

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

February 28, 2011
8:04 a.m.

MEMBERS PRESENT

Representative Alan Dick, Chair
Representative Lance Pruitt, Vice Chair
Representative Eric Feige
Representative Paul Seaton
Representative Peggy Wilson
Representative Sharon Cissna
Representative Scott Kawasaki

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION(S): YUPIIT SCHOOL DISTRICT SUPERINTENDENT

- HEARD

HOUSE BILL NO. 104

"An Act renaming the Alaska performance scholarship and relating to the scholarship and tax credits applicable to contributions to the scholarship; establishing the Alaska performance scholarship investment fund and the Alaska performance scholarship award fund and relating to the funds; making conforming amendments; and providing for an effective date."

- HEARD & HELD

PRESENTATION(S): UNIVERSITY OF ALASKA CHANCELLORS

- HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 104

SHORT TITLE: ALASKA PERFORMANCE SCHOLARSHIPS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/18/11 (H) READ THE FIRST TIME - REFERRALS
01/18/11 (H) EDC, FIN

02/09/11	(H)	EDC AT 8:00 AM CAPITOL 106
02/09/11	(H)	Heard & Held
02/09/11	(H)	MINUTE(EDC)
02/14/11	(H)	EDC AT 8:00 AM CAPITOL 106
02/14/11	(H)	Heard & Held
02/14/11	(H)	MINUTE(EDC)
02/21/11	(H)	EDC AT 8:00 AM CAPITOL 106
02/21/11	(H)	Heard & Held
02/21/11	(H)	MINUTE(EDC)
02/25/11	(H)	EDC AT 8:00 AM CAPITOL 106
02/25/11	(H)	<Bill Hearing Postponed to 2/28/11>
02/28/11	(H)	EDC AT 8:00 AM CAPITOL 106

WITNESS REGISTER

HOWARD DIAMOND, Superintendent
 Yupiit School District
 Akiachak, Alaska

POSITION STATEMENT: Presented an overview of the Yupiit School District.

DIANE GEORGE, Assistant Superintendent
 Yupiit School District
 Akiachak, Alaska

POSITION STATEMENT: Answered questions during an overview of the Yupiit School District.

DR. KIM LANGTON, Assistant Superintendent
 Yupiit School District
 Akiachak, Alaska

POSITION STATEMENT: Answered questions during an overview of the Yupiit School District.

REPRESENTATIVE BOB HERRON
 Alaska State Legislature
 Juneau, Alaska

POSITION STATEMENT: Participated in the discussion during the presentation of the Yupiit School District.

MIKE HANLEY, Commissioner
 Office of the Commissioner
 Department of Education and Early Development (EED)
 Juneau, Alaska

POSITION STATEMENT: Answered questions during the presentation by the Yupiit School District.

DIANE BARRANS, Executive Director

Postsecondary Education Commission
Department of Education and Early Development (EED)
Juneau, Alaska

POSITION STATEMENT: Testified and answered questions during discussion of HB 104.

BRIAN ROGERS, Chancellor
University of Alaska, Fairbanks (UAF)
Fairbanks, Alaska

POSITION STATEMENT: Testified and answered questions during a presentation by the University of Alaska Chancellors.

TOM CASE, Chancellor Appointee
University of Alaska, Anchorage (UAA)
Anchorage, Alaska

POSITION STATEMENT: Testified and answered questions during a presentation by the University of Alaska Chancellors.

JOHN PUGH, Chancellor
University of Alaska Southeast (UAS)
Juneau, Alaska

POSITION STATEMENT: Testified and answered questions during a presentation by the University of Alaska Chancellors.

ACTION NARRATIVE

[8:04:15 AM](#)

CHAIR ALAN DICK called the House Education Standing Committee meeting to order at 8:04 a.m. Representatives Dick, Feige, Seaton, Kawasaki, and Pruitt were present at the call to order. Representatives P. Wilson and Cissna arrived as the meeting was in progress.

[8:05:01 AM](#)

PRESENTATION(S): Yupiit School District Superintendent

CHAIR DICK announced that the first order of business would be a presentation by the Superintendent of the Yupitt School District.

