

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

March 27, 2007

3:04 p.m.

MEMBERS PRESENT

Representative Peggy Wilson, Chair
Representative Bob Roses, Vice Chair
Representative Anna Fairclough
Representative Mark Neuman
Representative Paul Seaton
Representative Sharon Cissna (via teleconference)
Representative Berta Gardner

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Bob Lynn
Representative Carl Gatto

COMMITTEE CALENDAR

HOUSE BILL NO. 157

"An Act relating to charter school funding."

- MOVED CSHB 157(HES) OUT OF COMMITTEE

CONFIRMATION HEARING(S)

Board of Education and Early Development

Patrick Shier

- CONFIRMATION ADVANCED

Professional Teaching Practices Commission

Braxton "Eddy" Jeans
Michael Husa
Cindy Lou Aillaud
Jeffrey Hebard

- CONFIRMATION(S) ADVANCED

State Medical Board

Jean M. W. Tsigonis, M.D.

- CONFIRMATION ADVANCED

University of Alaska Board of Regents

Tim Brady
Fuller Cowell, II
Patricia Jacobson
Kirk Wickersham

- CONFIRMATION(S) ADVANCED

HOUSE BILL NO. 181

"An Act relating to traffic offenses and traffic offenses committed in a school zone; and providing for an effective date."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 157

SHORT TITLE: CHARTER SCHOOL FUNDING

SPONSOR(s): REPRESENTATIVE(s) RAMRAS

02/28/07	(H)	READ THE FIRST TIME - REFERRALS
02/28/07	(H)	HES, FIN
03/27/07	(H)	HES AT 3:00 PM CAPITOL 106

BILL: HB 181

SHORT TITLE: TRAFFIC OFFENSES: FINES/SCHOOL ZONES

SPONSOR(s): REPRESENTATIVE(s) WILSON

03/07/07	(H)	READ THE FIRST TIME - REFERRALS
03/07/07	(H)	HES, JUD
03/22/07	(H)	HES AT 3:00 PM CAPITOL 106
03/22/07	(H)	Heard & Held
03/22/07	(H)	MINUTE(HES)
03/27/07	(H)	HES AT 3:00 PM CAPITOL 106

WITNESS REGISTER

Representative Jay Ramras

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As the prime sponsor, introduced HB 157.

EMILY STANCLIFF, Staff
to Representative Jay Ramras
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 157.

EDDY JEANS, Director
School Finance & Facilities Section
Department of Education and Early Development (EED);
Appointee,
Professional Teaching Practices Commission
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 157 and testified as appointee to the Professional Teaching Practices Commission.

SAMUEL SHIELDS, Co-Chair
Ayaprun Elitnaurvk Yup'ik Immersion Charter School
Bethel, Alaska

POSITION STATEMENT: Testified in support of HB 157.

AGATHA JOHN SHIELDS, Principal
Ayaprun Elitnaurvk Yup'ik Immersion Charter School
Bethel, Alaska

POSITION STATEMENT: Testified in support of HB 157.

ELEANOR LAUGHLIN, Principal
Effie Kokrine Charter School
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HB 157.

ELYSE GUTTENBERG, Administrator
Fairbanks Native Association
Fairbanks, Alaska

POSITION STATEMENT: Testified during the hearing on HB 157.

CATIE BURSCH, Parent
Homer, Alaska

POSITION STATEMENT: Testified in support of HB 157.

JANET BOWEN, Administrative Specialist and Outreach Coordinator
Fireweed Academy Charter School

Homer, Alaska

POSITION STATEMENT: Speaking as an individual, testified in support of HB 157.

BRENDA TAYLOR, Parent

Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 157.

MARY HAKALA, Parent

Juneau, Alaska

POSITION STATEMENT: Testified during the hearing of HB 157.

BARBARA THURSTON, Parent

Juneau, Alaska

POSITION STATEMENT: Testified during the hearing of HB 157.

HARIETTE MILKS, Parent

Juneau Community Charter School

Juneau, Alaska

POSITION STATEMENT: Testified during the hearing of HB 157.

PATRICK J. SHIER, Appointee

to the Board of Education and Early Development;

Deputy Director

Employment Security Tax

Central Office

Division of Employment Security

Department of Labor & Workforce Development

Juneau, Alaska

POSITION STATEMENT: Testified as appointee to the Board of Education and Early Development.

MICHAEL D. HUSA, Appointee

to the Professional Teaching Practices Commission

Bethel, Alaska

POSITION STATEMENT: Testified as appointee to the Professional Teaching Practices Commission.

CINDY LOU AILLAUD, Appointee

to the Professional Teaching Practices Commission

Delta Junction, Alaska

POSITION STATEMENT: Testified as appointee to the Professional Teaching Practices Commission.

JEAN M. W. TSIGONIS, M. D., Appointee

to the State Medical Board

Fairbanks, Alaska

POSITION STATEMENT: Testified as appointee to the State Medical Board.

TIM BRADY, Appointee
to the University of Alaska Board of Regents
Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents.

