

ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE

February 11, 2009

8:03 a.m.

MEMBERS PRESENT

Senator Kim Elton, Chair
Senator Bettye Davis, Vice Chair
Senator Donald Olson
Senator Gary Stevens

MEMBERS ABSENT

Senator Charlie Huggins

COMMITTEE CALENDAR

SENATE BILL NO. 33

"An Act creating a postsecondary scholarship grant program for Alaska residents based on high achievement and financial need."

HEARD AND HELD

OVERVIEW: Bring the Kids Home

HEARD

PREVIOUS COMMITTEE ACTION

BILL: SB 33

SHORT TITLE: POSTSECONDARY SCHOLARSHIPS

SPONSOR(s): SENATOR(s) ELLIS

01/21/09	(S)	PREFILE RELEASED 1/9/09
01/21/09	(S)	READ THE FIRST TIME - REFERRALS
01/21/09	(S)	EDC, FIN
02/09/09	(S)	EDC AT 8:00 AM BELTZ 211
02/09/09	(S)	Heard & Held
02/09/09	(S)	MINUTE(EDC)
02/11/09	(S)	EDC AT 8:00 AM BELTZ 211

No previous action to report.

WITNESS REGISTER

NICK MOE, aid
to Senator Johnny Ellis
State Capital

Juneau, AK

POSITION STATEMENT: Answered questions about CSSB 33.

DIANE BARRANS, Executive Director
Alaska Commission on Postsecondary Education
Juneau, AK

POSITION STATEMENT: Answered questions about CSSB 33.

BILL HERMAN, Senior Trust Program Officer
Alaska Mental Health Trust Authority (AMHTA)
Anchorage, AK

POSITION STATEMENT: Presented an overview of the Bring the Kids Home program.

KELLY DONNELLY, Director
Children's Behavioral Health and Advocacy Programs
UAA Center for Human Development
Anchorage, AK,

POSITION STATEMENT: Talked about positive behavioral supports relative to bringing the kids home.

LAURIE ROTH, Director
Special Education Service Agency
Anchorage, AK,

POSITION STATEMENT: Explained the importance of transferring educational documentation to schools in support of returning students.

KAREEM NOEL, Youth Navigator
Alaska Youth and Family Network (AYFN)
Anchorage, AK

POSITION STATEMENT: Testified about the importance of bringing the kids home and of supporting community-based services.

CARLA NICOLAI, Youth Navigator
Alaska Youth and Family Network (AYFN)
Palmer, AK

POSITION STATEMENT: Testified about the importance of bringing the kids home and of supporting community-based services.

ACTION NARRATIVE

[8:03:34 AM](#)

CHAIR KIM ELTON called the Senate Education Standing Committee meeting to order at 8:03 a.m. Present at the call to order were Senators Stevens, Olson, Davis and Elton.

SB 33-POSTSECONDARY SCHOLARSHIPS

8:03:41 AM

CHAIR ELTON announced consideration of SB 33.

8:04:08 AM

SENATOR STEVENS moved to adopt Amendment 1.

CHAIR ELTON explained that Amendment 1 inserts the words "or the United States Department of Education" on page 3, line 31; it has the effect of expanding eligibility to institutions that are not covered under the current language in the bill.

8:05:06 AM

NICK MOE, aid to Senator Ellis, said they proposed this amendment because it was not their intent to leave out any vocational, postsecondary institutions in Alaska; by choosing only one accreditation they were leaving out the Career Academy and the Alaska Vocational/Technical Center in Seward. Senator Ellis feels strongly that vocational schools are a very important part of education in Alaska and should be included in this scholarship grant.

SENATOR OLSON asked if private vocational/technical schools are included as well.

MR. MOE responded that if the schools come under the accreditation of the United States Department of Education, they are included.

SENATOR OLSON queried, "So you don't know if the private institutions are indeed covered at this time?"

MR. MOE said the current list contains the names of all of the institutions legislative research provided to him as institutions included in the grant; he believes that no others are included at this time.

