

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

February 18, 2013

8:02 a.m.

MEMBERS PRESENT

Representative Lynn Gattis, Chair
Representative Gabrielle LeDoux
Representative Dan Saddler
Representative Paul Seaton
Representative Peggy Wilson

MEMBERS ABSENT

Representative Lora Reinbold, Vice Chair
Representative Harriet Drummond

OTHER MEMBERS PRESENT

Representative Mike Chenault

COMMITTEE CALENDAR

HOUSE BILL NO. 21

"An Act relating to the length of a school week; and providing for an effective date."

- MOVED HB 21 OUT OF COMMITTEE

HOUSE BILL NO. 87

"An Act extending the special education service agency; and providing for an effective date."

- MOVED CSHB 87(EDC) OUT OF COMMITTEE

PRESENTATION: CHARTER SCHOOLS IN ALASKA

- HEARING POSTPONED TO 2/25/13

PREVIOUS COMMITTEE ACTION

BILL: HB 21

SHORT TITLE: FOUR-DAY SCHOOL WEEK

SPONSOR(S): REPRESENTATIVE(S) P.WILSON, T.WILSON, KREISS-TOMKINS

01/16/13 (H) PREFILE RELEASED 1/7/13
01/16/13 (H) READ THE FIRST TIME - REFERRALS
01/16/13 (H) EDC, FIN
02/15/13 (H) EDC AT 8:00 AM CAPITOL 106
02/15/13 (H) Heard & Held
02/15/13 (H) MINUTE (EDC)
02/18/13 (H) EDC AT 8:00 AM CAPITOL 106

BILL: HB 87

SHORT TITLE: EXTEND SPECIAL EDUCATION SERVICE AGENCY
SPONSOR(S): REPRESENTATIVE(S) HIGGINS

01/28/13 (H) READ THE FIRST TIME - REFERRALS
01/28/13 (H) EDC, FIN
02/15/13 (H) EDC AT 8:00 AM CAPITOL 106
02/15/13 (H) Scheduled But Not Heard
02/18/13 (H) EDC AT 8:00 AM CAPITOL 106

WITNESS REGISTER

REPRESENTATIVE TAMMIE WILSON
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided a review of HB 21, as one of the joint prime sponsors.

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

POSITION STATEMENT: Testified on HB 21.

CARL ROSE, Executive Director
Association of Alaska School Boards (AASB)
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 21.

ELAINE PRICE, Member
School Board
Southeast Island School District
Coffman Cove, Alaska

POSITION STATEMENT: Testified in support of HB 21.

BRUCE JOHNSON, Executive Director
Alaska Council of School Administrators
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 21.

REPRESENTATIVE PETE HIGGINS
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced HB 87, as prime sponsor.

TOM STUDLER, Staff
Representative Pete Higgins
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented HB 87 and the proposed committee substitute (CS), on behalf of Representative Higgins, prime sponsor.

KRIS CURTIS, Legislative Auditor
Legislative Audit Division
Legislative Agencies and Offices
Juneau, Alaska

POSITION STATEMENT: Testified on HB 87.

PATRICK PILLAI, Executive Director
Special Education Service Agency (SESA)
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 87.

DR. P. J. FORD SLACK, Principal
Sitka High School
Sitka, Alaska

POSITION STATEMENT: Testified in support of HB 87.

ERIC GEBHART, Superintendent
Nenana City School District
Nenana, Alaska

POSITION STATEMENT: Testified in support of HB 87.

CARL ROSE, Executive Director
Association of Alaska School Boards (AASB)
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 87.

MILLIE RYAN, Director
Resources Empowerment & Advocacy in the Community & Home, Inc.
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 87.

BRUCE JOHNSON, Executive Director
Alaska Council of School Administrators
Juneau, Alaska

POSITION STATEMENT: Testified in support of HB 87.

