

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

March 15, 2013
8:03 a.m.

MEMBERS PRESENT

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

MEMBERS ABSENT

Representative Harriet Drummond

OTHER LEGISLATORS PRESENT

Senator Mike Dunleavy

COMMITTEE CALENDAR

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 142(EDC)

"An Act relating to boarding schools operated by school districts; relating to housing expenses for charter schools; and providing for an effective date."

- MOVED CSHB 142(EDC) OUT OF COMMITTEE

HOUSE BILL NO. 93

"An Act relating to the authorization, monitoring, and operation of charter schools."

- HEARD & HELD

HOUSE BILL NO. 151

"An Act establishing a public school and school district grading system for purposes of improving accountability and transparency; providing for Alaska strategic educators in public schools; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 142

SHORT TITLE: STIPEND FOR STATEWIDE BOARDING SCHOOL

SPONSOR(s): REPRESENTATIVE(s) GATTIS

02/25/13	(H)	READ THE FIRST TIME - REFERRALS
02/25/13	(H)	EDC, FIN
03/11/13	(H)	EDC AT 8:00 AM CAPITOL 106
03/11/13	(H)	<Bill Hearing Rescheduled to 3/13/13>
03/13/13	(H)	EDC AT 8:00 AM CAPITOL 106
03/13/13	(H)	Heard & Held
03/13/13	(H)	MINUTE(EDC)
03/15/13	(H)	EDC AT 8:00 AM CAPITOL 106

BILL: HB 93

SHORT TITLE: CHARTER SCHOOLS

SPONSOR(s): REPRESENTATIVE(s) GATTIS

01/30/13	(H)	READ THE FIRST TIME - REFERRALS
01/30/13	(H)	EDC, FIN
03/15/13	(H)	EDC AT 8:00 AM CAPITOL 106

BILL: HB 151

SHORT TITLE: SCHOOL GRADING SYSTEMS

SPONSOR(s): REPRESENTATIVE(s) REINBOLD

03/01/13	(H)	READ THE FIRST TIME - REFERRALS
03/01/13	(H)	EDC, FIN
03/15/13	(H)	EDC AT 8:00 AM CAPITOL 106

WITNESS REGISTER

NORMAN ECK, PhD., Superintendent
Northwest Arctic Borough School District (NWABSD)
Kotzebue, Alaska.

POSITION STATEMENT: Testified in support of HB 142.

ERICK CORDERO-GIORGANA, Staff
Representative Lynn Gattis
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Gattis, prime sponsor, presented the committee substitute (CS) for HB 93.

KARA KERWIN, Vice-President
External Affairs
Center for Education Reform (CER)

Washington, D.C.

POSITION STATEMENT: Testified in support of HB 93.

SUSAN MCCAULEY, PhD, Director
Teaching and Learning Support
Department of Education and Early Development (EED)
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing of HB 151.

DAVID BOYLE, Representative
Alaska Policy Forum
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing of HB 93.

BOB GRIFFIN
Eagle River, Alaska

POSITION STATEMENT: Testified in support of HB 93.

TERRY SNYDER
Palmer, Alaska

POSITION STATEMENT: Testified in opposition to HB 93.

DAN LORING
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 93.

BARBARA GERARD, Principal
Academy Charter School
Palmer, Alaska

POSITION STATEMENT: Testified in support of HB 93.

SCOTT MCKIM
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 93.

ELLEN VAROSI
Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 93.

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

POSITION STATEMENT: Testified during the hearing of HB 93.

LORI BERRIGAN
Palmer, Alaska

POSITION STATEMENT: Testified in support of HB 93.

ROBERT PEARSON, Staff
Representative Lora Reinbold
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of the sponsor, Representative Reinbold, presented the changes reflected in the committee substitute for HB 151.

ACTION NARRATIVE

[8:03:01 AM](#)

CHAIR LYNN GATTIS called the House Education Standing Committee meeting to order at 8:03 a.m. Present at the call to order were Representatives LeDoux, Reinbold, Seaton, P. Wilson, and Gattis. Representative Saddler arrived as the meeting was in progress. Also present was Senator Dunleavy.