SENATOR DAVIS asked if the Career Academy, which is on the list, is considered private. If so, she suggested they make a clarifying change in the language.

8:07:49 AM

CHAIR ELTON asked Diane Barrans if she knows whether the list that was passed out to the committee is a list of additional schools that will qualify for the program [if this amendment is

adopted] rather than a comprehensive list of the vocational/technical institutions that are eligible.

DIANE BARRANS, Executive Director, Alaska Commission on Postsecondary Education, Juneau, AK, said the effect of the change is to include non-collegiate programs. The current language specifies an accreditor that doesn't recognize certain nationally accredited types of schools; so by referencing the U.S. Department of Education approval, the amendment has broadened the scope to include those one-year training programs regardless of whether they are public or private.

CHAIR ELTON asked how many students they are adding by adopting this amendment.

MS. BARRANS said she doesn't expect it to substantially increase the pool. About 90 percent of students in Alaska attend the University of Alaska and are already included; enrollments at Seward are rarely above 300 and the Career Academy probably has similar enrollment, so even if all of those students qualified it would not represent a substantial expansion.

[8:10:03 AM](#)

SENATOR OLSON asked how that increase would affect the existing \$25 million fiscal note.

MR. MOE said they currently have no appropriations to this fund; the bill just creates the endowment. The fiscal note only gauges the resources that would be required to manage a fund of that size.

[8:11:12 AM](#)

SENATOR HUGGINS joined the meeting.

[8:11:17 AM](#)

CHAIR ELTON advised Senator Huggins of the motion to adopt Amendment 1 and directed him to the list of additional eligible institutions, which is included in his packet.

[8:11:57 AM](#)

CHAIR ELTON asked if there were any objections to the amendment; there being none, Amendment 1 was adopted.

CHAIR ELTON thanked Mr. Moe and Ms. Barrans for making themselves available today and said he would like to move to discussion of the full bill at this time.

[8:12:47 AM](#)

SENATOR STEVENS opined that the state has not done a great job of helping those students with financial need; he asked Ms. Barrans to explain, in general terms, how this helps address that problem.

MS. BARRANS said what she sees as most advantageous, should the endowment be funded, is the ability to communicate to students, especially at-risk students, early in their education that there is a source of funds available to them. One of the problems with the current needs-based program, which is very modestly funded, is that the funding source is not dependable; the year-to-year structure makes it difficult for them to use it as an incentive for junior high students.

CHAIR ELTON said he assumes this program is an addition to the Alaska scholars program, for which the top ten percent of graduating students are eligible as they enter the University of Alaska. He asked if that is correct and if so, how that affects the determination of need.

[8:15:42 AM](#)

MR. MOE answered that there is a UA scholars program, but there are students who achieve a high grade point average and still fall into the gap between getting into the UA scholars program and qualifying for financial aid such as the Pell Grant or other scholarships; this complements those programs. This bill not only requires students to show a certain level of achievement, but at least \$4000 of unmet financial need. His statistics show that the average annual tuition in the University [of Alaska] system is around \$12,000; so even if students save all of their [Permanent Fund] dividends, apply for all of the financial aid they can get and are doing very well in school, there is a large disparity.

SENATOR STEVENS felt that students might be embarrassed by a public recognition of their financial need when presented with the scholarship and asked if the presentation could be made a little more palatable.

MR. MOE appreciated his concern but said he doesn't think many college students are shy about receiving money for their unmet financial need.

SENATOR STEVENS said he would still like to make that aspect of it less obvious.

[8:18:55 AM](#)

MS. BARRANS noted for the record that, under the proposed language, the commission does have the ability to promulgate regulations. It would be their intent that this grant will not displace other non-loan aid; so if students have sufficient scholarships to eliminate the gap between their non-loan aid and the cost of education without this program, they would not qualify. The University of Alaska student leadership feels it is important that students invest in their own education; so it was their suggestion that a student should have at least \$4000 in unmet need.

[8:20:11 AM](#)

SENATOR STEVENS asked how the scholarship appears to the student.