[8:08:01 AM](#)

HOWARD DIAMOND, Superintendent, Yupiit School District, referring to the handout, "Yupiit School District Presentation,"

[Included in members' packets] said that the school district was comprised of three schools situated on the Kuskokwim River, north of Bethel, and was accessible only by small plane, boat, or snow machine. The schools were about 20 miles apart, built in 2004 and 2005. He affirmed that the school district welcomed the elders and the community members as a part of the schools. He reported that the Yupiit School District was an Intervention Plus district, under the direction of the Department of Education and Early Development (EED), and that EED provided Content Support Specialists. These specialists were highly qualified, competent educators, who averaged 1-2 days each month at each school, as well as a retired superintendent, who averaged 10 days each month at the three schools and the district office.

[8:10:58 AM](#)

MR. DIAMOND moved on to page 6, "Challenges," and declared that teacher housing was a challenge for teacher retention. He emphasized that the low AYP (Adequate Yearly Progress) status and the high dropout rate were both causes for concern. He explained that a strong administrative focus had resulted in significant progress. He pointed to page 7, "District Initiatives," which included: a home based pre-school program (Our Future Leaders) to focus on early literacy, a research based reading program for grades K-6, and a required two week summer orientation program for new teachers.

[8:15:06 AM](#)

MR. DIAMOND detailed the two week summer orientation program, which included working with master teachers in summer school, living in the residence and the village where they will teach, and then staying with a local family and participating in the subsistence life style. He listed a school improvement grant, an ExCELL project (Expediating Comprehension for English Language Learners), and a pilot STEPP (Step Towards Educational Progress and Partnership) as programs toward student improvement.

[8:17:45 AM](#)

MR. DIAMOND detailed page 8, "School Improvement Grant." He noted that the academic day had been extended to include Yup'ik Culture. He pointed to the partnership with the Chugach School District's Voyage to Excellence program, which connected the curriculum with job opportunities. He directed attention to the

Professional Development program, which gave teachers an opportunity to learn skills in the diverse student learning styles of the Yup'ik culture. He elaborated on a tuition reimbursement program to encourage classified staff to continue their education. He referenced the recruitment video and the Math in a Cultural Context training, which was created for Yup'ik children. He read the "Mission Statement," page 9, which stated that the district was "working with Yuuyaraq as a foundation, to ensure all children are successful and able to learn and succeed in any environment." He defined "yuuyarag" as the Yup'ik way of life.

[8:20:20 AM](#)

REPRESENTATIVE CISSNA asked if the 40 minute video was available.

MR. DIAMOND replied that he would send a copy.

[8:21:09 AM](#)

REPRESENTATIVE CISSNA asked if renewable energy was being considered for the area.

MR. DIAMOND, in response, shared that a science class presentation had been made about wind turbines and other means to provide resources for school operations.

[8:23:43 AM](#)

REPRESENTATIVE FEIGE asked how the success of the students was measured.

[8:24:04 AM](#)

MR. DIAMOND replied that all of the required tests were administered, although measurement went well beyond these tests. He announced that there were efforts made to combat substance abuse, suicide, and bullying. He clarified that success was measured by the options for the student at the next level, and by the self confidence and the personal skills to manage their lives in other settings. He allowed that there was not a specific formula for success.

[8:26:36 AM](#)

REPRESENTATIVE SEATON asked if the home based pre-school program was a pilot project or a locally established project.

[8:27:07 AM](#)

DIANE GEORGE, Assistant Superintendent, Yupiit School District, replied that this was federally funded through the Alaska Native Education Grant, and was currently in the second phase of the grant.

[8:27:35 AM](#)

REPRESENTATIVE SEATON asked how many students were participating in the Voyage to Excellence program.

[8:27:48 AM](#)

DR. KIM LANGTON, Assistant Superintendent, Yupiit School District, replied that about 30 students had participated at various levels, but that the goal was for all interested high school students to participate. He explained the phases of the program, which included exposure to a variety of jobs so to better understand the necessary required curriculum; resume writing and job shadowing; and internships.