ACTION NARRATIVE

[8:02:27 AM](#)

CHAIR LYNN GATTIS called the House Education Standing Committee meeting to order at 8:02 a.m. Present at the call to order were Representatives Gattis, P. Wilson, Seaton, and Saddler; Representatives LeDoux arrived as the meeting was in progress.

HB 21-FOUR-DAY SCHOOL WEEK

[8:02:49 AM](#)

CHAIR GATTIS announced that the first order of business would be HOUSE BILL NO. 21, "An Act relating to the length of a school week; and providing for an effective date."

[8:03:27 AM](#)

REPRESENTATIVE TAMMIE WILSON, Alaska State Legislature, speaking as one of the joint prime sponsors, recapped the intent of HB 21, which is to allow a four-day school week opportunity to a specific district. Provisions in HB 21 require the district to show that the majority of the community, students and teachers support the implementation of this program. Additionally, the district will have to prove that the students are receiving the equivalent of a five-day school week. They will also be required to file quarterly reports to the Department of Education and Early Development (EED) on student and teacher performance and the effectiveness of the program. An individual school within the district may elect to maintain a five-day week rather than exercise the option. She stressed that the intent is to extend local control to school districts.

[8:04:32 AM](#)

MIKE HANLEY, Commissioner, Department of Education and Early Development (EED), said that currently statute allows the department to approve an acceptable plan, as submitted by a district, to operate on a four-day per week school calendar or a flexible/alternate schedule. The proposed bill will change the approval authority for a 30-day period, transferring approval to the office of the Alaska State School Board and Early Learning. The authority is redirected but the process is not altered, he

pointed out. Further, it does not prevent the commissioner from approving a school schedule change, during the same 30-day period.

8:05:50 AM

REPRESENTATIVE SEATON asked for the difference in criteria required for permit approval through the commissioner's office versus the proposed 30-day application period.

COMMISSIONER HANLEY responded that there are additional items in the bill, which requires progress reporting, once the proposal has been accepted. Existing statute allows the education commissioner to approve an acceptable plan that provides the equivalent of a five-day school week; the same as the bill requires. However, the bill stipulates that the board consider additional criteria, such as community involvement, and he paraphrased from the bill, Sec. 1 paragraphs (2) and (3); which read as follows [original punctuation provided]:

(2) has involved affected students, teachers, and the community in requesting a four-day school week;

(3) submits public comment to the board that demonstrates majority community support for the request

8:06:53 AM

REPRESENTATIVE SEATON stated his understanding that the department's denial of the Craig School District's original application was due to the lack of focus on student improvement; a condition not stipulated in the bill. He asked if the current authorizing criteria will require a focus on student improvement.

COMMISSIONER HANLEY pointed out that statute must be interpreted for academic purposes. The Craig district's request was submitted indicating an interest for a three-day weekend, and the academic program plan was not presented. Hence, approval was withheld pending an academic plan, which the district was hesitant in preparing prior to gaining approval. He suggested that if the information the district is offering in support of HB 21, had been submitted with the initial request, the department would have been in a better position to offer approval. He said his office will always focus on the student and many questions remain unanswered, such as: how will an hour

longer day be structured for young children; will special needs children be able to handle an extended day; and a student missing an extended day will have one and one-quarter days to makeup - how will that be addressed.

REPRESENTATIVE SEATON followed-up to note that the conditions for approval proposed in HB 21 encompass criteria such as flexibility and community desires, and asked whether it needs to include academic achievement requirements. He expressed interest in understanding the exact difference between the current authority, in statute, and what is proposed, for the single district, in HB 21.

COMMISSIONER HANLEY stated his belief that there is no perceptible difference in the criteria established under current statute from what is proposed in HB 21, and added that statute does not speak to academic achievement.

[8:12:00 AM](#)

REPRESENTATIVE LEDOUX hypothesized whether approval of the district's request would have been approved if HB 21 had been in effect when the initial application was under consideration.

COMMISSIONER HANLEY conjectured that the board would have considered the request and the department would have expressed concern.