FULLER A. COWELL II, Appointee
to the University of Alaska Board of Regents
Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents.

PATRICIA A. JACOBSON, Appointee
to the University of Alaska Board of Regents
Kodiak, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents.

KIRK WICKERSHAM, Appointee
to the University of Alaska Board of Regents
Anchorage, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents.

ROBERT MYERS JR., Intern
to Representative Peggy Wilson
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided the sectional analysis for HB 181 on behalf of Representative Peggy Wilson, sponsor.

BOB MYERS, Custodian
Fairbanks Public Schools
Fairbanks, Alaska

POSITION STATEMENT: Speaking as an individual, testified in support of HB 181.

ACTION NARRATIVE

CHAIR PEGGY WILSON called the House Health, Education and Social Services Standing Committee meeting to order at [3:04:57 PM](#). Representatives Wilson, Gardner, Fairclough, Neuman, and Cissna (via teleconference) were present at the call to order. Representatives Seaton and Roses arrived as the meeting was in

progress. Also in attendance were Representatives Lynn and Gatto.

HB 157-CHARTER SCHOOL FUNDING

[3:05:29 PM](#)

CHAIR WILSON announced that the first order of business would be HOUSE BILL NO. 157, "An Act relating to charter school funding."

[3:05:54 PM](#)

REPRESENTATIVE JAY RAMRAS, Alaska State Legislature, introduced HB 157, as the prime sponsor, and provided a personal story of visiting a traditional Native school that operated on a non-conforming schedule, as a charter school. In its second year, the Effie Kokrine Charter School's population fell below 150 students. The result was that the school was subjected to the large school funding formula and developed an \$800,000 deficit. Representative Ramras opined that the school has the potential to serve a unique and special group of students. His experience caused him to consider allowing more flexibility in the funding process for these schools. Two solutions that were suggested were to reduce the minimum number of students to 100, or to establish an incubation period of three enrollment periods in order to reach minimum enrollment. Representative Ramras expressed his hope that the committee will support HB 157 and provide small school funding support for charter schools through their first two years, plus the third enrollment period.

[3:13:56 PM](#)

REPRESENTATIVE NEUMAN asked whether Representative Ramras would accept an amendment that would strike the average daily membership (ADM) of 100 students.

[3:14:04 PM](#)

REPRESENTATIVE RAMRAS agreed, and he quoted Representative Kevin Meyer, Finance Committee Co-Chair, who said, "The 150 student level is there for a reason, for efficiency purposes..."

[3:14:45 PM](#)

REPRESENTATIVE NEUMAN remarked:

... the question that I struggle with is there has to be a way to try and find a mix in between those two numbers, where we're not funding these schools at the rate that the largest school in the district is getting funded. Where if you have 500 kids in that school, obviously, the cost per student is much less
....

[3:16:16 PM](#)

REPRESENTATIVE RAMRAS observed that the issue impacts small schools such those in Wrangell and Petersburg, and said that the enrollment discussion will be for another time.

[3:16:27 PM](#)

REPRESENTATIVE ROSES asked whether charter schools charge fees to any of the students.

[3:16:43 PM](#)

REPRESENTATIVE RAMRAS noted that there are 23 charter schools, approved by the local school districts, across the state. He deferred the question to his aide.

[3:17:07 PM](#)

EMILY STANCLIFF, Staff to Representative Jay Ramras, Alaska State Legislature, responded that it is unknown to her whether charter schools are allowed to charge additional fees and she deferred to Eddy Jeans.

[3:17:36 PM](#)

EDDY JEANS, Director, School Finance & Facilities Section, Department of Education and Early Development (EED), informed the committee that EED will support HB 157, with the change raising the minimum average daily membership to 150 students. He referred to information in the packet that listed the ADM of each charter school for FY07 and FY08. In FY08 there are no schools with enrollments falling between 100 and 150; therefore, a change in the class of any school is not anticipated. Mr. Jeans questioned the effective date on the bill, and pointed out that the two new charter schools in Anchorage will exceed the ADM minimum of 150 and, thereby, will not be affected by this legislation.

[3:20:05 PM](#)

CHAIR WILSON asked whether charter schools can charge students additional fees.

MR. JEANS answered that charter schools are public schools, and they can only charge for special fees, such as lab or athletic fees.

[3:20:34 PM](#)

CHAIR WILSON commented that, under normal circumstances, children attending a charter school would have been attending a larger school and would have been pulled out to attend a charter school. She pointed out that this has an impact on enrollment and funding at the non-charter schools.

[3:21:30 PM](#)

REPRESENTATIVE GARDNER referred to the list of forecasted charter school ADMs for FY08. She noted that enrollment at two schools indicates a large increase from the previous year.

MR. JEANS replied that those schools were approved under the premise that they would have 150 students, but then did not meet their enrollment projections in FY07.

REPRESENTATIVE GARDNER pointed out that the Effie Kokrine school expects to double their enrollment.

[3:23:07 PM](#)

MS. STANCLIFF asked the committee to refer to the charter school ADM list dated 3/27/07.