[8:29:07 AM](#)

REPRESENTATIVE BOB HERRON, Alaska State Legislature, stated that he was the representative for the Yupiit School District. He asked about the current status of the intervention summit held in December, 2010. He expressed his concern regarding the challenging attitude projected by the Department of Education and Early Development (EED), and asked if any changes had resulted with the change of administration.

[8:31:24 AM](#)

MR. DIAMOND replied that it was necessary for the Yupiit School District to be represented when decisions were made on a state level which affected the district. He acknowledged that meetings had been held with Mike Hanley, Commissioner of EED, and that Commissioner Hanley had been invited to visit the district. Noting that the Content Support Specialists were only available for brief site visits each month, he asked that this model be amended to allow for full time participation.

[8:34:22 AM](#)

REPRESENTATIVE HERRON repeated his question of whether the Yupiit School District and EED were moving forward together.

MR. DIAMOND replied that things had not progressed since the intervention. He offered his belief that the model used by the state had proven to be ineffective. He established that the upcoming meeting with Commissioner Hanley would include discussion of a revised model that would be more beneficial to the school district.

[8:35:55 AM](#)

DR. LANGTON suggested the necessity of a model based on the local needs. He agreed that cooperation was important, and that the process to develop the model had to include agreement and "buy in" by the local community.

[8:38:06 AM](#)

REPRESENTATIVE HERRON suggested that he and the House Education Standing Committee members meet with Commissioner Hanley in order to hear both sides of the discussion.

[8:38:38 AM](#)

REPRESENTATIVE SEATON asked what prevented the Yupiit School District from developing its own model, similar in process to the aforementioned Chugach School District.

[8:39:34 AM](#)

DR. LANGTON clarified the importance for a collaborative process to develop a model, as had been done for the Chugach School District model. He agreed that some aspects would be common with the current model. He stressed the need for the model to be "owned by the local people, it wouldn't be imposed."

[8:41:34 AM](#)

MIKE HANLEY, Commissioner, Office of the Commissioner, Department of Education and Early Development (EED), reported that he had met with representatives of the Yupiit School District earlier, and he agreed that there were challenges. He acknowledged that the status quo was not working, and he expressed his desire to work for the best solution.

[8:43:13 AM](#)

REPRESENTATIVE CISSNA expressed a need to be mindful of the audience being served.

[8:45:11 AM](#)

COMMISSIONER HANLEY agreed that local ownership and local control were necessary in every school district. He confirmed that there was no separation between community and school in rural districts.

[8:45:54 AM](#)

CHAIR DICK opined that the greatest challenge was geographical.

[8:46:49 AM](#)

REPRESENTATIVE HERRON commented that his constituents had found the atmosphere of the previous meeting to be punitive.

[8:47:47 AM](#)

The committee took a brief at-ease.

[8:48:05 AM](#)

HB 104-ALASKA PERFORMANCE SCHOLARSHIPS

CHAIR DICK announced that the next order of business would be HOUSE BILL NO. 104, "An Act renaming the Alaska performance scholarship and relating to the scholarship and tax credits applicable to contributions to the scholarship; establishing the Alaska performance scholarship investment fund and the Alaska performance scholarship award fund and relating to the funds; making conforming amendments; and providing for an effective date." [In front of the committee was the proposed committee substitute (CS) for HB 104, Version I, adopted as the work draft on February 9, 2011]

[8:51:20 AM](#)

CHAIR DICK stated that discussion needed to focus on the needs based component, mentoring, university capacity, funding sources, and qualification by students from smaller schools.

[8:52:02 AM](#)

DIANE BARRANS, Executive Director, Postsecondary Education Commission, Department of Education and Early Development (EED), specified that she had participated on the task force for higher education funding. She reported that a lot of discussion prior to the task force questioned the adequacy of the level of funding for the needs based program, the AlaskAdvantage Education Grant. She pointed out that this grant was available to any resident attending an in-state educational institution, but that funding had only been sufficient for a small percentage of those eligible. She noted that the task force had recommended a supplemental component, but she opined that this was not necessary, as sufficient funding for the needs based grant program would provide the opportunity to fund non-traditional students. She pointed out that the Senate had recommended sufficient funding for the AlaskAdvantage Education Grant program, instead of the creation of a supplemental component to the scholarship program. She opined that this maintained clarity and consistency between the merit based and needs based programs.

