

**ALASKA STATE LEGISLATURE  
JOINT MEETING  
HOUSE EDUCATION STANDING COMMITTEE  
SENATE EDUCATION STANDING COMMITTEE**

February 3, 2010

8:05 a.m.

**MEMBERS PRESENT**

HOUSE EDUCATION STANDING COMMITTEE

Representative Paul Seaton, Chair  
Representative Cathy Engstrom Munoz, Vice Chair  
Representative Bryce Edgmon  
Representative Wes Keller  
Representative Peggy Wilson  
Representative Robert L. "Bob" Buch  
Representative Berta Gardner

SENATE EDUCATION STANDING COMMITTEE

Senator Kevin Meyer, Co-Chair  
Senator Joe Thomas, Co-Chair  
Senator Bettye Davis, Vice Chair  
Senator Charlie Huggins  
Senator Donald Olson  
Senator Gary Stevens

**MEMBERS ABSENT**

HOUSE EDUCATION STANDING COMMITTEE

All members present

SENATE EDUCATION STANDING COMMITTEE

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 297

"An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

-HEARD & HELD

SENATE BILL NO. 224

"An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

-HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 297

SHORT TITLE: POSTSECONDARY SCHOLARSHIPS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/19/10	(H)	READ THE FIRST TIME - REFERRALS
01/19/10	(H)	EDC, FIN
02/03/10	(H)	EDC AT 8:00 AM BARNES 124

BILL: SB 224

SHORT TITLE: POSTSECONDARY SCHOLARSHIPS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/19/10	(S)	READ THE FIRST TIME - REFERRALS
01/19/10	(S)	EDC, FIN
02/03/10	(S)	EDC AT 8:00 AM BARNES 124

**WITNESS REGISTER**

LARRY LEDOUX, Commissioner

Department of Education and Early Development (EED)

Juneau, Alaska

**POSITION STATEMENT:** Presented HB 297 and companion bill SB 224.

JAMES CAILLIER, Executive Director

Patrick F. Taylor Foundation

New Orleans, Louisiana

**POSITION STATEMENT:** Introduced the Patrick F. Taylor Foundation and the Taylor Plan for educational reform.

BILL SCHILLING, President

Wyoming Business Alliance/Wyoming Heritage Foundation

Casper, Wyoming

**POSITION STATEMENT:** Explained how the Taylor Plan was implemented in Wyoming as the Hathaway Plan.

**ACTION NARRATIVE**

8:05:26 AM

**CO-CHAIR JOE THOMAS** called the joint meeting of the House and Senate Education Standing Committees to order at 8:05 a.m. Present at the call to order from the House Education Standing Committee were Representatives Seaton, Peggy Wilson, Edgmon, Buch, and Gardner; Representatives Munoz and Keller arrived as the meeting was in progress. Present at the call to order from the Senate Education Standing Committee were Senators Thomas, Meyer, Huggins, Olson, Stevens, and Davis.

**HB 297-POSTSECONDARY SCHOLARSHIPS**  
**SB 224-POSTSECONDARY SCHOLARSHIPS**

8:06:29 AM

CO-CHAIR THOMAS announced that the only order of business would be HOUSE BILL NO. 297/SENATE BILL NO. 224, "An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

CO-CHAIR THOMAS reminded the members that since this is a joint meeting, the committees are not planning any action on the legislation, but are hearing testimony only.