[3:23:31 PM](#)

REPRESENTATIVE NEUMAN asked whether a charter school that does not have 150 children in the first two years is protected from closure by HB 157.

MR. JEANS answered that the legislature has made a policy decision that, for efficiency purposes, charter schools must meet attendance minimums. In most areas, such as Anchorage, the district school board will not approve a charter school that does not project 150 students, due to the increased cost to the school district. The current legislation allows for 60 charter

schools in the state to operate. He opined that allowing the threshold to fall below 150 ADM will increase the cost of education statewide.

[3:25:48 PM](#)

REPRESENTATIVE NEUMAN pointed out that, if 150 children are taken from a neighborhood school, that school could be dramatically impacted in a negative way.

[3:26:30 PM](#)

MR. JEANS said that charter schools usually draw from the community at large, not from one school. He noted that the EED does not study those statistics.

[3:27:34 PM](#)

CHAIR WILSON opined that the local school boards study the issues before approving a new charter school.

[3:27:57 PM](#)

SAMUEL SHIELDS, Co-Chair Ayaprun Elitnaurvk Yup'ik Immersion Charter School, stated his support for the provision in HB 157 that will lower the required ADM to 100 students. He informed the committee that this is the first time in eight years that the charter school enrollment has dropped, partially due to parents failing in their contracts with the school to support their student. He explained that when a parent violates his/her contract, the child must be dropped from enrollment. The impact that this charter school has had on preserving the Yup'ik language is undeniable and Mr. Shields repeated his support for HB 157, as originally drafted.

[3:31:16 PM](#)

AGATHA JOHN SHIELDS, Principal, Ayaprun Elitnaurvk Yup'ik Immersion Charter School, stated her support for HB 157, and said that this is the first year that the enrollment at her school has declined. She cited additional factors for the school's loss of students such as, the National Guard deployment and residents moving to cities and villages due to the increased cost of living in Bethel. In addition, to be enrolled, students must be literate in Yup'ik after the completion of first grade. Ms. Shields stressed the importance of the charter schools to her community.

REPRESENTATIVE ROSES asked how many students have been dropped from the school due to a breach of the parental contract.

MS. SHIELDS estimated that five students have been dropped. She added that the parents would not help with the homework or speak Yup'ik at home, and all efforts made to involve these parents were to no avail. Ms. Shields pointed out that the school has attained its No Child Left Behind goal.

3:34:50 PM

ELEANOR LAUGHLIN, Principal, Effie Kokrine Charter School, stated her support for the original HB 157 with a minimum ADM of 100 students. She opined that it is important for a charter school to be able to have only 100 children and to have sufficient time to establish its reputation. Ms. Laughlin described the accomplishments of the Kokrine School such as, Native focus, high academic standards, and dual high school and college courses. Her school is an Early College high school and emphasizes future education and careers for "middle of the road" students. Ms. Laughlin encouraged the committee to adopt the bill without any changes to the ADM minimum level.

3:37:08 PM

CHAIR WILSON asked whether the school was aware, at its inception, of the requirement of maintaining an enrollment of 150.

MS. LAUGHLIN said yes.

CHAIR WILSON further asked about the school's high school students who do not maintain the required 80 percent grade average.

MS. LAUGHLIN responded that tutoring, counseling, and individual attention contribute to the success of most students.

3:38:41 PM

ELYSE GUTTENBERG, Administrator, Fairbanks Native Association (FNA), informed the committee that FNA provided the financial backing for the Effie Kokrine Charter School. She stated her opposition to the change in HB 157 that requires a charter school to maintain 150, not 100 students. Ms. Guttenberg opined that two years is not enough time for a charter school to

establish a consistent population. She said that the Kokrine School has obtained a Bill and Melinda Gates Foundation award to establish early college courses at the high school level.

REPRESENTATIVE ROSES asked for details about the relationship between the Fairbanks Native Association and the Effie Kokrine Charter School.

MS. GUTTENBERG explained the FNA is the 501 c(3) financial agent that is responsible for the school, as the school has not established its non profit status.

REPRESENTATIVE ROSES further asked whether FNA provides additional funds to the school.

MS. GUTTENBERG said no. The school is no different than any other public charter school in the state.

[3:43:11 PM](#)

REPRESENTATIVE NEUMAN requested further information regarding the effect on other public schools when charter school enrollments fall below 150 students.

[3:44:18 PM](#)

CATIE BURSCH, speaking as an individual, and as a parent of children who attended a charter school, expressed her support of HB 157. She urged the committee to consider the high level of education when discussing the numbers and efficiency. Charter schools fill a niche with creative means to meet student's and parent's needs. Ms. Bursch concluded by telling the committee that supporting charter schools will benefit the students of Alaska.

[3:46:30 PM](#)

JANET BOWEN, Administrative Specialist and Outreach Coordinator, Fireweed Academy Charter School, speaking as an individual, stated her support for HB 157. She informed the committee that the Fireweed School has 65 students, but its enrollment is limited by space availability. Small charter schools are public schools; however, they do not receive the equivalent funding of neighborhood schools. This bill has opened up an important area of discussion, especially in the light of the change regarding the ADM. Ms. Bowen pointed out that charter schools follow the

same standards of education and testing requirements of any public school.