[8:13:08 AM](#)

REPRESENTATIVE P. WILSON commented that the bill sponsors have noted concerns and the bill will be altered based on comments from the previous hearings. She said that Craig is one of the top rated, rural school districts and may have an advantage over other rural districts that are struggling academically. The plan that the school district is now submitting has been crafted better than the previous request, she opined, and agreed that the commissioner took the appropriate action on the initial application.

[8:14:53 AM](#)

REPRESENTATIVE SADDLER asked the commissioner for a general opinion on an altered school week.

COMMISSIONER HANLEY responded that student outcomes are paramount and Alaska has a number of flexible programs in place

to meet individual needs. In reviewing the effectiveness of how four-day weeks perform in other states, he said many are implemented for financial purposes, not because of a remote life style. However, he said reports are indicative of successful programs and he stated support for the pilot program.

REPRESENTATIVE SADDLER clarified that the programs are reported as successful with regard to academic achievement or financial economy.

COMMISSIONER HANLEY said the financial aspect has not been studied, but it would stand to reason that without having to dispatch buses or provide food, among other services not being provided one day per week, an economic benefit would result. The academic outcomes appear to vary, with first year gains typically being the highest, and as the program continues results appear to remain relatively positive.

REPRESENTATIVE SADDLER asked if the department has had frequent requests for four-day programs.

COMMISSIONER HANLEY answered that Craig district has been the only one. To a follow-up question, he said the reported results of four-day programs are based on case studies, not data base, critical analysis.

[8:18:43 AM](#)

REPRESENTATIVE P. WILSON offered that financial savings can be substantial, especially where bussing of children is routine, and added that a pilot program could be helpful, as a four-day schedule has not yet been tried in Alaska.

[8:19:41 AM](#)

REPRESENTATIVE LEDOUX stated support for HB 21 and expressed concern for a possible rise in latchkey attendance if parents have a five-day work week.

REPRESENTATIVE P. WILSON suggested that the local areas will be able to directly address the latchkey situation and it would be part of the community decision, when considering a four-day school week.

[8:21:26 AM](#)

REPRESENTATIVE SEATON said he does not oppose HB 21, but questions the purpose and usefulness of superseding current statute. He voiced support for districts to work with the commissioner's office to attain an alternative, flexible schedule, and suggested it may place an unintentional and undue burden on the board or the department.

COMMISSIONER HANLEY acknowledged that the steps for approving an application through the board process may be cumbersome, but not overwhelmingly so.

[8:22:42 AM](#)

CHAIR GATTIS expressed support for the Craig district's community interest to operate a four-day pilot program. She then turned to public testimony.

[8:23:52 AM](#)

CARL ROSE, Executive Director, Association of Alaska School Boards (AASB), stated support for HB 21 and said the mission of the association is to support student achievement through effective local governance. The program may not work for all districts, and he predicted that it would not be requested universally; however, it is a good option to have for areas where it fits community needs. He stressed the importance of allowing and honoring local governance in a district.

[8:25:18 AM](#)

REPRESENTATIVE SEATON stated support for local control and reiterated that Craig is one of the best performing rural districts in the state. He theorized that a lower performing district might desire to adopt the program, and asked if AASB believes that the state is in a position to make assessments to determine the viability and effectiveness of a four-day week.

MR. ROSE said the association does not adjudicate these matters, but the department and local school boards will make determinations regarding program effectiveness.

CHAIR GATTIS commented that in a low performing school district, whatever program a community embraces and becomes engaged around, should be considered a viable possibility for improvement.

[8:27:44 AM](#)

REPRESENTATIVE SADDLER asked about the performance of the existing alternative schedules in Alaska.