8:07:38 AM

LARRY LEDOUX, Commissioner, Department of Education and Early Development (EED), provided an outline for HB 297 and SB 224. Commissioner LeDoux opined the path to an increase in the high school graduation rate is to raise the standards and expectations for high school students. He introduced the handout for the Governor's Performance Scholarship (GPS) program, titled "An Invite to Excellence and Rigor," and noted that the program is an invite and contract for kids to excel, and a challenge to communities to demand more of their students. The goals of the program are: increase the high school graduation rate; more high school students taking rigorous curriculum; more course offerings in high school; more high school students prepared for postsecondary; more-affordable postsecondary; more use of in-state postsecondary; contribute to a college-going culture; increase the rigor of courses

statewide. Commissioner LeDoux stressed that information about college scholarships must be readily available to parents and students; in fact, the GPS program calls for a six-year plan during which each child and his/her parents meet with a school official, beginning in seventh grade, to look at the possibilities for college. Basically, the scholarship program is open to Alaska high school graduates of home schools, public schools, and private schools. Three levels of academic scholarships and one level of career and technical studies will be funded. The technical schools will be certified by the Department of Labor & Workforce Development (DLWD) and the college programs will be reviewed by the Postsecondary Education Commission. He anticipated that this will encourage the creation of educational institutions in the state, particularly in career technology.

COMMISSIONER LEDOUX noted that the scholarships offer eight semesters of eligibility for college and two years for a career technical school. Qualified students can leave the state for part of their education and then return to use the scholarship for graduate school, and the eligibility continues for six years after high school graduation. A certain grade point average is required to maintain eligibility, and if enacted, the first class to benefit will be students graduating from high school in 2011.

[8:18:01 AM](#)

COMMISSIONER LEDOUX continued to explain that the legislation requires the department to report the intent of the program to the legislature, and to allow for changes to the program if warranted. He spoke of the recognition that would be due students who have earned eligibility at graduation, and of the motivation that honors programs provide. The criteria established for receiving a scholarship are high; in fact, "young people will meet any standard we set for them, as high as it is or low, ... you need high standards, and these criteria are high." The GPS is a cooperative program between agencies and he explained the various roles: high schools will certify the students have met the criteria; EED will be the primary regulatory body; DLWD will certify career and technical schools; the Alaska Postsecondary Education Commission will act as the fiscal agent to ensure adherence to policies.

[8:20:15 AM](#)

COMMISSIONER LEDOUX referred to the three criteria, the first being the applicant has to meet the rigorous curriculum required. Second, achievement tests and grade points are critical, followed by assessments. The assessment to be used is American College Testing (ACT). He cited that there is a direct correlation to a student's ability to perform in college and his/her ACT score. It is expected that the required ACT score will ensure that the student will not have a need for college remediation classes. Additionally, the ACT assessment will support applications from home school, correspondence, or other alternative school graduates. For the vocational scholarship, the WorkKeys assessment will be used to measure the applicant's ability to engage in reading and math.

[8:23:43 AM](#)

COMMISSIONER LEDOUX said the final criterion is curriculum. Students will be expected to complete four years of English, math, and science, and three years of social studies, with options for rural students such as distance education, learning centers, and E-learning opportunities. This goes beyond the core requirements, but statistics indicate that students who apply themselves to this level of study will not require remediation classes in college. The requirements are the same for career scholarships and academic awards. He offered examples of classes that may vary depending on a student's goal, but stressed that every class will be taught to the same standard of rigor. Within the legislation, an option exists to assist certain students who may require an alternative pathway. The commissioner's office can provide waivers to applicants who, for reasons beyond their control, would otherwise not be able to participate. The waiver does not relieve them of the standards to be met, but provides an alternative pathway to achieve the same goals.

[8:27:22 AM](#)

COMMISSIONER LEDOUX reviewed the values of the scholarships: Platinum academic is equal to 100 percent of tuition at the University of Alaska (UA) per year; Gold academic is equal to 75 percent of UA tuition per year; Silver academic is equal to 50 percent of UA tuition per year. Additionally, the Career and Technical awards are actual tuition, up to \$3,000 a year for two years. In order to fund the legislation, the bill directs establishment of the governor's performance scholarship fund consisting of donations, appropriations, and income earned from the investment of fund assets. The legislature would

appropriate funds on an annual basis. Commissioner LeDoux opined the legislation is a "great start" for a program that was under discussion for several months, and concluded that the GPS program will benefit not only those students who are already on their way to college, but also those who believe college is not attainable.