[3:48:46 PM](#)

CHAIR WILSON asked about the enrollment history of the Fireweed School.

MS. BOWEN responded that the school has never been above 65 students; however, the goal is to attain 150 students for funding purposes.

CHAIR WILSON asked whether successful charter school programs have been introduced into non-charter public schools.

MS. BOWEN said that she was unable to respond. However, she offered that there is a measure of cooperation and interaction with the local school. She expressed her belief that there will always be some parents who will want a charter school and some who will prefer the neighborhood school.

[3:50:57 PM](#)

CHAIR WILSON opined that if all of the effort that is put into a charter school was put into the neighborhood school, more children would benefit.

MS. BOWEN supported that possibility.

[3:51:44 PM](#)

BRENDA TAYLOR informed the committee she is the parent of two children at the Juneau Community Charter School. These schools provide models for other schools and serve a particular population that may not otherwise be served. She clarified that small charter schools are funded at the same rate as the largest public school in their district. She explained this formula, as she understands it, which provides the charter school a .84 per student funding rate. Every small charter school in the state is getting less than other small neighborhood schools. She opined that small charter schools desire a funding rate comparable to that of small neighborhood schools.

[3:55:05 PM](#)

REPRESENTATIVE ROSES asked whether small charter schools are responsible for paying for all of the school's expenses and salaries.

MS. TAYLOR said yes. She added that choices are made to cut costs; parents provide janitorial services in addition to lunch and recess supervision. Ms. Taylor opined that larger schools may not be able to have parents support the school in the same way. When parents have experience working in a school they become more supportive of their children as they continue their education.

REPRESENTATIVE ROSES affirmed that the Juneau Community Charter School is under the direction of the Juneau School District (JSD) and the teachers are under the JSD contract.

MS. TAYLOR said yes.

[3:58:05 PM](#)

REPRESENTATIVE FAIRCLOUGH asked whether the children at the charter school participate in activities at other schools.

MS. TAYLOR responded that the school is located downtown to be able to access community resources.

REPRESENTATIVE FAIRCLOUGH further asked whether the school shares gym space, or other school resources, with other district schools.

MS. TAYLOR confirmed that the Harborview Elementary School library and nurse are used to support the charter school.

REPRESENTATIVE FAIRCLOUGH observed that the charter school's funding multiplier may be lower due to the fact that it accesses other school's resources.

REPRESENTATIVE NEUMAN remarked:

... we'd all love to have smaller schools ... I am a huge supporter of charter schools ... but, I think ... that the efficiencies that you gain are borne by other schools. ... Do you feel that, maybe if we hear from the [EED], ... because you have a smaller class size that that burden is passed along to another school. Would you support that?...

MS. TAYLOR restated that the school is small but the class size is comparable to other schools in the Juneau School District.

REPRESENTATIVE NEUMAN further asked whether Ms. Taylor would support lowering the ADM to 100, if doing so places a financial burden on other school districts.

[4:02:41 PM](#)

MS. TAYLOR responded that some charter schools are limited to a lower enrollment by the space available.

[4:03:22 PM](#)

MARY HAKALA informed the committee that she was one of the founders of the Juneau Community Charter School, and stated her recognition of the importance of mainstream public schools. She explained that the charter schools fill a different and unique niche with strengths and challenges. Ms. Hakala stressed that a small school is programmatically the best choice for some situations and communities. It is important not to break up a large school into many small schools; however, funding a small school at the same rate as a school of 1,500 is unreasonable. The small charter schools are asking for a balanced level of funding through the revision of the funding formula.

[4:07:02 PM](#)

BARBARA THURSTON stated that she was a parent of a child attending the Juneau Community Charter School and of a child in a neighborhood school. She told the committee that there is nothing magic about the enrollment limit of 150; in fact, the initial charter school authorization may have been for schools of 200. However, current legislation dictates that when a charter school's enrollment drops from 150 to 149, it receives a 40 percent funding drop and cannot keep its doors open. Ms. Thurston pointed out that if the charter school was closed it would cost the district additional money to house the students in other schools at a higher rate per student. Additionally, every child should be funded at an equal level, regardless of which school they attend. Ms. Thurston said that the funding level for the Juneau Community Charter School is at the .84 level, but not because the school receives services from the district. The charter school pays a set amount and is provided with legal services and payroll. She opined that other district resources are not used on this school. Ms. Thurston closed by saying that small charter schools deserve comparable funding.

[4:10:41 PM](#)

REPRESENTATIVE GARDNER commented that charter school students enjoy involved and motivated parents.

CHAIR WILSON acknowledged the emotional charge behind this issue, based on the parent's involvement.

[4:11:27 PM](#)

REPRESENTATIVE NEUMAN asked Eddy Jeans for an explanation of the basis of the 150 student ADM minimum.