MR. ROSE reported that the block schedule has been one of the most effective methods districts have implemented, and although a four-day week has not been tried in Alaska, the plan is interesting to consider. Rather than requesting a teaching day off, proposals for the fifth day have included a number of options, such as: staff development, additional tutorial time for students, or an alternative program that is not counted as an official school day but which provides enrichment activities. To a follow-up question he explained that the block scheduling allows focus and compression of one subject into a longer class period, such as 90 minutes versus 40 minutes. Absenteeism presents a significant problem in a block schedule, as the concentrated time on a subject is difficult to make up. Attendance policies need to be tightened when a district chooses to implement block studies. A four-day school week would present a similar issue, as each day would represent 25 percent of the week's studies.

[8:31:28 AM](#)

ELAINE PRICE, Member, School Board, Southeast Island School District, stated support for HB 21 and reported that the parents have led the initiative for a four-day school week, and stressed that the school board neither proposed the idea nor proffered it as a cost saving program. Regarding the question for latchkey participants, she said the parents are a vocal group and the district will know if a problem arises. The teachers are also in favor of the four-day week and look forward to having more contact time with their students, and expect to be available on the fifth day, Friday, for special programs. The superintendent appreciates the flexibility the schedule will allow, especially in the area of vocational training. She said the standards and test scores in the district are high, and this proposal has been approached with concern to maintain, not compromise, the district's academic standings.

REPRESENTATIVE SADDLER asked what criteria will be applied to ensure a high level of academic performance is maintained over the duration of the pilot plan period, and in deciding whether or not to continue the four-day schedule.

MS. PRICE said test scores will be reviewed, as well as the minutes of the ASC meetings. The meetings are well attended by

the community and provide a clear understanding of what is occurring in each school. A number of variables affect test scores, which include: teacher effectiveness, special need students, class size, and attendance. She stressed that academic oversight is a district priority and a close eye is maintained on the achievements in the nine schools; steps would be taken to rectify any backsliding.

[8:36:34 AM](#)

BRUCE JOHNSON, Executive Director, Alaska Council of School Administrators, stated support for HB 21. The plan has been well thought out and represents a serious endeavor, with little risk. He said it may not suit many communities, but Craig district seems to be a fit and he said it would be helpful to have a pilot program; the information gained can only become useful for future reference or application. The local control aspect is important to respect and support, he finished.

[8:37:57 AM](#)

CHAIR GATTIS closed public testimony.

REPRESENTATIVE P. WILSON reported that the sponsors will be incorporating comments from the bill hearings and some changes can be anticipated when it arrives at the next committee of referral.

[8:38:58 AM](#)

REPRESENTATIVE SEATON commented that the committee has supported a policy for districts to take a variety of educational approaches and he said this bill provides potential in the same vein. He stated support for four extended school days with the fifth day used for a variety of enrichment opportunities. The pilot program will be interesting to follow, and if successful, the schedule could prove helpful in other areas of the state. Additionally, the new assessments that will be implemented based on intellectual integration versus the current rote fact learning method, may be better served by this schedule.

[8:40:46 AM](#)

CHAIR GATTIS underscored the importance for acknowledging community support through legislative action.

[8:41:05 AM](#)

REPRESENTATIVE SEATON moved to report HB 21 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 21 was reported from the House Standing Committee on Education.

[8:41:50 AM](#)

The committee took an at-ease from 8:41 a.m. to 8:45 a.m.

HB 87-EXTEND SPECIAL EDUCATION SERVICE AGENCY

[8:45:38 AM](#)

CHAIR GATTIS announced that the final order of business would be CS FOR HOUSE BILL NO. 87, "An Act relating to allocations to the special education service agency and extending the special education service agency; and providing for an effective date."

[8:45:52 AM](#)

REPRESENTATIVE PETE HIGGINS, Alaska State Legislature, speaking as the prime sponsor, introduced HB 87 and recommended that the Special Education Service Agency (SESA) program be extended to June 30, 2021. He stressed the importance for having a service that provides support in a child's village to help them develop abilities and become functional in the community.