[8:55:58 AM](#)

REPRESENTATIVE P. WILSON asked which program served the top 10 percent of each school.

[8:56:25 AM](#)

MS. BARRANS replied that it was the University of Alaska (UA) scholars program, funded through the UA resources.

[8:56:50 AM](#)

REPRESENTATIVE P. WILSON asked what percentage of those who applied for the AlaskAdvantage [Education Grant] program received funds.

[8:57:10 AM](#)

MS. BARRANS replied that funding was available for 15-20 percent of those eligible.

[8:57:25 AM](#)

REPRESENTATIVE P. WILSON remarked that this was pathetic.

[8:57:29 AM](#)

REPRESENTATIVE KAWASAKI, stating that the federal PELL Grants had been severely cut back, asked which students would be most affected.

[8:57:54 AM](#)

MS. BARRANS clarified that although a reduction in the PELL Grant program had been proposed in Congress, it had not yet occurred. She stated that students from families of four with an income less than \$40,000 were eligible for PELL grants. She declared that the ripple effect of these reductions would affect the AlaskAdvantage Education Grant program. In response to Representative Kawasaki, she stated that the need by the applicants would be greater.

[8:59:30 AM](#)

REPRESENTATIVE FEIGE asked if all of the AlaskAdvantage Education Grant funds were being expended. He asked what criteria were used for the allocation of the funds.

[8:59:55 AM](#)

MS. BARRANS said that the fund allocation was strictly needs based. She explained that the entire eligible pool was ranked highest need to lowest need. She declared that priority was given to full time students. She added that a student who had shown higher academic achievement through ACT/SAT test scores and students enrolled in career areas designated as "a workforce shortage area" were eligible for larger grants. She listed some of the shortage areas to be education, health, social protective services, and resource process extraction. She announced a growth in the number of students eligible in workforce shortage areas.

[9:02:10 AM](#)

REPRESENTATIVE FEIGE asked if students would be eligible while attending institutions included in the Western Undergraduate Exchange program agreement.

MS. BARRANS replied that eligibility was limited to students attending school in Alaska, as the idea was to retain a trained workforce.

[9:04:02 AM](#)

REPRESENTATIVE P. WILSON asked how many student grant applications were not accepted, and of these, how many were unable to attend school as a result.

[9:04:38 AM](#)

MS. BARRANS replied that there was not any data for the students who did not attend school. She offered her belief that there were 4,200 eligible students while fewer than 1,000 had received grants. She added that these students were already enrolled in school, and that generally the grant was not a determiner for enrollment, but was used for the management of their other school expenses.

[9:07:11 AM](#)

REPRESENTATIVE P. WILSON asked how much money would be required to fund all the eligible grant applications.

[9:07:28 AM](#)

MS. BARRANS offered an estimate of \$4.5 million to fund the current base allocations.

[9:08:15 AM](#)

REPRESENTATIVE SEATON asked if there was a fiscal note for Version I.

[9:08:26 AM](#)

MS. BARRANS replied that there was not a fiscal note for the needs based component.

[9:08:29 AM](#)

REPRESENTATIVE SEATON emphasized the need for a fiscal note. He pointed out that the prior proposed legislation with a needs based component, which did not include the non-traditional students, had an estimated fiscal note of \$17-\$20 million. He directed attention to the current cap of \$4,000 in the proposed committee substitute, clarifying that there had not been a cap for the needs based component in previous legislation. He reflected that the needs based component and the merit based component had required similar funding. He asked how the addition of the non-traditional students within the needs based

component could now result in an estimated cost that was half the merit based component.