MR. JEANS explained that the minimum was not a recommendation by EED. SB 36 set the minimum at 200 for alternative and charter schools. He said that the policy, set by the legislature, was amended in 2000 to reduce the minimum for charter schools to 150.

[4:12:50 PM](#)

REPRESENTATIVE NEUMAN further asked whether EED would support a reduction in the ADM.

MR. JEANS answered that it would not take money from one school to another to fund a change in the ADM, but it would require more state support to fund the resulting larger entitlement.

[4:13:42 PM](#)

REPRESENTATIVE NEUMAN remarked:

But, again, Eddy, you said if the state puts more money in a pot, that if there's an amount that's given, for schools, you know, there is only one pot and if you take and lower it the money has to come from somewhere else.

MR. JEANS said:

... I've been administering the foundation program since 1986, there's only been one time that the funding formula was underfunded intentionally by the legislature. And actually it wasn't even by the legislature, it was by executive order under Governor Sheffield. The legislature has always fully funded

the entitlements based on the statutory calculation for the foundation program. So, if you amend this, down to 100, I would anticipate that when we come back and do our budget request next year, that the legislature would fully fund that request...

REPRESENTATIVE NEUMAN said:

Earlier you said that you would support this at the 150 level, ... but you didn't think you would support it at the 100. ... Is that correct?

MR. JEANS answered:

That is correct. ... We believe that the 150 student threshold is a good policy decision to make. Most elementary schools in the state have over 250 students in them. And so, you have already set a lower benchmark for the charter schools. ... We're very supportive of charter schools, but the state also needs to look at the efficiencies of those operations and how that plays out with other schools in the communities.

[4:16:03 PM](#)

HARIETTE MILKS informed the committee that she is a parent at the Juneau Community Charter School. She stressed that school enrollment is unpredictable, and a drop in enrollment and in the corresponding funding can be devastating to a school. Ms. Milks said that the Juneau Community Charter School is small because it cannot secure a lease for a larger space due to the unpredictability of funding. Additionally, there are many interactions between the charter school and the community schools. She concluded by saying that the charter school teachers attend the in-services and professional development training programs required of all public school teachers.

[4:18:46 PM](#)

REPRESENTATIVE NEUMAN asked for the grade level of the students at the Juneau Community Charter School.

MS. MILKS replied that the school population is kindergarten through sixth grade and there are three teachers. She described the classes.

4:19:35 PM

CHAIR WILSON closed public testimony.

4:19:50 PM

REPRESENTATIVE NEUMAN stated that the parents make a good case for small schools. However, with strict budget constraints, increasing funding is difficult.

REPRESENTATIVE NEUMAN, at the request of the sponsor, offered a conceptual amendment to change HB 157, as follows

Page 1, lines 5 and 8;
Delete "100"
Insert "150"

4:20:42 PM

CHAIR WILSON announced that, hearing no objection, the conceptual amendment was adopted.

4:20:52 PM

REPRESENTATIVE FAIRCLOUGH asked whether charter schools pay an administrative fee to the umbrella school district.

MR. JEANS said yes. He added that there is a statutory limit that the school district can not charge more than the indirect rate for federal programs. Through the charter school process, unique contracts are established with each school district. However, the statute states that a charter school gets the state funding that it generates, less the indirect rate. Mr. Jeans noted that school districts and charter schools can negotiate special education and special needs allotments.

REPRESENTATIVE FAIRCLOUGH then asked what charter schools have access to, within the other community schools.

MR. JEANS explained that other categories, besides teacher in-service and training, would include normal administrative services such as, budgeting, payroll and computer services.

REPRESENTATIVE FAIRCLOUGH further asked whether there is another reason, besides the administrative services, for the multiplier to be different for charter schools.

MR. JEANS explained that the multiplier was established by policy decision under SB 36. Funding the charter school the same as the high school is not necessarily correct, but it is the policy today. Mr. Jeans suggested a policy change for schools with an ADM of 75 to 150 students, that would affect four charter schools in the state. However, he stressed that the legislature must make any changes to policy.

[4:25:07 PM](#)

REPRESENTATIVE NEUMAN asked for clarification on the funding of charter schools.

MR. JEANS explained that the funding is the same for charter schools and neighborhood schools with enrollments of over 150 students. However, smaller charter schools are funded at the level of the largest school in its district. This is a policy decision by the legislature that prevents a proliferation of charter schools, with enrollments of 45 students, that would be too costly to fund.

[4:26:49 PM](#)

REPRESENTATIVE SEATON observed that the Homer charter school exists within the community school building. He then said:

The additional services that are provided to the charter school you know, whether it's nurses ... all those other things, are you saying that those other services above the indirect cost could be charged to the charter school budget or is the amount that goes to the charter school strictly a pass through and you can only take out ... three and one-half percent indirect cost.

MR. JEANS said:

The statute says that the district shall allocate the amount of money generated by that charter school less the indirect, or those indirect services, which typically are your personnel, payroll, budgeting, computing, those types of services that you would do on a district wide basis. But the statute also allows through the contract process, negotiations for other services. ... Over the years we've had a lot of problems with the indirect rate. What's included in that. ... Some years, when districts are feeling they

have the resources to support the charter school, they provide all kinds of services ... When money gets tight, they start backing off on those services. ... So, what I encourage charter schools and districts to do is be very specific, [about] what services you are providing for that indirect cost.