HB 142-STIPEND FOR STATEWIDE BOARDING SCHOOL

[8:03:28 AM](#)

CHAIR GATTIS announced that the first order of business would be HOUSE BILL NO. 142, "An Act increasing the monthly stipend available for students attending a statewide boarding school operated by a school district; and providing for an effective date."

[The committee substitute (CS) for HB 142, Version 28-LS0570\C, was previously adopted as the working document on 3/13/13.]

[8:05:02 AM](#)

NORMAN ECK, PhD, Superintendent, Northwest Arctic Borough School District (NWABSD), assured the committee that HB 142 will not allow any school district to make a profit by boarding students. Currently, the two schools authorized to receive stipends for boarding students, Nenana and Galena, operate boarding facilities at a deficit. This is one reason the proposed legislation is necessary. Northwest Arctic Borough School District is submitting a proposal to the Department of Education and Early Development (EED) for approval to board 40 students from outside of Kotzebue so they may attend the Star of the Northwest Magnet School. This proposal includes a projected budget that anticipates a loss of over \$200,000 per year in

student boarding costs. However, NWABSD believes this school is needed to improve education for students in rural Alaska. The school will provide innovative educational programs that enable students to become self-sufficient, career-ready, and college-ready upon graduation. Dr. Eck advised the graduation rate for Alaska Native students can be raised to 83 percent by providing classes with innovative, instructional programs of practical application to students. He closed, saying HB 142 provides an additional pathway for Alaskan students who need an opportunity to learn and become excellent wage-earners, voters, and exemplary citizens.

CHAIR GATTIS expressed her support of boarding schools that allow students to attend close to their homes.

[8:09:46 AM](#)

CHAIR GATTIS closed public testimony.

[8:09:58 AM](#)

REPRESENTATIVE REINBOLD moved to report the proposed CS for HB 142, Version 28-LS0570\C, Mischel, 3/11/13, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE SEATON objected for the purpose of discussion, and asked whether there was another witness to be heard.

CHAIR GATTIS explained the additional witness was not available.

REPRESENTATIVE SEATON removed his objection. There being no further objection, CSHB 142(EDC) was reported from the House Standing Committee on Education.

[8:11:29 AM](#)

The committee took an at-ease from 8:11 a.m. to 8:13 a.m.

HB 93-CHARTER SCHOOLS

[8:13:51 AM](#)

CHAIR GATTIS announced that the next order of business would be HOUSE BILL NO. 93, "An Act relating to the authorization, monitoring, and operation of charter schools."

8:13:57 AM

REPRESENTATIVE P. WILSON moved to adopt the committee substitute (CS) for HB 93, Version 28-LS0354\0, Mischel, 3/11/13, as the working document. There being no objection, Version 0 was before the committee.

8:14:31 AM

ERICK CORDERO-GIORGANA, Staff, Representative Lynn Gattis, Alaska State Legislature, on behalf of Representative Gattis, prime sponsor, presented the committee substitute (CS) for HB 93. He said the purpose of HB 93 is to establish a process to allow for multiple authorizers of public charter schools. Currently, local school districts authorize public charter schools through a two-tiered process: A community group of parents first applies to the local school board, and then the application must be ratified by the state board of education. This presents difficulties when applications are not decided on merit but on the "politics of the day." He defined an authorizer as an entity that would review, approve, reject, monitor, terminate, or renew a charter school contract. In Alaska, all charter schools are public schools. He continued to explain that the authorizer will ensure that a charter school application meets the standards of local, state, and federal laws and that the school will meet the needs of the children it serves. Mr. Cordero-Giorgana advised that charter schools are innovative and produce quality outcomes for students. Furthermore, not enough charter schools are available for those who wish to attend and sometimes enrollment must be through a lottery process.