[9:11:22 AM](#)

MS. BARRANS noted that a key difference for the cost of each program was the current cap on the needs based aid. She pointed out that the prior legislation had included escalating costs tied to the cost of education. She stated that it was unknown how many qualifying students would come from low income families. She pointed out that the demographics of scholarship recipients in many other states reflected a disproportionate scholarship distribution to families with a history of going to college. She noted that these families often had a higher socio-economic standing. She emphasized the importance of having two programs which worked well together, needs based and merit based. She agreed that it was important to have an estimate for cost, but that an exact fiscal note would be more difficult until there was a history to draw from. She stated that the Alaska Advantage Education Grant program cost was based on the last three years of program cost. She said that this history would reflect both traditional and non-traditional age students in coming years.

[9:14:17 AM](#)

MS. BARRANS, in response to Representative Seaton, stated that only students scoring in the top tier of test takers would qualify for the priority level. She shared that one suggested modification proposed by the task force had been to review the academic priority for the needs based grant, and make the scholarship eligible students equate to the academic trigger to allow them grant priority. She opined that the programs would still work well in conjunction, and still maintain distinct scholarship and needs based programs.

[9:15:40 AM](#)

REPRESENTATIVE P. WILSON asked if this could be best accomplished in statute or in regulation.

[9:15:52 AM](#)

MS. BARRANS replied that currently this could be accomplished through regulation, but that the legislature could make a statutory change.

[HB 104 was held over.]

[9:16:45 AM](#)

The committee took a brief at-ease.

PRESENTATION(S): University of Alaska Chancellors

[9:18:23 AM](#)

CHAIR DICK announced that the final order of business would be a presentation by the University of Alaska Chancellors.

[9:18:43 AM](#)

BRIAN ROGERS, Chancellor, University of Alaska, Fairbanks (UAF), said that the needs based and merit based scholarships were necessary for improving the graduation rate from the University of Alaska system. He stated that all three institutions collaborated and cooperated in teacher education, engineering, health education, and research areas.

[9:20:43 AM](#)

TOM CASE, Chancellor Appointee, University of Alaska, Anchorage (UAA), praised the progress that had been made on all fronts, especially for the focus on student and state needs.

[9:22:35 AM](#)

JOHN PUGH, Chancellor, University of Alaska Southeast (UAS), applauded the increase in Alaska high school students graduating and attending the University of Alaska campuses. He lauded the improvement in post-secondary education, freshmen retention rate, expanded workforce programs, and high need programs, such as nursing, accounting, and business management. He recounted the successful development of the mine training and the marine operations training programs. He stated that the increased funding was instrumental. He pointed out that 40 percent of the students take at least one course as an e-learning (electronic) course. He expressed a commitment for improvement to the graduation rate.

[9:27:06 AM](#)

REPRESENTATIVE P. WILSON expressed concern with the increase in tuition, and she opined that it should not get any more costly.

[9:28:47 AM](#)

CHANCELLOR ROGERS, in response to Representative P. Wilson, said that university tuition rates were being kept within the low mid-range of the public universities in the other western states. He pointed out that the legislature had deemed that the UA budget would rely less on state general funds. He noted that the only other revenue source controlled by the university was tuition rates.

[9:29:57 AM](#)

REPRESENTATIVE P. WILSON pointed out that the performance scholarship was limited to the amount of tuition for 2010.

[9:31:00 AM](#)

REPRESENTATIVE KAWASAKI observed that the UA budget had been recently approved, with less state funding. He agreed that charitable donations could be "difficult to come by at times." Directing attention to the 12 percent fee increase, he opined that it was "shameful that in one of the wealthiest states that we have to do that." He expressed agreement with Representative P. Wilson and other members of the legislature who opposed high tuition. He observed that it was not a clear mandate from the legislature to "put your entire budget on the backs of students."

[9:32:19 AM](#)

CHAIR DICK asked if funding could be generated through research studies.

[9:32:55 AM](#)

CHANCELLOR ROGERS replied that commercialization of university research was a significant opportunity. He shared that the primary research at UAF was through federally funded programs. He allowed that some areas offered opportunities to patent and license the intellectual property. He admitted that UA had not invested significantly in that process, but there was now the Office of Intellectual Property Commercialization that worked with faculty to help them understand the process. He pointed out that the private sector had to be ready to receive the intellectual property.