[8:30:09 AM](#)

CO-CHAIR THOMAS confirmed that students will be required to apply for any and all scholarships.

[8:30:29 AM](#)

COMMISSIONER LEDOUX explained that the Free Application for Federal Student Aid (FAFSA) form will serve as the GPS application.

[8:30:44 AM](#)

CO-CHAIR THOMAS agreed that the discussion of higher education needs to begin earlier in school, in order to give students the opportunity to understand how education "can get [them] to a variety of occupations, not necessarily just college, but in this case vocational as well."

[8:31:31 AM](#)

COMMISSIONER LEDOUX, in response to Senator Meyer, said FAFSA establishes how much a student qualifies for in a federal grant, work-study, a subsidized loan, or a Pell Grant.

COMMISSIONER LEDOUX, in further response to Senator Meyer, confirmed that a GPS is based on merit.

[8:32:14 AM](#)

CO-CHAIR MEYER questioned the use of FAFSA for the application form if income is not a issue.

COMMISSIONER LEDOUX explained the FAFSA application is filled out by all students, thus is a "good way for students to apply."

[8:32:40 AM](#)

CO-CHAIR MEYER expressed his support for the program provided there is "equal access for all kids throughout the state."

[8:33:08 AM](#)

COMMISSIONER LEDOUX acknowledged that access to a rigorous curriculum can be more difficult through correspondence; however, part of the catalyst of the program may be to inspire communities to expand offerings at all schools.

[8:34:13 AM](#)

CO-CHAIR MEYER pointed out several questions regarding the curriculum requirements, such as whether four years of math is necessary for an English major, and the lack of courses for foreign languages and the arts. He asked whether the department would consider adjustments to the curriculum.

[8:35:23 AM](#)

COMMISSIONER LEDOUX observed that any legislation will have the mark of the legislature on it, and "flexibility is all part of the process."

[8:36:04 AM](#)

REPRESENTATIVE P. WILSON read a letter from a highly regarded social studies teacher who questioned the curriculum requirement of only three years of social studies.

COMMISSIONER LEDOUX disagreed that four years of social studies is necessary.

[8:37:52 AM](#)

REPRESENTATIVE GARDNER pointed out that establishing the scholarship as a percentage of tuition may encourage a university to raise tuition rates. She suggested changing the structure to provide a set dollar amount instead.

COMMISSIONER LEDOUX advised that the law stipulates that the scholarship will be based on UA tuition for the 2010/2011 school year, and this amount will not change unless authorized by the legislature in reaction to the annual report.

[8:39:46 AM](#)

REPRESENTATIVE GARDNER then asked whether a student can complete the requirements during a fifth year of high school.

COMMISSIONER LEDOUX clarified that the qualification is graduation from high school, thus additional time should not be an issue.

[8:40:46 AM](#)

REPRESENTATIVE GARDNER recalled that the High School Graduation Qualifying Exam (HSGQE) was "watered down to the extent that it no longer reflects what we expect students to know when they graduate from high school." Because there is not an indication of the minimum national score in the assessment, which would guard against "grade inflation" in Alaska's schools, she suggested that minimum scores should be set in statute.

COMMISSIONER LEDOUX advised that minimum scores should not be in legislation because the benchmarks and rubrics for the assessments change over time, and he expressed his belief that EED will "carefully set that standard, given the requirements of this program to be rigorous." Thus, if there was a change in the assessment, the department could respond in a regulatory fashion.

[8:42:19 AM](#)

REPRESENTATIVE GARDNER agreed with Senator Meyer about the use of the FAFSA application because parents may be unwilling to provide the required information. She asked whether students have any recourse.

COMMISSIONER LEDOUX observed there is no requirement to use the FAFSA, and another application process could be considered.

REPRESENTATIVE GARDNER commented that although part of this effort is to engage parents, ultimately, the GPS is a contract with a student and the process should allow the student to proceed.