[4:29:05 PM](#)

REPRESENTATIVE NEUMAN moved to report HB 157, 25-LS0556\C, as amended, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE GARDNER objected, and then removed her objection.

[4:29:46 PM](#)

REPRESENTATIVE ROSES commented that charter schools are begun for various reasons; by parents, by teachers, for philosophical reasons, for language immersion purposes, or for scheduling convenience. He then said:

So, we need to be very clear that not all of them were started with the intent of having great academics, or academics greater than where they were, but there were other ulterior motives. ... That doesn't necessarily mean that the kids weren't being served well ...

[4:31:19 PM](#)

REPRESENTATIVE FAIRCLOUGH stated her support for the bill; however, the state of Alaska is facing challenges with oil revenues on the decline. She then remarked:

... speaking for myself, there are very real issues out there in looking at how we are going to fund many of the programs that are out there, as well as ensuring a quality education, which I believe is our constitutional responsibility as the state of Alaska, and so, just for the record, we have not received revenue projections that show that we have any kind of new dollars. We do know that we have a one-time revenue stream that's coming in excess, and that there is conversation about savings. ... I certainly don't disregard any of the testimony that we've heard today, from smaller charter schools. ... I'm very supportive of looking at charter schools and what they do, but I

also have to balance what's going forward in the budget as a whole and I believe Representative Ramras pointed out that when we have two co-chairs of our finance committee saying that they're supporting [the ADM of] 150 because that's the policy decision that has economies, I listen to that.

[4:34:05 PM](#)

REPRESENTATIVE GARDNER removed her objection.

[4:34:14 PM](#)

CHAIR WILSON announced that, there being no further objection, CSHB 157(HES) was reported out of House Health, Education and Social Services Standing Committee with individual recommendations and the accompanying fiscal notes.

CONFIRMATION HEARING(S):

Board of Education and Early Development

[4:35:35 PM](#)

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Patrick Shier to the Board of Education and Early Development.

PATRICK SHIER informed the committee that he is humbled and honored to be appointed to the Board of Education and Early Development. He noted that the governor has asked him to bring to the board his expertise in vocational education and educational alternatives.

[4:36:07 PM](#)

REPRESENTATIVE GARDNER asked for an explanation of "change agent."

[4:36:32 PM](#)

MR. SHIER explained that he is often the source of new and different ideas about shrinking budgets and other issues.

[4:36:41 PM](#)

REPRESENTATIVE ROSES noted the amount of work involved in this appointment.

[4:37:07 PM](#)

REPRESENTATIVE FAIRCLOUGH asked about the various communities in which Mr. Shier has lived.

[4:37:21 PM](#)

MR. SHIER answered that he has lived principally in Fairbanks and Juneau from territorial time, and has traveled extensively to various bush communities. In his capacity with the Department of Labor & Workforce Development (DLWD) he has been involved with distance education to rural students.

[4:37:56 PM](#)

REPRESENTATIVE FAIRCLOUGH asked him to comment on his union and non-union experience, and work force development.

[4:38:34 PM](#)

MR. SHIER responded that his experience began with his family's business and heavy-equipment operation. He said that he was self-employed while attending the University of Alaska, Fairbanks, where he pursued an accounting degree.

[4:39:17 PM](#)

REPRESENTATIVE GARDNER asked for Mr. Shier's opinion on being a home educator, and on the current push for state supported pre-kindergarten programs.

MR. SHIER stated that his children have been partially home schooled, but home schooling is not for everyone. He cited successes in all of the educational options in the state. He opined that pre-kindergarten is effective for some groups; however, it is not necessary for every child.

[4:41:31 PM](#)

CHAIR WILSON asked whether there were any objections to the advancement of the confirmation. There being none, the confirmation of Patrick Shier to the Board of Education and Early Development was advanced from the House Health, Education and Social Services Standing Committee.

[4:41:44 PM](#)

Professional Teaching Practices Commission

[4:41:56 PM](#)

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Braxton "Eddy" Jeans to the Professional Teaching Practices Commission.

BRAXTON "EDDY" JEANS, informed the committee that he was nominated by the Department of Education and Early Development (EED) with the support of the governor.

[4:42:51 PM](#)

REPRESENTATIVE GARDNER asked whether the nomination was thrust upon the appointee.

MR. JEANS said that he did not seek this nomination, but was requested to represent EED by the commissioner.

[4:43:54 PM](#)

REPRESENTATIVE ROSES expressed his confidence in Mr. Jeans' ability to serve on this professional board.

[4:45:00 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Braxton "Eddy" Jeans to the Professional Teaching Practices Commission was advanced from the House Health, Education and Social Services Standing Committee.

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Michael D. Husa to the Professional Teaching Practices Commission.

[4:45:41 PM](#)

MICHAEL HUSA informed the committee that he was honored to be nominated to the commission and was looking forward to the challenge of serving, if confirmed.