[8:47:47 AM](#)

REPRESENTATIVE P. WILSON noted that the auditor's report supports continuance of the program. It also indicates that the services provided are not available or duplicated through any other entity.

[8:48:55 AM](#)

TOM STUDLER, Staff, Representative Pete Higgins, Alaska State Legislature, paraphrased testimony from a prepared statement, which read as follows [original punctuation provided]:

The Special Education Service Agency (SESA) us a non-profit organization established by the Alaska State Legislature in 1986 under Alaska State statute (AS 14.30.600). SESA's role is to provide school districts with training specific to a student's disability. The availability of SESA's services allows students, with low incidence disabilities, to

receive special education services in their home community and keeps students with their families. SESA provided service to 45 school districts and 223 students during the last school year. During this time, SESA also provided 320 onsite consultations with school districts. No other government agency or private sector entity in the State provides specialized assistance to school districts for educating students.

The Special Education Service Agency is scheduled to terminate June 30, 2013. In the opinion of the Legislative Budget and Audit Committee: the termination date for this agency should be extended. They recommend the legislature extend the termination date to June 30, 2021. The Department of Health and Social services and The Department of Education & Early Development both support the extension of the Sunset date to June 30, 2021.

[8:51:07 AM](#)

KRIS CURTIS, Legislative Auditor, Legislative Audit Division, Legislative Agencies and Offices, paraphrased testimony from a prepared statement, which read as follows [original punctuation provided]:

The division of Legislative Audit conducted a sunset review of the Special Education Services Agency also known as SESA and issued our report last year. The main objective of the audit was to determine if the agency was operating in the public interest and whether its termination date should be extended.

We conclude that SESA is serving a public need and is essential in meeting the Federal law that requires the State ensure that all children with disabilities have available to them a free appropriate public education that meets their unique needs. SESA serves over 200 students located in mostly non-urban locations through its low incidence disabilities program.

We recommend extending SESA's termination date until June 30, 2021. However, our recommendation for extension comes with recommendations to improve collaboration and oversight.

The biggest issue facing SESA is the flat funding of its Low Incidence Disability program. The funding level is set in statute and hasn't been increased in 14 years thereby decreasing the real value of its budget by 36 percent. This has made it difficult to hire qualified staff. SESA's unique organizational structure has left it with no mechanism for seeking an increase to its budget during the annual budgetary process. SESA's funding as identified in the public school funding statute provides an amount per student as a "not less than" amount. Since SESA's funding comes from the public school funding statutes, it is funded through DEED. DEED could ask for increases as part of its annual budget process but has chosen not to do so since SESA reports to the Governor's Council on Disabilities and Special Education which is organizationally located within the Department of Health and Social Services. DEED management does not consider their department's responsible for monitoring the adequacy of SESA's budget.

The Governor's council did support legislation to increase SESA's during the past session but the bill was not successful.

In recommendation No. 1 of the report, we hold DEED management accountable for monitoring SESA because DEED is responsible for fulfilling the federal law regarding special education. Because DEED is the entity the ultimately must meet the federal requirement, it should be taking a more active role in monitoring SESA. We recommend that DEED management and SESA management collaborate to ensure SESA is operating and funded as intended by the legislature.

DEED's commissioner does not agree with the recommendation. Historically the funding for SESA has been a legislative process and he sees no need for a change. DEED does not want to be held accountable for SESA's operations.

And we understand his viewpoint since the oversight responsibility for SESA is fragmented and confusing. Which brings me to the Auditor's Comments section of the report. In the Auditor's Comments section of the report, we discuss SESA's organizational structure which has led to confusion as to oversight

responsibility for funding and monitoring SESA. SESA is a nonprofit corporation created by statute to report to the Governor's Council on Disabilities and Special Education. It must report to the Governor's Council, however, the council does not have budgetary authority over SESA. As a component of public school funding, SESA's main program, its Low Incidence Disabilities program, is funded through DEED.

To further complicate matters, as a nonprofit corporation, SESA has its own bylaws and its own board of directors.

