

ALASKA STATE LEGISLATURE
SENATE SPECIAL COMMITTEE ON EDUCATION

January 30, 2008

8:07 a.m.

MEMBERS PRESENT

Senator Gary Stevens, Chair
Senator Charlie Huggins, Vice Chair
Senator Bettye Davis
Senator Donald Olson
Senator Gary Wilken

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 240

"An Act relating to school funding, the base student allocation, district cost factors, and the adjustments for intensive services and average daily membership calculations; and providing for an effective date."

MOVED SB 240 OUT OF COMMITTEE

SENATE CONCURRENT RESOLUTION NO. 15

Proposing an amendment to the Uniform Rules of the Alaska State Legislature relating to standing committees.

MOVED CSSCR 15 (SED) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 240

SHORT TITLE: EDUCATION FUNDING

SPONSOR(S): SENATOR(S) STEVENS BY REQUEST OF JT LEG EDUCATION FUNDING TASK FORCE

01/18/08	(S)	READ THE FIRST TIME - REFERRALS
01/18/08	(S)	SED, FIN
01/30/08	(S)	SED AT 8:00 AM BUTROVICH 205

BILL: SCR 15

SHORT TITLE: AMEND UNIFORM RULES: STANDING COMMITTEES

SPONSOR(S): SENATOR(S) STEVENS BY REQUEST OF JT LEG EDUCATION FUNDING TASK FORCE

01/18/08 (S) READ THE FIRST TIME - REFERRALS
01/18/08 (S) SED, STA
01/30/08 (S) SED AT 8:00 AM BUTROVICH 205

WITNESS REGISTER

TIM LAMKIN, Staff
Senator Stevens
Alaska State Capitol
Juneau, AK

POSITION STATEMENT: Presented an overview of SB 240

EDDY JEANS, Director
School Finance
Department of Education and Early Development
Juneau, AK

POSITION STATEMENT: Presented overview of the education task force

JOHN ALCANTRA, Government Relations Director
NEA-ALASKA (National Education Association-Alaska)
Anchorage, AK

POSITION STATEMENT: Supported SB 240 and SCR 15

MARY FRANCIS, Executive Director
Council of School Administrators
Juneau, AK

POSITION STATEMENT: Supported SB 240

BRUCE JOHNSON, Director
Alaska Association of School Boards (AASB)
Juneau, AK

POSITION STATEMENT: Supported SB 240

DAVE JONES
Kodiak, AK

POSITION STATEMENT: Supported SB 240

ACTION NARRATIVE

CHAIR GARY STEVENS called the Senate Special Committee on Education meeting to order at [8:08:07 AM](#). Present at the call to order were Senators Wilken, Olson, Davis, Huggins and Stevens.

SB 240-EDUCATION FUNDING

8:08:58 AM

CHAIR STEVENS announced the consideration of SB 240.

TIM LAMKIN, staff, Senator Stevens, sponsor of SB 240, presented an overview. He said the Joint Legislative Education Funding Task Force (JLEFT) that met this summer forwarded five pieces of legislation. The first a three-year step-down funding mechanism for schools that face a decrease in their Average Daily Membership (ADM). The second component is an increase in the current multiplier [of 5 times Base Student Allocation (BSA)] for intensive services to 9, 11 and 13 over the next three years. The third component is a phase-in of the Institute of Social and Economic Research (ISER) District Cost Factor (DCF) numbers and finally an increase of \$100 per year to the BSA over the next three fiscal years.

8:11:05 AM

EDDY JEANS, Director, School Finance, Department of Education and Early Development, presented an overview of the task force conclusions and said the governor is supportive of the task force's work. He said that adopting the results of the ISER study means adopting the increases over a five-year period, 50 percent the first year and then 12.5 percent the following four years. It also proposed that declining enrollment be held harmless. He said the piece that's missing from the bill is people transportation re-calibration.

He said the governor announced her education funding package in December and basically endorses the work of the task force with one minor adjustment. She would like to see the BSA increased to \$200 per student over the three year period. The \$100 increase represents about a 2 percent annual increase. Inflation has been running 3 percent or more. The \$200 level represents a 4 percent increase so it would be slightly ahead of inflation.