MS. BARRANS said students receive notification from the institution through their financial letter of award of financial aid. She is not sure whether it will be called the Alaska ACES Award or Alaska Ice Award, but the award would appear in their financial aid letter. She added that it will be important to emphasize the academic achievement aspect of the award to students, because they will have to continue to meet the academic qualification each year.

[8:21:31 AM](#)

CHAIR ELTON asked Ms. Barrans to explain what kind of performance standard students will have to demonstrate once they get into college.

MR. MOE read on page 2, line 24 that a student must have "achieved a cumulative grade point average of 3.0 or higher on a scale of 4.0, or the equivalent at the school in which the applicant is currently enrolled;" so the student must demonstrate achievement of a B average or better while getting the scholarship and must graduate within five years.

[8:23:11 AM](#)

CHAIR ELTON questioned the language "or the equivalent at the school where the applicant is currently enrolled." He asked if a student who is not making the required grade point average at one school could transfer to another school and re-qualify for the scholarship.

MR. MOE said the student would probably have to demonstrate achievement of a 3.0 at the first school. He thinks the language

was crafted in this way to accommodate those schools that do not have a traditional grading system.

CHAIR ELTON questioned whether a student who wants to transition from a smaller school to UAF would be precluded from applying for the scholarship for the next year at the new school.

MS. BARRANS clarified that the financial aid professionals have to be able to certify that students qualify with a 3.0 GPA; so they would have to attend for two terms and establish a two term GPA in order to be certified according to standard financial aid practices; a student can transfer credits, but not the grade point that accompanied them.

CHAIR ELTON asked if striking the words "at the school in which the applicant is currently enrolled" on page 2, line 26, would solve the problem.

[8:26:25 AM](#)

MS. BARRANS asked if the presumption is that the student had an eligible GPA at the prior school.

CHAIR ELTON said he was confused; he thought she just said that the credits would transfer but not the GPA.

MS. BARRANS agreed, but said if they strike that language, the new school could "reference" the qualifying GPA at the previous school so there would not be a break in the student's eligibility.

CHAIR ELTON asked whether the institution or the commission certifies the previous GPA.

MS. BARRANS explained that efficiencies in financial aid administration are created by a partnership between the commission and the institutions. The commission does not collect or review transcripts; they rely on an agreement with the financial aid office at the institution to certify all of that electronically.

[8:28:16 AM](#)

SENATOR STEVENS thought part of the problem might be the use of the term "enrolled," which means the student has filled out the paperwork and been accepted, but may not be taking classes yet.

CHAIR ELTON asked if the definition of "qualifying postsecondary institution" on page 3, line 29 would preclude an Alaska student

who wants to participate in the WWAMI program from getting a scholarship.

MS. BARRANS said she believes this program is only for undergraduate study, but she does not see that limitation in the language; so Alaska WWAMI would be covered even if the institution the student is attending is outside the state.

[8:29:55 AM](#)

MR. MOE disagreed. He said he does not believe WWAMI qualifies because this program is only for postsecondary institutions within the state of Alaska.

SENATOR OLSON said that under the WWAMI program, students do complete some of their work in Alaska and as expensive as it is to attend medical school, it would be a help if this could apply to those students.

[8:30:44 AM](#)

MR. MOE said those students will qualify for their undergraduate work in Alaska, but not when they transfer to a school outside.

SENATOR OLSON asked for verification of whether this is only an undergraduate program.

MR. MOE said he can't answer the senator's question at this time, but will get back to him with that information.

SENATOR DAVIS was concerned about the 3.0 qualifying GPA and said she would like to see it changed to 2.5 (C+), especially if students have to wait two semesters before they qualify. There isn't enough funding out there, she said, and if the committee wants to encourage more kids to go to school, they should consider lowering that.

CHAIR ELTON said he was going to close discussion on the bill for this time and suggested that members be prepared to discuss the GPA and undergraduate issues when he brings it back. He also directed Ms. Barrans to page 2, line 22 and said it would be helpful to know what the parameters are for the Free Application for Federal Student Aid and about the reference on page 4, line 3 to 20 U.S.C. 1070c-2.

