to send her son to. She said she has to be comfortable knowing that he will sit in front of the television watching Power Rangers all day, and that there will not be group activities that will prepare him for kindergarten. Representative Kapsner pointed out that Florida instituted a four-year old kindergarten program statewide. She said she knows the state is having trouble funding it, but she feels that is a direction the state should be moving in, if this were a perfect world. She said she would like to sponsor legislation that would do that. If these kids miss out by third grade, it is hard to get them back on track, she remarked.

Number 0967

The committee took an at-ease from 3:19 p.m. to 3:22 p.m.

Number 0993

REPRESENTATIVE COGHILL restated his motion to move CSHB 154(EDU) out of committee with individual recommendations and the accompanying fiscal notes.

Number 0996

REPRESENTATIVE KAPSNER objected.

Number 1000

A roll call vote was taken. Representatives Wilson, Gatto, Coghill, and Wolf voted in favor of CSHB 154(EDU). Representatives Cissna and Kapsner voted against it. Therefore, CSHB 154(EDU) was reported out of the House Health, Education and Social Services Standing Committee by a vote of 4-2.

HB 165-COMMUNITY SCHOOLS

Number 1063

CHAIR WILSON 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."

REPRESENTATIVE GATTO moved to adopt the proposed committee substitute (CS), labeled 23-GH1105\H, Ford, 3/29/03 as the working document. There being no objection, Version H was before the committee.

Number 1063

CHAIR WILSON reminded the committee that members wanted language inserted in the bill that would show the legislature's intent for school districts to continue offering community schools programs. Chair Wilson turned attention to Section 1, subsection (b), which reads:

It is the intent of this Act to encourage local school districts to maintain community schools.

CHAIR WILSON said this language makes it clear that it is not the intent of the legislature to eliminate community schools programs; just the funding for them.

Number 1110

REPRESENTATIVE GATTO suggested that previous findings show that school districts supply schools, buildings, heat, custodians, paint, summer maintenance, and so forth, and are a major contributor to community schools. He said this bill simply removes a portion of the funding, and he suggested that schools are not giving anything up and are still substantially contributing.

Number 1138

REPRESENTATIVE CISSNA said it is her understanding that this bill will place the community school concept in uncodified law. That being the case, she said community schools have not been repealed, rather it has been moved it into some "nether world." She said it is not in the statute books, but it is out there as a vague thing. Representative Cissna said she has been involved in community schools and she has done some projects through them, and she knows the power of community schools programs and how very inexpensive they are through the volunteer work that people give. She said she has some real concerns with eliminating the language that currently exists in statute.

Number 1205

REPRESENTATIVE KAPSNER told the committee she opposes the bill, but not because her district really suffers from it like the Yupiit School District in communities such as Akiachak, Akiak, Tuluksak in which the state's portion is 22.27 percent. She said [those communities] certainly are contributing a lot. Representative Kapsner said she knows a lot of other communities do not have those kinds of resources available; some communities such as the Copper River, Cordova, Craig, Delta Greely, Denali, Kodiak, Klawock, and Northwest Arctic School Districts are being paid 100 percent. She pointed out that a number of schools are in communities that are not a representation of that community; she said those are immersion schools, and it is a means by which an assimilation process occurs. She said it is valuable to have the community come into the building and take part in adult education.

REPRESENTATIVE KAPSNER said if the legislature is going be an advocate for life-long learning and support adult basic education, then it is important to support community schools. In some cases, she said the adults may have lived there when there was not a school or their parents could not afford for them to go to "Mt. Edgecumbe or Copper River." Representative Kapsner said now [adults] may want to get a certificate or diploma and it is important to support them. She stated she is opposed to the bill moving from committee.

Number 1294

REPRESENTATIVE WOLF told the committee that he supports this bill. He announced that he is a supporter of the community school program and he understands the value of volunteer help. Therefore, he offered any community school program in the state

to contact his office and for help in finding corporate funds to continue the programs. Representative Wolf said through the use of permanent fund money investments in corporate America, Alaskans have billions of dollars in stocks. Representative Wolf said there is not a better community match for community schools. At some point, he said it is important that communities rely on themselves to obtain these funds, but his office will help any community schools program in the state to find corporate funds.

Number 1356

REPRESENTATIVE WOLF moved to report CSHB 165(HES) out of committee with individual recommendations and the accompanying fiscal note.