CHAIR STEVENS said he appreciated the governor's interest in increasing the BSA but he said he would be comfortable with the \$100 increase. He said he also prefers not to include people transportation at this time since it will probably find its way into the bill in the Finance Committee.

8:15:05 AM

SENATOR HUGGINS asked what the growth trend line was for funding and said he was concerned that it does not seem to be sustainable over time.

MR. JEANS replied that the state had pro-rated the foundation program only once in 1987, when all state funding was pro rated 10 percent due to oil prices dropping. He said education should be the budget's highest priority.

[8:18:03 AM](#)

JOHN ALCANTRA, Government Relations Director, NEA-ALASKA (National Education Association-Alaska), said this past weekend 400 of the 13,000 members met in Anchorage and the members would like to see the \$200 increase. He recalled growing up in Anchorage when there were no fees for public school and for things that provide a well-rounded education, for example, to play sports, buy science equipment or join the band. His widowed mother with 10 kids could not have afforded any of those fees. This bill could address those problems.

CHAIR STEVENS reiterated that he's not opposed to the \$200 level, but that it's more appropriate to be addressed by the Finance Committee.

[8:22:27 AM](#)

MARY FRANCIS, Executive Director, Council of School Administrators, said the council's Resolution Number 16 supported the task force's recommendation. It also supported a \$200 BSA with a three-year implementation of the District Cost Factor (DCF).

CHAIR STEVENS commented that he was blown away by the cost of special education.

[8:24:53 AM](#)

SENATOR WILKEN said he appreciated the fact that the Council of School Administrators is one of the few organizations that supported using the earnings from the Permanent Fund to fund government.

[8:25:27 AM](#)

BRUCE JOHNSON, Director, Alaska Association of School Boards (AASB), said his organization supports the bill.

[8:28:24 AM](#)

SENATOR HUGGINS asked him what he recommended concerning the audit of the special needs component.

MR. JOHNSON replied that the association sees it as an appropriate role for the Department of Education and Early Childhood Development. Districts need time frames that allow

enough lead time to implement audits effectively. Their job is to secure as much money as they can within the guidelines. It is more punishing to children than it is to districts when there are errors.

[8:31:02 AM](#)

DAVE JONES, Kodiak, said as a participant of the task force, that he supported moving the bill.

[8:33:20 AM](#)

SENATOR WILKEN said that when the bill gets to the Finance Committee, they should have Mr. Jeans talk about the Moore study [Moore, et al. v. State of Alaska]. The judge found that the state was funding education adequately although some districts were found to need better student preparation for exit exams. The judge who ruled on the conclusions based on the study has scheduled a final hearing for June.

SENATOR HUGGINS said he is looking forward to finally funding early education this session.

SENATOR HUGGINS moved to report SB 240 from committee with individual recommendations and the attached fiscal note(s).

SENATOR WILKEN objected and added that he agreed with changing the BSA with the proviso that funding is from new money and not taken from someplace else. He also agreed with the step-down provision. He didn't agree with the basis for the BSA. He also said the ISER study is not understandable or defensible and he did not support the bill moving forward.

[8:39:17 AM](#)

CHAIR STEVENS said the bill may not be perfect but moves the issue forward.

[8:39:40 AM](#)

SENATOR OLSON joined the meeting and said that he fully supports moving the bill forward.

[8:40:38 AM](#)

CHAIR STEVENS called for a roll call vote. Senators Davis, Olson, Huggins and Stevens voted yea; Senator Wilken voted nay; and SB 240 moved out of committee.

SCR 15-AMEND UNIFORM RULES: STANDING COMMITTEES

[8:40:51 AM](#)

CHAIR STEVENS announced the consideration of SCR 15.

TIM LAMKIN, staff, Senator Stevens, sponsor of SCR 15 said the most immediate recommendation of the Joint Legislative Education Funding Task Force (JLEFT) was to create a standing education committee. Referring to a spread sheet of standing education committees among state legislatures, he said he discovered that there are only three states in the country that don't have a stand-alone education committee in at least one body of the legislature.

[8:42:55 AM](#)

CHAIR STEVENS said he thought the state should have a standing committee. He said the biggest objection has been finding a time to meet and members, but pointed out that there has been no difficulty in filling the special committee.