[8:34:17 AM](#)

Chair Elton set SB 33 aside.

CHAIR ELTON called a brief at ease from 8:34:46 a.m. to 8:35:41 a.m.

OVERVIEW: BRING THE KIDS HOME

CHAIR ELTON announced the committee would hear an overview from Alaska Mental Health Trust Authority on the "Bring the Kids Home" initiative.

8:36:03 AM

BILL HERMAN, Senior Trust Program Officer, Alaska Mental Health Trust Authority (AMHTA), Anchorage, AK, said the presentation will start out with social services issues; it will become apparent how these relate to education as the presentation moves along.

Slide 2 shows the exponential growth in the use of out-of-state residential psychiatric treatment centers (RPTC); that is why AMHTA started the "Bring the Kids Home" effort in cooperation with the Murkowski administration in fiscal year 2005.

Slide 3 shows the progress that has been made in reversing that trend; the number of admissions has gone from 571 in fiscal year 2004, to 164 in 2008 and the goal is to get that number below 100, representing only the kids who have special needs for which the economies of scale don't work well in Alaska.

MR. HERMAN pointed out that this means Alaska will end up with more kids in home care systems and in home schools; which is where the issue becomes relevant to [the work of] this committee.

The light gray bars on the graph on slide 4 show the amount of money being spent on out-of-state residential psychiatric treatment centers; the darker gray bars represent the amount being spent on in-state residential treatment centers. They would like to see a shifting of that money from expensive out-of-state facilities to more effective home and community-based services with a much lower per-youth cost.

8:39:51 AM

CHAIR ELTON asked if Mr. Herman would briefly explain the chart on page 4, specifically how many of those dollars are federal and how many are general fund. He wondered if the state is importing federal dollars through this program.

MR. HERMAN said that is true to some extent; kids who are in a Medicaid-eligible program and who are not Alaska Native, receive 50 percent of the funding from federal Medicaid and the state matches that with general fund dollars. However, 40 percent of the kids who were going out of state at the beginning of this project were Alaska native; so they could be funded at 100 percent if the state had the right organizations providing the services.

He continued; slide 5 compares by region the number of special education youth with individualized education programs (IEP) to those without. The department is trying to determine why there is such a large regional variation; he would expect youth who are dysfunctional enough to be sent to residential psychiatric treatment centers out of state to have difficulty with their educational progress. The department is looking into the issues involved and how they relate to educational needs.

MR. HERMAN added that kids operate in three environments each day: home, community and school, with most of their waking hours spent in school. When the state brings kids home from some kind of residential care, it is important that there be sufficient services available to support and maintain their recovery.

[8:42:41 AM](#)

He recognized that schools already have plenty to do during the school day, but the department is trying to set up a way to provide intervention and help within the school day to support the success of kids who are having difficulty learning. They've created an education subcommittee with the commissioners of both the Department of Health and Social Services and the Department of Education and Early Development to address this need. Slide 6 lists the goals of that subcommittee and the projects currently under way. He noted they are trying to get two worlds to begin to work together and understand each other's needs, which is why they feel the need for commissioner-level leadership.

CHAIR ELTON opined that it makes financial sense for a school district to develop IEPs for [special needs] students. He asked Mr. Herman if he is correct that the foundation formula provides more funding for students with IEPs.

[8:44:24 AM](#)

MR. HERMAN concurred. He said Commissioner LeDoux has spoken to the department about the increases in intensive needs students and the legislature has approved a multiplier that should help out in this situation.

CHAIR ELTON pointed out that it only helps if the students are identified.

[8:44:58 AM](#)

MR. HERMAN admitted that the department is still learning about the educational system.

Slide 7 shows the membership of the education subcommittee.

He remarked that, according to Jeff Jesse, when the program is working effectively, about 350 kids with special needs will be re-entering the Anchorage school districts and will have to be accommodated in their special education systems.