COMMISSIONER LEDOUX agreed. However, if a student is to qualify for federal aid, they will need to fill out the FAFSA, and schools should provide assistance to parents and students.

[8:44:56 AM](#)

JAMES CAILLIER, Executive Director, Patrick F. Taylor Foundation, informed the committees neither he, nor the Taylor Foundation, represents New Orleans or Louisiana. He noted he is

a former college president and assistant president of multiple universities and colleges. Representatives of the Taylor Foundation have come to testify at their own expense-the foundation is funded by Taylor [Energy]- because they want to improve the educational opportunities of young people. The best way to accomplish this is to challenge students through educational reform at the high school level. Mr. Caillier opined that current high school courses may not be designed in high school students' best interests. Beginning in 1988, the Taylor Foundation has seen the need to redesign America's high school curriculum to challenge students, not by additional programs that are run by administrators, but to meet certain standards and to give them an opportunity to earn college or postsecondary tuition in high school. This reform can bring about change, better prepare kids for college, and reduce the need for college remediation classes. He stressed that the Taylor Foundation supports reform, not just giving money to students, and noted that every state that has initiated the Taylor program has seen significant improvement in assessment scores, grade averages, students' preparation for college, higher graduation rates from universities, and in parental involvement. Furthermore, the Taylor program has also improved high school redesign and students' attitudes toward school. Mr. Caillier provided an example of the improvements at Louisiana State University (LSU), where the graduation rate has risen from 39 percent in 1988, to 65 percent today. In fact, the National Collegiate Athletic Association (NCAA) based its academic standards on the Taylor program and statistics have shown that "kids will meet the bar if you set the bar ... they want to play sports." He outlined the target students and opined that many middle income families cannot afford college even though their kids may not qualify for Pell Grants or scholarships. Mr. Caillier indicated that the GPS requires similar academic requirements as the Taylor program model, except for the Social Studies and Foreign Language units. However, the basic program can be established this year and then modified as indicated by the annual report to the legislature, because the ultimate goal is reform. With the passage of this legislation, he predicted that fewer students will require remedial courses at the University of Alaska (UA), the graduation rate will increase, and more students will stay in the state for college in order to use the scholarships. He pointed out that "brain drain" statistics indicate that 80 percent of students who leave their home state to complete their education do not return. Mr. Caillier concluded that the foundation endorses the proposed legislation and assured the committees that the state will realize results in four or five years.

8:58:06 AM

CO-CHAIR THOMAS passed the gavel over to Chair Seaton.

8:58:41 AM

BILL SCHILLING, President, Wyoming Business Alliance/Wyoming Heritage Foundation, noted several similarities between Wyoming and Alaska, including a trust fund supported by minerals income. Mr. Schilling compared the importance of the Hathaway Plan in Wyoming to the creation of the trust fund because it was also one of the "great opportunities of legislation, like this one presented by the commissioner to you ... [and] represents that opportunity to do something that has a lasting benefit for the great people of this state." He called attention to the committee packet and read the goals and outcomes set forth in the Wyoming Hathaway Plan [original punctuation provided]:

#### Goals

- \*Permanent Funding
- \*Opportunity for All Students
- \*Merit Based/Core Curriculum
- \*Income Blind; Needs Based Component
- \*Consensus/Stakeholder Views
- \*Increase K-12 - Graduation Rates
- \*Better College/Tech Preparation
- \*Brain Power Exodus
- \*Application Process
- \*Legislative Reporting

#### Outcomes

- \*Proud Citizenry/Student Appreciation
- \*Universal Support/Momentum Gain
- \*\$400 million endowment
- \*Legislative Will/On-going Resolve
- \*Increased [Enrollments]/Remedial Decreasing
- \*University of Wyoming/Community College  
Commitment - Mood Change
- \*Easy Application Process
- \*Coordinated Rule Making
- \*Solid Reporting Data