SENATOR WILKEN said he didn't think having a standing education committee was a good idea. He said he speaks with some experience having chaired the HES committee for six years. He said he never thought it was over-worked and, in the world of 90-day sessions, it's going to be a lot easier to stop legislation. A standing committee would give a senate president opportunity to make it difficult for legislation he or she may not agree with. He also believed it would be difficult to man the committee and noted that Alaska has one of the smallest senates in the US. He suggested that if it is passed, it have a mandatory sunset clause that can be revisited.

CHAIR STEVENS pointed out that in the past few years the university only reports to the Finance Committee. He said he thought the legislature should look at what the university is doing, not just what it is spending, another reason, he said, for a standing committee.

[8:46:44 AM](#)

SENATOR DAVIS said she has wanted to see a standing education committee since she first joined the legislature in 1991. She said HES has a lot of responsibility for one person to chair. She said she has no problem with a sunset clause.

[8:48:58 AM](#)

SENATOR OLSON asked if educators will be presenting testimony.

EDDY JEANS, Director, School Finance, Alaska Department of Education and Early Development, said the reason the task force recommended the standing committee is because it recognized

other issues that needed to be addressed, issues considered this summer on which the task force could not reach consensus. Much more research and committee meetings will be required to get an understanding of those issues. That includes charter schools, correspondence and home schooling, special needs block grants, vocational technology programs, required local effort, the Moore Vs Alaska case, innovative and best practices grants, and voluntary pre-K programs. The administration is supportive of a standing committee and the concept of a five-year review.

CHAIR STEVENS said he would add university oversight to that list.

[8:51:13 AM](#)

JOHN ALCANTRA, Director, Government Relations, NEA-Alaska, said this past weekend the members passed a resolution in support of this legislation. With the new 90-day session, a standing committee on education will allow five senators and seven representatives to focus on the issues that Mr. Jeans spoke of, and it will give everything longer hearings. As mentioned by other senators, there was no problem filling the five spots on this special committee. This is important, he concluded.

[8:53:00 AM](#)

SENATOR HUGGINS moved to report SCR 15 from committee with individual recommendations and attached fiscal note(s).

SENATOR WILKEN proposed preparing a committee substitute to be heard on Friday that would include the sunset amendment.

SENATOR OLSON said he wanted this to move as soon as possible and was concerned about having a quorum on Friday.

[8:56:35 AM](#)

SENATOR HUGGINS said with 90-day sessions, he was concerned about creating more committees for people to participate in.

SENATOR WILKEN said that if a majority member asks for a bill to be assigned to their committee, he can't imagine that it would be refused. He believed that a new committee would present an opportunity for taking advantage of the ability to hold up a bill.

SENATOR DAVIS said that could happen in a special committee as easily as in a standing committee. If you want something to be killed it can be done the way things are now.

CHAIR STEVENS said he's seen this happen mostly on the floor if someone is chairing a committee and they realize that the bill has not been assigned to them, they take an 'at ease' and ask the President to add their committee to the referrals.

SENATOR DAVIS agreed that that was what she does as chair of the HES Committee when bills with an education component.

SENATOR HUGGINS withdrew his motion [to move SCR 15].

[9:01:26 AM](#)

SENATOR OLSON said that the Department of Health, Education, and Social Services has such big budgets and broad issues that having a standing education committee allows people to have a single committee they can go to and allows the chair of HES to focus more on health and social services. He said because of that he wanted to move the bill as soon as possible. He said if it moves today, it needs to have Senator Wilken's amendment.

SENATOR OLSON moved to bring SCR 15 before the committee again. There were no objections.

[9:03:51 AM](#)

SENATOR WILKEN moved conceptual Amendment 1 calling for a five-year mandatory sunset.

SENATOR DAVIS cautioned that if this amendment is adopted, the resolution will have to go back to the House for concurrence because this bill was already passed.

CHAIR STEVENS asked for a roll call vote on conceptual Amendment 1. Senators Wilken, Huggins, Olson and Davis voted yea; Senator Stevens voted nay; and conceptual Amendment 1 was adopted.

CHAIR STEVENS called for a roll call vote to move CSSCR 15(SED) from the committee. Senator Davis, Olson, Wilken and Stevens voted yea; Senator Huggins voted nay. Therefore, CSSCR 15(SED) moved from committee.

There being no further business to come before the committee, CHAIR STEVENS adjourned the meeting at [9:07:18 AM](#).