The Auditor's Comments Section of the audit explains SESA's organizational structure and highlights the need for legislative clarification as to which entity should be held accountable.

The audit contains a second recommendation addressed to SESA's board president to revise board policies and improve SESA board oversight. There has been a fairly recent change in the executive director position and the board president has already initiated changes to help improve oversight.

[8:55:51 AM](#)

REPRESENTATIVE P. WILSON asked if there is concern for the changes made by the board president, and whether the legislature should consider any statutory amendments.

MS. CURTIS responded that the changes have not been audited but opined that it appears the board is moving in the right direction.

REPRESENTATIVE LEDOUX asked what the pros and cons would be for placing SESA under the purview of the Department of Education and Early Development (EED).

MS. CURTIS answered that the examination of that option was not part of the audit. She clarified that the audit was based on the eleven sunset criteria, required by statute, to evaluate the agency. It has been concluded that the agency serves a public need and specific issues were identified for further scrutiny.

CHAIR GATTIS opined that oversight is best served when one foot is in each department.

REPRESENTATIVE P. WILSON agreed, and conjectured that the department would be challenged to incorporate funding for a non-profit organization. She suggested that the required reports from SESA be provided to both the governor's office as well as EED.

[8:58:56 AM](#)

REPRESENTATIVE SEATON addressed the topic of accountability and opined that requiring diversified reporting can result in non-accountability, stating "...when the buck doesn't stop anywhere, it's easy to push it off onto somebody else." He asked if one of the identified concerns is the lack of one state agency being held accountable.

MS. CURTIS said accountability is spread out, and EED has a role regarding funding and oversight of some planning documents. Additionally, the non-profit board seats a member of EED staff. However, statute separates responsibility between agencies. The department's response to the audit highlighted that any change to the low incidence disabilities budget requires a change in statute and is addressed through the legislative process. During the previous legislature, the governor's council introduced legislation but it was not successful.

[9:00:58 AM](#)

REPRESENTATIVE LEDOUX commented that "a bureaucratic mess" has ensued and suggested returning to the drawing board to consider redesign options.

[9:01:44 AM](#)

PATRICK PILLAI, Executive Director, Special Education Service Agency (SESA), introduced his presentation.

[9:02:28 AM](#)

The committee took an at-ease from 9:02 a.m. to 9:04 a.m.

MR. PILLAI provided a video illustrating the work of the program in various Alaskan school locations, to demonstrate the outreach work performed throughout the state by SESA.

[9:11:11 AM](#)

The committee took an at-ease at 9:11 a.m.

MR. PILLAI paraphrased the agency's mission statement, which read: SESA provides consultation and training to support the unique educational needs of individuals and the Alaskan communities that serve them. He then provided a brief background of the program, to state that SESA was created in 1986 as a not-for-profit corporation to meet federal requirements of Individuals with Disabilities Education Act (IDEA). Together with EED, SESA worked to create an infrastructure, in accordance with session laws, to satisfy objectives for providing a public education to individuals with low incidence disabilities via a cadre of itinerant specialists working throughout the school districts with an emphasis on rural environments. The agency is governed by the Alaska Governor's Council on Disabilities and Special Education. Funding is received as a low incidence disabilities appropriation through statute at a rate of \$15.75 multiplied by the previous year's average daily membership (ADM). He said there has not been a funding increase for 15 years, thus the proposal for a multiplier of 36 percent to come apace with inflation. An annual one-half percent per year inflation increase is requested for the ensuing eight years following reauthorization.

[9:14:54 AM](#)

MR. PILLAI said that under AS 14.30.630(b)(1) SESA is required to provide the following services: itinerant outreach services to students who are deaf, deaf-blind, mentally retarded, hearing impaired, blind and visually impaired, orthopedically disabled, health-impaired in other ways, severely emotionally disturbed, and to students with multiple disabilities; special education instructional support and training of local school district special education personnel; and other services appropriate to special education needs. The agency is also involved in other services, which include: operation of the Alaska Autism Resource Center; facilitation of Bring the Children Home to repatriate psychologically diagnosed children who have been residing in facilities outside of Alaska; administration of the state deaf-blind grant; and an indicators program to supply the state with data for reporting purposes.