[4:46:15 PM](#)

REPRESENTATIVE ROSES provided words of confidence in this appointment.

[4:46:42 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Michael Husa to the Professional Teaching Practices Commission was advanced from the House Health, Education and Social Services Standing Committee.

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Cindy Lou Aillaud to the Professional Teaching Practices Commission.

[4:46:55 PM](#)

CINDY LOU AILLAUD informed the committee that it was an honor to be appointed to the commission and expressed her desire to serve.

[4:48:11 PM](#)

REPRESENTATIVE ROSES observed that he has worked with Cindy and stated his support for her confirmation.

[4:48:30 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Cindy Lou Aillaud to the Professional Teaching Practices Commission was advanced from the House Health, Education and Social Services Standing Committee.

[4:48:52 PM](#)

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Jeffrey Hebard to the Professional Teaching Practices Commission.

REPRESENTATIVE FAIRCLOUGH offered a positive opinion based on her review of his resume.

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation

of Jeffrey Hebard to the Professional Teaching Practices Commission was advanced from the House Health, Education and Social Services Standing Committee.

State Medical Board

[4:50:12 PM](#)

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Jean Tsigonis M. D., to the State Medical Board.

[4:50:36 PM](#)

JEAN TSIGONIS, M.D., informed the committee that she was asked to serve and accepted the nomination. Her understanding of the work is to oversee the level of medical care in the state and to support practicing physicians.

REPRESENTATIVE FAIRCLOUGH asked about the frequency of board meetings.

DR. TSIGONIS replied that the board meets at least four times per year for two-day sessions.

REPRESENTATIVE FAIRCLOUGH asked whether Dr. Tsigonis has the time to participate.

DR. TSIGONIS stated that she has blocked out time for the meetings, although the time away from her patients is a sacrifice.

[4:52:46 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Jean M. W. Tsigonis M. D., to the State Medical Board was advanced from the House Health, Education and Social Services Standing Committee.

University of Alaska Board of Regents

[4:52:52 PM](#)

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Tim Brady to the University of Alaska Board of Regents.

TIM BRADY informed the committee that he was appointed, in 2005, to fill a vacated position. He stated that he is committed to the mission statement of the university, to the further development of the campuses, and to the educational opportunities of youth.

[4:53:54 PM](#)

REPRESENTATIVE NEUMAN asked whether the current level of funding for the university is adequate.

MR. BRADY said no. He added that the legislature should consider the university to be an investment, not an expenditure. The budget for this year was \$70 million; however, \$37 million was dedicated to the Public Employees' and Teachers' Retirement System (PERS/TRS), approximately \$17 million was dedicated to fixed costs, and \$15 million was available for program enhancement and growth. Mr. Brady opined that securing the funds necessary to maintain a high level of educational opportunities is a battle.

REPRESENTATIVE NEUMAN questioned how the state will continue to fund the university, considering the looming budget deficit.

MR. BRADY observed that the university is doing its part by raising tuition and holding fundraising events. He suggested funding education on a two-year basis in order to save time and energy.

[4:57:36 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Tim Brady to the University of Alaska Board of Regents was advanced from the House Health, Education and Social Services Standing Committee.

[4:57:52 PM](#)

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Fuller Cowell II to the University of Alaska Board of Regents.

FULLER COWELL II stated that the University of Alaska is one of the state's most important assets. He said that he has personally benefited from the university system and he is honored to be considered for the board of regents.

[4:58:39 PM](#)

REPRESENTATIVE GARDNER commented on Mr. Cowell's history of public service.

[4:59:02 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Fuller Cowell II to the University of Alaska Board of Regents was advanced from the House Health, Education and Social Services Standing Committee.

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Patricia A. Jacobson to the University of Alaska Board of Regents.

[4:59:27 PM](#)

PATRICIA JACOBSON informed the committee that she attained her master's degree from the University of Alaska and has maintained a relationship with the university for 37 years. She said that the university is a worthwhile and critical institution, and that her appointment is a honor.

[5:00:37 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Patricia A. Jacobson to the University of Alaska Board of Regents was advanced from the House Health, Education and Social Services Standing Committee.

CHAIR WILSON announced that the next order of business would be the consideration of the appointment of Kirk Wickersham to the University of Alaska Board of Regents.

[5:01:06 PM](#)

KIRK WICKERSHAM stated that he is a graduate of the University of Alaska, Fairbanks, and he praised the education he received

there. Mr. Wickersham said that he looks forward to supporting the mission of the university, and it is a privilege to serve the state.

5:01:58 PM

REPRESENTATIVE ROSES asked whether Mr. Wickersham believes there is an inequitable share of funding going to the Fairbanks campus versus the Anchorage campus.

MR. WICKERSHAM replied that there are many funding sources for the university such as, federal, private, and business research grants. He opined that many of these grants are garnered by the Fairbanks campus. Mr. Wickersham expressed his intention to study the budget during his term on the board.

REPRESENTATIVE ROSES suggested that the board discuss this perception of inequity.