MR. HERMAN said that \$450 million has been approved by the legislature over the past couple of years for three initiatives. Slide 8 shows the first of these. The Positive Behavioral Supports program has been used in other states; the department contracted with the Center for Human Development at UAA to help them implement it in Alaska. It is basically improving the school-wide environment to reduce bullying and make it a better environment for kids, particularly those who are slightly unstable.

Several people from the Department of Health and Social Services entered the meeting and Mr. Herman asked Kelly Donnelly to speak to this program.

[8:47:07 AM](#)

KELLY DONNELLY, Director, Children's Behavioral Health and Advocacy Programs, UAA Center for Human Development, Anchorage, AK, said the center has engaged in a number of positive behavioral health programs over the years. The one supported now by Bring the Kids Home is a concerted effort to bring community resources to the schools in support of these kids with very difficult behaviors or who are at risk of demonstrating very difficult behaviors.

Schools cannot do it all; they need to have effective community partnerships. This year, the department has a pilot program going on in Sitka, Ketchikan, Juneau and Dillingham, which has specific training around a three-tiered approach to positive behavioral supports for community mental health and developmental disability providers.

[8:48:56 AM](#)

The intention is for those community providers to work explicitly with school districts to promote three levels of intervention to help kids be successful:

- A universal intervention means having clear expectations and environments that support positive social and emotional outcomes for all kids.
- Secondary intervention refers to the kind of things that are going to help a smaller group of kids who are acting out and doing some things that cause problems at school, but do not require an individualized plan.
- Person-centered, data-driven, individualized support plans are for that small segment of kids that cause the biggest drain on school systems and create some of the highest levels of conflict in communities.

She hoped to have some data to share with the legislature in subsequent sessions.

[8:50:11 AM](#)

MR. HERMAN turned to slide 9 "Enhancing Supports At School And In The Community." The department has hired a contractor to help schools bill for Medicaid services; these are school-based Medicaid services that extend schools' ability to find sources of funding for special services. It is an underutilized funding source that can potentially generate an additional \$3.3 million in revenue for schools.

[8:51:17 AM](#)

LAURIE ROTH, Director, Special Education Service Agency, Anchorage, AK, came here in 1998 as an Emotional Disturbance Specialist. At that time, she was already traveling around the state and seeing the effects of students coming home from residential psychiatric treatment facilities without their educational documentation. She related a typical situation using the experiences of a student she called "Johnny."

Johnny came home on Friday and, following the RPTCs instructions, the parents registered him for school on Monday without realizing that a lot of paperwork was missing. In cases like this, one of two things usually happens; either the school has the child stay, or it asks the parents to take the child home until they can get some documentation. In this case, Johnny stayed in school. The teacher and the principal were very stressed because Johnny had been out of the village for two years and they had to try to piece his educational history together using old records and informal assessments. They discovered that Johnny probably had some kind of developmental

delay; that information would have come along with his educational records if this program had existed at that time.

MS. ROTH explained that the RPTCs say they already transition the records and in fact, most of them do have an educational transition person on staff, but she has found that their definition of "transition" is very different from what her agency understands it to be. Transition isn't giving the parents a phone number and saying to register Johnny on Monday; Transition is providing support to the parents as well as the school, to make sure the documents are transitioned from the RPTC to the school and that they get to the right person. The failure to follow up is a real problem, because even in a city the documents may go to the wrong school. Registration is usually done at the main office or the administrative building and if the family lives in Anchorage or Juneau that's just a drive across town; if they live in a bush school district the size of Kansas or Rhode Island, that's a plane ride.

So, she continued, the chances are that Johnny is going to the village school and the aid may remember him, but the last thing his peers remember is the day he left, which may not have been a really good experience for them. The staff in the school didn't have a chance to prepare his peers because they didn't know Johnny was coming; the principal couldn't work with the teachers because he didn't know Johnny was coming and the parents couldn't get the educational records because they didn't know what to ask for.

Special Education Service Agency is working with RPTCs and schools to facilitate the transfer of the educational documentation. As they go through the process, they are documenting the things that are working and those that are not working, then reporting back to the Mental Health Trust Educational Subcommittee and formulating plans so these kids won't fall through the cracks.