[9:17:13 AM](#)

MR. PILLAI drew attention to a map of the state with numbers attached to each district to indicate students being served,

which total 260. He provided specific examples of students being served by SESA specialists. Additional to student services, training is also conducted to educate teachers, with a primary focus is on rural Alaska. He pointed out that when district's experience significant staff turnover, the SESA specialist may hold the continuity factor of a student's individual education program (IEP). Specific SESA services include: on-site consultation with strategies based on observation/modeling/evidence; in-service training for professional development; host the Alaska State Special Education Conference (ASSEC); assist with specific courses designed and offered for university credit; participate on the Alaska Deaf Education Advisory Board; and partner with other non-profit organizations such as Stone Soup and the Center for Human Development at the University of Alaska Anchorage (UAA).

[9:23:05 AM](#)

MR. PILLAI directed attention to an image provided in the committee packet illustrating the SESA website to point out the user friendly format and how school districts can access the necessary forms to request agency assistance. He then addressed a graph titled "SESA FY 12 Student Consultation by District," and said it captures only the 1:1 student work, not professional training, per district. He said an important aspect of SESA services is the combination of evidence based practices and targeted interventions. A loss of funding will result in the reduction of these services, and an allotment request will accompany an amendment to the bill when it comes before the finance committee. He offered other reasons for the necessity of a monetary increase, including the quality of professionals required for staff, retention issues, and the ability to offer competitive salary/benefit packages.

[9:28:26 AM](#)

CHAIR GATTIS opened public testimony.

[9:28:52 AM](#)

DR. P. J. FORD SLACK, Principal, Sitka High School, stated support for HB 87 and urged members to speak with anyone connected with SESA in any area of the state, and predicted that positive feedback will result.

[9:29:33 AM](#)

ERIC GEBHART, Superintendent, Nenana City School District, stated support for HB 87 and identified that he chairs the 28-member Governor's Council for Disabilities and Special Education; the governing board of SESA. He said five board members handle the direct relationship with the agency, and he reviewed the membership seats. The board supports both the reauthorization as well as the proposed funding increase to \$21.50 per student, as recommended by the Legislative Audit report. The capacity of the service to bring expertise to every area of the state has already been illustrated, he finished.

[9:32:07 AM](#)

CARL ROSE, Executive Director, Association of Alaska School Boards (AASB), commented that the creation of special education was enacted in 1975 with the passage of [Public Law 94-142 (Education of All Handicapped Children Act) also known as, Individuals with Disabilities Education Act (IDEA)]. The special education mandate has been altered several times since it was established and through the reauthorization process. The means for meeting the mandate has remained a focus, and the original promise of 40 percent federal funding has yet to reach that level; currently the rate is approximately 14-16 percent. The mandate is complicated and been revisited many times. The administrative burdens have become extensive with each reworking and continued honing of the law by advocates of special education. Reporting is provided to the governor's council, EED and the federal authorities, and, reiterating Representative Seaton's sentiment, he said, "If everybody's responsible, nobody's responsible." He said the extensive reporting generates little response until an audit is performed. The work conducted by SESA remains the best solution to address the complicated requirements of the special education mandates in place. He addressed Representative LeDoux's suggestion for reworking the system and said IDEA has taken that approach but the result has been additional administrative requirements. The diversity of Alaska is immense and PL 94-142 requires that "all kids will get the best bite of the apple that we can give." The mandate has continued to become more complicated, since inception, and received less attention and funding, and SESA is the best possibility for meeting the requirements.

[9:35:23 AM](#)

REPRESENTATIVE P. WILSON asked whether there are oversight steps the committee should be considering.