MR. CORDERO-GIORGANA presented a brief sectional analysis. Section 1 describes an authorizer and that the local districts can also approve charter schools. As an aside, he noted that Alaska has twenty-seven public charter schools in eight school districts. Section 2 adds an appeal process before the state board of education after the denial of a charter school application. Section 3 gives the Department of Education and Early Development (EED) an opportunity to establish the rules and procedures for authorizers and who can be an authorizer; for example, an authorizer can be a college or university, some nonprofits, and some government agencies that have expertise in finance, management and/or education. Also, EED will ensure that authorizers perform their duties. Section 5 requires an authorizer of a charter school or the local school board to operate under a contract known as a charter, and describes the

terms required to comply with local, state, and federal laws. Section 6 requires EED to establish the charter school's budget. In current law, charter schools have autonomy in budget, curriculum, program, and textbooks; however, they must follow state and local public school policies. Section 7 limits the applicability of a negotiated or collective bargaining agreement with a school district. Section 8 authorizes charter schools to hire teachers and other employees outside of a negotiated or collective bargaining agreement, but teachers are required to be certified in the state. Section 9 provides for the applicability of the bill to charter school applications for approval or renewal submitted on or after the effective date. Monitoring the school's progress would be one of the duties of the authorizer. Mr. Cordero-Giorgana concluded, saying that a charter school is held to higher standards because it must renew its contract and parents can withdraw students if desired.

[8:23:49 AM](#)

KARA KERWIN, Vice-President, External Affairs, Center for Education Reform (CER), informed the committee CER was founded in 1993 and is the leading voice in American education to improve educational outcomes for students. She charged that only 25 percent of Alaska's fourth-graders read at grade level - in spite of high per-pupil funding - and the educational policy in Alaska is not working. In addition, she said the current Alaska charter school policy, enacted in 1995, is not working; in fact, her organization judged Alaska's charter school policy to be the sixth weakest in the U.S. Ms. Kerwin commended the committee for addressing proven reform efforts during this legislative session.

MS. KERWIN continued, saying that strong laws result in strong schools and states that have independent and multiple authorizers, which afford charter schools autonomy and equitable funding, nurture high-quality schools. On the other hand, state laws that are unclear about authority, funding, and freedom compromise the quality of schools. She read from a prepared statement [original punctuation provided]:

Permitting the creation of independent authorizers is one of the most important components of a strong charter school law. The data shows that states with multiple chartering authorities have almost three and a half times more charter schools than states that only allow local school board approval. About 80 percent of the nation's charter schools are in states

with multiple authorizers or a strong appeals process. These states are also home to the highest quality charter schools, as evidenced by state test scores, numerous credible research studies and ongoing observation.

Independent authorizers are better able to hold charter schools accountable because they have sole control over how they evaluate charter schools and they have their own staff, management team, and funding stream. A strong charter authorizer must be diligent in monitoring its charter school portfolio, without becoming an over bureaucratic policing agent. Years of analysis prove local school boards are often unable or unwilling to have fair and impartial processing of a charter school, and many that do approve charter schools create friction between the school and entities. And yet, when Alaska passed its law in 1995, it insisted that school boards be the only authorizer, despite the natural tension caused by citizens requesting a better educational option for their children, from the people who actually believe they have already provided that. A recent report from Columbia University Teacher's College upholds CER's assertion that independence from traditional systems result in higher student performance. This study is a comparison between the performance of local school district authorized charters and charter schools authorized by independent authorizers in Milwaukee. We found that more autonomy translates into higher student performance. Those charters authorized independently from the district also do not have to hire teachers from the union. The study predicts that in two years students from independent charter schools would read at grade level higher than similar students in district authorized charter schools. Those states that are more likely to have high numbers of accountable, high quality charter schools tend to have more independence from conventional education bureaucracy, while still being held to high standards and to follow clear roles in state regulations governing all other public agencies.