[8:55:39 AM](#)

MR. HERMAN moved to slide 10 - Enhancing Supports at School and in the Community. He explained that the "Little Tykes" program, managed by Dee Foster, is working with children at an early age to identify the root causes of serious emotional disturbances and prevent or mitigate those problems later on. He noted that the amount of the annual grant shown on the slide is incorrect; the correct amount is \$123,000. The state has saved a significant amount by avoiding the need for residential care at a later time.

Slides 11 - 12 show the department's funding recommendations for this year. Mr. Herman pointed out that they are trying to enhance home and community-based services. They are not asking for any increments from the general fund at this time; the Trust is continuing to partner with the department on this until they can prove out these programs.

MR. HERMAN asked if the committee has time to hear from three young people who have been through the residential psychiatric treatment programs and are now home.

CHAIR ELTON said that would be great and invited them to come forward.

[8:57:47 AM](#)

KAREEM NOEL, representing himself, Anchorage, AK, just turned 18 and is a Youth Navigator for Alaska Youth and Family Network (AYFN). He was a foster child for 11 years, was placed in Northstar [Behavioral Health] 20 times and was in a residential treatment center for 2 1/2 years. Because of his situation, he was denied the opportunity to receive the education he was entitled to. He was told by many people in the system that he would never be successful in his life, but he has been out of the system for three years now and off medication. Because of his strength and the support of his foster family and friends, he was able to overcome his situation. Through the support he receives from AYFN, he continues to be successful; he sees that his life has value and that he can contribute to his community.

MR. NOEL asked the committee to continue to fund the Bring the Kids Home initiative and increase funding for community-based organizations like AYFN so that youth and families like his own can be successful and rebuild their lives and relationships. If he'd had access to organizations like Alaska Youth and Family Network when he was growing up, he said, maybe his family would still be together and his mother might still be alive. He thanked the committee for the opportunity to testify.

CHAIR ELTON thanked Mr. Noel and the other witnesses present and apologized to them for the fact that he and two of the other Senators have to leave to attend another committee meeting. He assured them that the two remaining committee members will brief them on the testimony they miss.

[9:01:19 AM](#)

CHAIR ELTON turned the gavel over to Vice-Chair Davis.

9:01:31 AM

VICE-CHAIR DAVIS called a brief at-ease while the members of the Finance Committee left the meeting.

9:01:51 AM

The meeting came back to order with the testimony of Carla Nicolai.

CARLA NICOLAI, representing herself, Palmer, AK, said she is also a Youth Navigator with Alaska Youth and Family Network and that she appreciates the opportunity to speak to the committee. She went through the educational system with multiple mental health diagnoses. It was a struggle. She was defined and characterized by her diagnoses and was not given the opportunity to have an individualized educational plan. She became a youth navigator so she can help other youth who are in the same situation she has been, to get the education and services they need by sharing her story and helping to prepare them for theirs. Ms. Nicolai works in the Mat-Su Valley where, as Mr. Herman's presentation indicated, they don't have a lot of IEPs; so as a youth advocate, she helps students to get what they need in their educational plans. In that system where only 40 percent of youth graduate high school, only 20 percent enter college. (Ms. Nicolai found it difficult to continue.)

SENATOR DAVIS asked if anyone present could tell her how many youth navigators there are in the network at this time.

An unidentified speaker answered that there are only four youth navigators and one adult navigator.

MS. NICOLAI continued; she said having access to a community-based service such as Alaska Youth and Family Network made it possible for her to graduate high school, to attend college and pursue her life dream of helping others who are dealing with the same difficulties she experienced. She has realized that this whole effort, youth navigation and community-based services, is not a handout but a hand up, and asked the committee earnestly to please continue and increase community services, including AYFN.

9:05:32 AM

VICE-CHAIR DAVIS thanked all of those who came to offer testimony. She said the legislature is working on budget now, so this is a good time to give their input. She also encouraged

them to look at the foster care bill being considered in both chambers.

9:06:18 AM

There being no further business to come before the committee, Vice-Chair Davis adjourned the meeting at 9:06 AM.