5:04:49 PM

REPRESENTATIVE SEATON asked whether members of the board have discussed the senate bill that will separate the funding of regional colleges and the university. The intent of the bill is to maintain an "equal cost for credit" between schools.

MR. WICKERSHAM asked for clarification of the question.

REPRESENTATIVE SEATON explained that the tuition charges are the same per credit for the community colleges and the university.

MR. WICKERSHAM replied that this is an issue that could be addressed. He is not familiar with the senate bill, but expressed his hope that the unified body of the university would remain unified, no matter how diversified the courses and degrees offered. As far as the charges, accessibility, and affordability, Mr. Wickersham opined that these are issues that the board should address.

5:08:05 PM

REPRESENTATIVE NEUMAN recalled that the sale of some of the agricultural land at the University of Alaska, Fairbanks, experimental farm is being considered. He expressed his concern about the possibility.

MR. WICKERSHAM answered that, among other things, the farm fields are some of the most beautiful lands in the state, and he is not aware of a move to sell the experimental farms on the Anchorage or Fairbanks campuses.

[5:09:38 PM](#)

CHAIR WILSON asked whether there were any objections to advancing this confirmation. There being none, the confirmation of Kirk Wickersham to the University of Alaska Board of Regents was advanced from the House Health, Education and Social Services Standing Committee.

[5:10:21 PM](#)

HB 181-TRAFFIC OFFENSES: FINES/SCHOOL ZONES

[5:10:37 PM](#)

CHAIR WILSON announced that the final order of business would be HOUSE BILL NO. 181, "An Act relating to traffic offenses and traffic offenses committed in a school zone; and providing for an effective date."

[5:10:52 PM](#)

ROBERT MYERS JR., Intern to Representative Peggy Wilson, Alaska State Legislature, provided the sectional analysis for HB 181. He told the committee that, when speaking of car versus pedestrian, slower is better. Section 1 of HB 181 provides for double traffic fines for an infraction in a school zone. Section 2 doubles the demerit points for multiple moving violations in school zones. Section 3 raises the maximum fines to \$1,000. Section 4 defines "school zone". Section 5 annuls 13 AAC 02.325(d) and 13 AAC 03.325(d). Section 6 sets the effective date for the act, if passed. Mr. Robert Myers Jr. explained that the committee substitute (CS) adds a new section to Section 2 that limits the multiple violations to within 24 months. In addition, the CS will change the effective date to provide the Division of Motor Vehicles (DMV), Department of Administration (DOA) time to update its computer systems. An effective date of 2012, will allow for the programming time needed and will potentially eliminate the fiscal note. Prior to the effective date, data on moving violations in school zones will be analyzed for effectiveness.

[5:16:39 PM](#)

REPRESENTATIVE GARDNER asked whether the double points would mean that a person could get two moving violations in a school zone, within 24 months, and lose driving privileges.

MR. ROBERT MYERS JR. affirmed that possibility.

REPRESENTATIVE GARDNER remarked, "That seems a little Draconian to me if both of those offenses were when children aren't present."

MR. ROBERT MYERS JR. explained that the definition in Section 4 specifies that the higher fines are in effect when the signs are operational.

[5:18:23 PM](#)

REPRESENTATIVE NEUMAN asked whether the school zones signs indicate times.

MR. ROBERT MYERS JR. responded that the Department of Transportation & Public Facilities (DOT&PF) has three school zone signs that define times: red lights flashing; 7a.m.-5p.m. School Days; and When Children Present.

REPRESENTATIVE NEUMAN noted that marked crosswalks are sometimes obscured by heavy snow.

MR. ROBERT MYERS JR. answered that HB 181 replaces the marked crosswalk definition with speed zone signs.

REPRESENTATIVE NEUMAN referred to the \$1,000 fine, and asked whether that amount is typical for a traffic violation.

MR. ROBERT MYERS JR. informed the committee that the \$1,000 fine is a high level for a traffic fine; however, some states require jail time for speeding when not in a school zone. This amount is on equal footing with reckless driving. It is conceivable that, even with current fines, if you are traveling over 20 miles per hour in a school zone, you would be fined over \$300.

[5:23:38 PM](#)

BOB MYERS, Custodian, Fairbanks Public Schools, speaking as an individual, stated his support for HB 181. As a part-time crossing guard, he reported on the many dangerous driving

situations he has observed. Distracted drivers are a common sight, and the crosswalk is not monitored in the afternoon, due to funding constraints. Mr. Bob Myers pointed out that federal mandates are provided for educating our children, but not for protecting them while getting to and from school. He offered traffic injury figures from a survey from across the nation, with specific statistics from Yakima, Washington.

REPRESENTATIVE GARDNER observed that some of the alarming descriptions of poor driving are already traffic infractions. She suggested that enforcing existing laws may solve the problem.

MR. BOB MYERS expressed his belief that incentives to increase compliance are necessary.

[HB 181 was held over with public testimony open.]

[5:30:18 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Health, Education and Social Services Standing Committee meeting was adjourned at 5:30 p.m.