[9:36:14 AM](#)

CHANCELLOR ROGERS offered his belief that the mission of a land grant university was to support the development of the state.

[9:37:13 AM](#)

REPRESENTATIVE PRUITT ascertained that the transfer of credits between the universities had proven difficult.

[9:38:04 AM](#)

CHANCELLOR ROGERS, in response, said that credit transfers did occur, but that it required a review of each course. He pointed out that it was common to transfer credits of core curriculum within the University of Alaska system.

[9:39:44 AM](#)

CHANCELLOR PUGH called attention to the unified programs being established throughout the system. He pointed to the success of the health sciences, accounting, general education, and special education core programs.

[9:41:55 AM](#)

[CHAIR DICK passed the gavel to VICE CHAIR PRUITT]

[9:42:07 AM](#)

CHANCELLOR PUGH acknowledged that the core programs saved money for the students and the system by sharing the faculty resources.

[9:42:26 AM](#)

CHANCELLOR APPOINTEE CASE stated that there were challenges and advantages to multiple high level accreditations. He reported that progress was being made for increasing the transferability of credits, while protecting the accreditations.

[9:43:50 AM](#)

REPRESENTATIVE KAWASAKI, reflecting on the collaboration of the three institutions within one system, asked why the School of Fisheries and Ocean Science would be based at UAF, the furthest campus from an ocean, and why the School of Engineering was

based at UAA, when the best research institution was in Fairbanks.

[9:45:03 AM](#)

CHANCELLOR ROGERS replied that the program sites were spread throughout Alaska, even though the administrative center was often located elsewhere.

[9:46:59 AM](#)

CHANCELLOR APPOINTEE CASE pointed out that the distributive nature of programs within the University of Alaska was similar to the health sciences cooperative arrangement with the other states in the Pacific Northwest region.

[9:48:18 AM](#)

CHANCELLOR PUGH agreed that fisheries were a statewide industry, and currently an effort was being made to identify the needs of the fishing industry, from workforce to research. He noted that the National Oceanic and Atmospheric Administration (NOAA) had offered funding. He suggested that availability of courses was more important than location.

[9:50:22 AM](#)

REPRESENTATIVE SEATON, reflecting on the findings of the task forces on higher education and scholarship, expressed concern that the courses necessary for a four year degree were offered on a five year rotating schedule. He pointed out that HB 104 included a provision requesting the University of Alaska to provide "a pathway for every degree that can be accomplished within the time period." He shared concern that the Bachelor of Arts degrees required a significant number of extra credit hours. He asked for a response to both of these concerns.

[9:53:01 AM](#)

CHANCELLOR ROGERS listed three concerns for timely graduation: financial aid, better academic advice, and better course sequence. He listed a shortage of faculty as a problem for course sequence. He reported that expansion of summer school courses would also resolve problems with course sequence. He stated that there was a program review of the few Baccalaureate programs which still required more than 120 credit hours. He

noted that the curriculum was the responsibility of the Faculty Senate.

[9:54:43 AM](#)

REPRESENTATIVE SEATON asked if a statutory framework was necessary to provide direction.

[9:55:14 AM](#)

REPRESENTATIVE P. WILSON asked if there was any means for students to know whether a credit was transferable.

[9:56:02 AM](#)

CHANCELLOR ROGERS replied that most of the issues with credit transfers were connected to remedial classes or courses completed with a "D" grade or lower.

[9:56:58 AM](#)

REPRESENTATIVE P. WILSON acknowledged that remedial classes should not be necessary at the university level.

[9:57:27 AM](#)

REPRESENTATIVE CISSNA established a necessity for the secondary schools to link with the university for students who were continuing on an academic path. She expressed concern that advanced health degrees were not available at UAA. She declared that Alaska was a national leader in behavioral health problems, and she offered her belief that University of Alaska should be a leader in behavioral health research.

[10:02:46 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 10:02 a.m.