9:03:40 AM

MR. SCHILLING referred to the handout titled: "The Taylor Plan: An American Success Story," and the comments from students regarding the Taylor Plan (TOPS) program in Louisiana. He also shared his personal observations from talking with residents of New Orleans about the impact of the TOPS plan, and advised that "when a marker of extraordinary positive occurrence takes place, they rally behind that, and that's what we've seen in Wyoming and ... in New Orleans." He further explained that Wyoming put the Hathaway Plan endowment into a constitutional amendment three years after the program was created. Mr. Schilling stressed the increased participation in the program; in fact, 40 percent of Wyoming high school graduates are becoming Hathaway Plan participants and enrollment at the University of Wyoming is increasing. Furthermore, the need for remedial education is down. At the introduction of the program, Wyoming administrators were reluctant to understand how a program could be merit-based, but also facilitate students with financial needs. He provided reporting data from the Wyoming program and concluded that "the results have been absolutely ... extraordinary ... it's the kids that are moving the bar upward." Lastly, he provided contact numbers to the committees.

[9:11:43 AM](#)

MR. CAILLIER advised, "If you took the \$20 million that you generate annually to support the scholarship program, and if you gave it to education—a combination of secondary, postsecondary—you would see no significant differences. But you give it to the kids [and] you will see some major, significant differences."

[9:12:22 AM](#)

CHAIR SEATON noted the relevance of the information provided by the Taylor Foundation, especially regarding the criteria used for educational reform and restructuring.

[9:13:51 AM](#)

REPRESENTATIVE BUCH asked how the program is "income-blind."

MR. SCHILLING responded that the program is income-blind in that all students are treated alike, and the granting of a scholarship has nothing to do with their parents' earnings. Also, after graduation, the amount of money granted has a confidential component based upon the unmet need of the student.

MR. CAILLIER emphasized that the unmet need component should be for scholarship-eligible students only; otherwise, the scholarship will have no meaning. In fact, any federal aid due students because of income should be applied first.

MR. SCHILLING added that the program treats every student the same, allowing all students to become part of a peer group motivating each other.

[9:19:20 AM](#)

REPRESENTATIVE P. WILSON questioned the different names used to identify the programs.

MR. CAILLIER offered that states have a choice.

MR. SCHILLING provided the history behind the name of the Hathaway Plan in Wyoming.

REPRESENTATIVE P. WILSON concluded the name will not make a difference.

MR. SCHILLING advised the name should be short.

[9:22:14 AM](#)

REPRESENTATIVE GARDNER asked whether there have been cases where students have achieved the course requirements, but not the necessary score on the nationally standardized test.

MR. CAILLIER acknowledged that does happen.

REPRESENTATIVE GARDNER further asked how that situation is addressed.

MR. CAILLIER recommended that there should be a review board to consider extenuating circumstances. In further response to Representative Gardner, he explained that a slightly lower score on the American College Testing (ACT) assessment may be offset by a high grade point average and course requirements. Furthermore, minority students tend to score 2-3 points lower on the ACT.

[9:25:46 AM](#)

MR. SCHILLING observed that the argument that some students do not test well is true. But another disadvantage to rural

students is the unavailability of ACT review sites and practice testing, except on the Internet.

[9:27:03 AM](#)

SENATOR DAVIS advised that the students can be helped in attaining ACT or Scholastic Aptitude Test (SAT) preparation work, once the assessment for eligibility is determined. She expressed her support for the governor's plan, although she noted she has many questions for EED about how some of Alaska's districts will offer all of the courses required.

[9:30:03 AM](#)

CHAIR SEATON agreed the committees have many questions regarding how programs from other states relate to Alaska; for example, UA has open enrollment, there is no community college system, and there is a single system with one tuition rate. He pointed out other differences in assessments and admittance requirements.