MR. ROSE responded that special education is a huge, involved issue, and assured the committee that SESA is handling the bulk of the complications.

[9:36:42 AM](#)

MILLIE RYAN, Executive Director, Resources Empowerment & Advocacy in the Community and Home, Inc. (REACH), said she has served in the past as a SESA board member, and offered some history for how SESA governance came about, adding that the system has worked fairly well with minimal issues. A question often raised is whether SESA duplicates intensive needs funding and she said there are specific criteria and close oversight to guard against that happening. Another question that often arises is whether SESA employees are special education teachers, but special education teachers are not specialists in specific areas and are not prepared to receive children with low incidence disabilities. Finally, she said the good work that SESA provides is evident and offered an anecdote about a REACH student who benefited and was able to maintain a residence close to family due to the services provided.

[9:41:51 AM](#)

REPRESENTATIVE LEDOUX asked what services REACH provides.

MS. RYAN outlined the range of services provided through the REACH agency, which include an infant learning program, and respite and in-home services.

REPRESENTATIVE LEDOUX inquired whether REACH works with the school districts.

MS. RYAN replied yes, very closely with complimentary and transitional services, and to a follow-up clarified that the services are not duplicative of the educational services SESA provides.

[9:44:28 AM](#)

BRUCE JOHNSON, Executive Director, Alaska Council of School Administrators, stated support for HB 87 and said this is a valued, necessary service and districts would be taxed to fill the void in the absence of SESA's expertise.

CHAIR GATTIS closed public testimony.

9:46:03 AM

REPRESENTATIVE SEATON moved to adopt the proposed committee substitute (CS) for HB 87, Version 28-LS0392\U, Mischel, 2/8/13, as a working draft. There being no objection, Version U was before the committee.

9:47:12 AM

MR. STUDLER said the CS changes begin on page 1, line 10, represented in uppercase letters. He said this language would be redacted to more clearly reflect the actuality of how the retirement system is handled.

REPRESENTATIVE SEATON clarified the purpose of the CS by paraphrasing from the language being proposed for removal, which read [original punctuation provided]:

THE AMOUNT ALLOCATED TO THE AGENCY SHALL BE REDUCED EACH FISCAL YEAR BY THE AMOUNT CONTRIBUTED BY THE DEPARTMENT TO THE TEACHERS RETIREMENT SYSTEM (AS 14.25) OR THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM (AS 39.35) ON BEHALF OF EMPLOYEES OF THE AGENCY.

REPRESENTATIVE SEATON inquired whether there would be any fiscal impact by this action.

MR. STUDLER stated his understanding that the change reflects how the agency conducts business and does not alter funding. He then deferred.

MR. PILLAI confirmed that the proposed CS does not affect the funding of the agency in any way.

9:50:04 AM

REPRESENTATIVE P. WILSON moved to report CSHB 87, Version 28-LS0392\U, Mischel, 2/8/13, out of committee with individual recommendations, and the accompanying fiscal notes.

REPRESENTATIVE SEATON objected, and stated his understanding that one of the intents of the bill is to remedy the 15 years of flat funding, and noted that the CS does not appear to incorporate that intent. He expressed concern for continued flat funding of SESA and opined that without a fiscal note the state obligation to meet federal education requirements may be in jeopardy. He proposed that a [letter of intent], from the

committee, be forwarded with the bill, when it comes before the finance committee.

[9:53:07 AM](#)

CHAIR GATTIS, hearing no objection, announced that a [letter of intent] would be forwarded with HB 87.

[9:53:15 AM](#)

REPRESENTATIVE SEATON removed his objection.

[9:53:20 AM](#)

The committee took an at-ease from 9:53 a.m. to 9:54 a.m.

[9:54:17 AM](#)

CHAIR GATTIS, hearing no further objection, announced that CSHB 87(EDC) was reported from the House Education Standing Committee.

[9:54:46 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 9:56 a.m.