Number 1370

REPRESENTATIVE CISSNA objected.

Number 1399

A roll call vote was taken. Representatives Wilson, Gatto, Coghill, Seaton, and Wolf voted in favor of moving CSHB 165(HES) out of committee. Representatives Cissna and Kapsner voted against it. Therefore, CSHB 165(HES) was reported out of the House Health, Education and Social Services Standing Committee by a vote of 5-2.

HB 167-ALCOHOLISM AND DRUG ABUSE GRANTS

Number 1420

CHAIR WILSON announced that the final order of business would be HOUSE BILL NO. 167, "An Act relating to grants for alcoholism and drug abuse programs; and providing for an effective date." Chair Wilson noted that this is the fourth hearing before the House Health, Education and Social Services Standing Committee for this bill.

Number 1428

REPRESENTATIVE KAPSNER told the committee she is very concerned about alcoholism in the state. She said the Building Bridges campaign is in town and had walked through the [Capitol]; one of the issues the campaign brought up is the difficulty of individuals with mental illness who are trying to get substance

abuse treatment, because those individuals are dually diagnosed. She said a lot of treatment facilities do not have the capacity to deal with these problems and there are long waiting lists at every treatment facility. She said a substance abuser does not put his or her drinking on hold until getting treatment; that person's kids and families suffer, domestic violence is high, and accidental deaths are more frequent. In fact, she said there was a recent accidental death in Southeast in which a 23-year-old asphyxiated due to alcohol abuse.

REPRESENTATIVE KAPSNER said she believes if the state spends money for treatment, there will be savings in the long term in health care, correctional costs, public safety costs, educational costs, and Fetal Alcohol Syndrome (FAS). She said almost every area of the state will save money in the long term if there is a commitment to substance abuse treatment.

Number 1512

REPRESENTATIVE SEATON offered Amendment 1, which read [original punctuation provided]:

Section 1. AS.47.30.475(c) is amended to read:

Line 5:

(c) Grants shall be awarded in a ratio of 85 [90] percent state money to 15 [10]

Number 1520

REPRESENTATIVE COGHILL objected for purposes of discussion.

REPRESENTATIVE SEATON explained that Amendment 1 is an effort to phase-in the local match, so that communities do not have to "jump" from 10 percent to 25 percent in one year, which is a lot for local communities. He said the first year would be 17.5 percent or half of the amount; the increase that communities would have to match would be up 7.5 percent from the current 10 percent. Representative Seaton explained that the following year it would go up 7.5 percent to the 25 percent match.

Number 1569

REPRESENTATIVE CISSNA said she believes the amendment is a good concept; however, she would like the match to be a lower percent. She said when she came to Alaska 35 years ago, the

state led the nation in alcoholism. Representative Cissna said Alaska is paying the price for that now, and part of that price is the care and treatment of [fetal alcohol effects (FAE)] and FAS individuals. Over the last two decades, she said the state has made some changes to increase the number of programs dealing with alcohol abuse. She suggested that Alaska would pay an enormous price in terms of domestic abuse, child abuse and neglect, and other violent behavior if the state did not turn this around. Representative Cissna said she believes there are other alternatives that this administration is not [considering].

Number 1681

REPRESENTATIVE COGHILL withdrew his objection.

Number 1682

REPRESENTATIVE KAPSNER objected to Amendment 1. She told the committee she does not like the bill and the amendment does not make it much better.

Number 1686

A roll call vote was taken. Representatives Wilson, Seaton, Cissna, Gatto, Wolf, and Coghill voted in favor of Amendment 1 to HB 167. Representative Kapsner voted against it. Therefore, Amendment 1 passed the House Health, Education and Social Services Standing Committee by a vote of 6-1.

Number 1696

REPRESENTATIVE SEATON moved to report HB 167, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE KAPSNER objected to the motion.

A roll call vote was taken. Representatives Wilson, Cissna, Gatto, Wolf, Coghill, and Seaton voted in favor of CSHB 167. Representatives Kapsner voted against it. Therefore, CSHB 167(HES) was reported out of the House Health, Education and Social Services Standing Committee by a vote of 6-1.

**ADJOURNMENT**

There being no further business before the committee, the House Health, Education and Social Services Standing Committee meeting was adjourned at 3:40 p.m.