[9:33:09 AM](#)

COMMISSIONER LEDOUX opined the research from within the state indicates that the GPS proposal will be an outstanding asset to students in Alaska. The EED budget includes requests for three specialists, one each for the subjects of math, science, and language arts, to assist in developing courses for small schools and districts. Many distance and E-learning courses are utilized by rural and urban students, and access will improve as communities work to restructure education. He agreed with Senator Davis that setting aside \$400 million, available throughout the future, will have a direct affect on the dreams and goals of children.

[9:36:54 AM](#)

CHAIR SEATON agreed that there are many details to be addressed, especially regarding funding for a student's unmet need in order to avoid eliminating him/her from the program. He opined committee members desire to have a needs-based component, not as a replacement for merit-based, but as an addition.

[9:39:30 AM](#)

REPRESENTATIVE GARDNER asked for the average length of time necessary for vocational students to obtain certifications.

COMMISSIONER LEDOUX responded that most career and technical education programs are one to two years in length.

[9:40:09 AM](#)

CO-CHAIR MEYER asked for an estimate on how many students will choose to go outside to college even if they qualify for a scholarship.

COMMISSIONER LEDOUX said he was unsure. He acknowledged many parents support their child's attendance at an outside school. Eligibility for a GPS award will be retained for six years, and the eligibility for military members can be extended further. Therefore, students can return at any time to continue their education in Alaska.

[9:42:28 AM](#)

CO-CHAIR MEYER reminded the committee there are courses unavailable at UA.

[9:42:38 AM](#)

REPRESENTATIVE BUCH encouraged the public to realize this program is a beginning of the evolution of the educational system in Alaska.

[9:43:51 AM](#)

REPRESENTATIVE KELLER recalled there are rural schools in Alaska with attendance rates as low as 67 percent. He opined that this program should provide a financial incentive for students to attend school.

[9:45:25 AM](#)

CHAIR SEATON expressed his support of the GPS in that it is not a payment for grades, but provides for access to an educational opportunity. He then asked whether ACT scores will determine the scholarship level, or if the amount of the scholarship is based on a student's grade point average.

COMMISSIONER LEDOUX explained that each level of scholarship will have its own ACT "cut score" assigned by EED through the state board of education.

[9:48:21 AM](#)

CHAIR SEATON underscored the need to consider the research that indicates that curriculum and class ranking are the factors most highly correlated with college success, and that test scores are a much less contributing factor. He questioned the reason test scores will be used to measure GPS eligibility.

[9:50:36 AM](#)

REPRESENTATIVE EDGMON stated his concern for students from small and rural schools that will be participating in the program. Although he has heard that his constituents are excited about the proposal, he said some school districts "are going to have a really hard time with meeting the curriculum requirements that Senator Meyer spoke about," and he voiced his intent to question EED on this issue.

COMMISSIONER LEDOUX said he shares similar concerns; however, he expressed his belief that the state "can meet the demand." He described the Alaska Native Science & Engineering Program (ANSEP) as very successful in spite of challenges. Commissioner LeDoux noted his message throughout the state is one of reform, and that rural areas of Alaska can expect success when students "have a dream." He said, "There are people out there that are doing it right now, and there are young people out there that have accepted this challenge, even without this program, who are working hard, who are taking the classes in the smallest villages, and are being successful."

[9:54:14 AM](#)

CHAIR SEATON recalled previous discussion about virtual schools and proposed legislation that will require school districts throughout Alaska to provide appropriate classes to ensure success for students in college.

[9:55:43 AM](#)

REPRESENTATIVE KELLER pointed out that the distance delivery of curriculum is becoming an export product to countries such as Mexico and India.

[9:56:55 AM](#)

CO-CHAIR MEYER announced that SB 224 would be held.

CHAIR SEATON announced that HB 297 would be held.

9:57:30 AM

**ADJOURNMENT**

There being no further business before the committees, the joint meeting of the House Education Standing Committee and Senate Education Standing Committee was adjourned at 9:58 a.m.