Louisiana's recent experience is proof that not all efforts to improve laws are created equal. Strong charter school laws do not require new groups to apply to become authorizers. It's actually a disincentive

to do so and therefore, not one organization has applied to be an authorizer in that state. Strong laws permit universities and other publically accountable non-education entities become authorizers without asking permission and hold them accountable for the outcomes of their schools. That's because the purpose of independent multiple authorizers is to establish new pathways for school creation and oversight separate from existing state and local education agencies. States that allow for truly independent authorizers, granted by law to operate with unbridled freedom, yield greater charter school growth and quality. The charter law for the District of Columbia ranks first by the Center for Education Reform and has created a separate and distinct agency over which neither the mayor, state superintendent or city council has any legal authority. The DC charter board has enrolled nearly 46 percent of all DC students in successful charter because of it is independent and because the law limits the imposition of work rules, allows school leaders the freedom they deserve and the accountability they embrace, provides facilities assistance, and nearly equitable funding streams. It puts trust in authorizing an accountability system that removes the entrenched bias of traditional school administrators. In most cases, universities have proven to be the best authorizers, combining existing higher education entities with an infrastructure accustomed to public and legislative scrutiny. They stand as a blueprint in model legislation. Michigan, ranked fourth by CER permits its public universities such as the highly regarded Central Michigan University to authorize and oversee most charter schools, although districts may do the same. While most state laws are strong to average, the majority of states lack the components necessary for successful charter school policy and implementation. As you deliberate this issue, please keep in mind that there is a direct correlation between states with multiple authorizers and higher student achievement. Documented evidence confirms that the models for charter school law of New York, Minnesota, Michigan, and DC, for example, give rise to increased student achievement, surpassing all comparable public schools in those states. The Center for Education Reform is willing to continue its work

with Alaska to ensure the strongest charter school law possible is passed.

[8:31:24 AM](#)

REPRESENTATIVE SADDLER asked if the Center for Education Reform is affiliated with other organizations.

MS. KERWIN said CER is a national nonprofit organization and two of its partners are the American Federation for Children and the Black Alliance for Educational Options.

REPRESENTATIVE P. WILSON asked whether CER has conducted research on what can be done to improve schools within the existing school system.

MS. KERWIN stated a substantive structural change is necessary in order to improve education in traditional public schools. Charter schools have found that when administrators have the option to choose teachers, teachers are able to innovate. Charter schools are a great model to show what really works to provide students a better education.

REPRESENTATIVE P. WILSON inquired as to the possibility of improving Alaska's school system for the benefit of the "children left behind."

MS. KERWIN advised the best change is to create new opportunities so that healthy competition will help all schools improve.

REPRESENTATIVE P. WILSON asked for proof that improvement in all schools can be attributed to competition from charter schools.

MS. KERWIN said it is an absolute fact that students in charter schools show vast improvement when compared to their peers in traditional schools. She offered to provide further evidence and research to substantiate her statement, such as the improvement in schools in Washington D.C.

[8:36:35 AM](#)

REPRESENTATIVE LEDOUX questioned testimony about the grading of charter schools in Alaska.

MS. KERWIN clarified that the Alaska state law on charter schools is weak and the law received a "D" rating.

REPRESENTATIVE LEDOUX heard testimony that charter schools in Alaska are doing well, and asked how can that be if the law is weak.

MS. KERWIN opined Alaska has a robust charter school movement - despite a bad policy environment - and more opportunities are needed.

REPRESENTATIVE SADDLER asked for CER's assessment of Alaska's funding mechanism for charter schools.

MS. KERWIN suggested committee members look at CER's web site located at "reforms.com," which has a parent power index related to school choice, charter schools, on-line learning, teacher quality, and transparency. An analysis and comparison of Alaska's policies can be found there, and the ranking - in terms of student funding - indicates that Alaska's charter school law is vague, and it is unclear as to whether the funding of charter schools is equitable because funding decisions are left to the school district.

REPRESENTATIVE SADDLER asked for the most common authorizer for charter schools in other states.

MS. KERWIN responded that universities have proven to be the best independent charter school authorizers in states where they operate independently from the state department of education and from local school districts. In addition, university involvement to improve K-12 education is a way to avoid costly remediation of future students.

REPRESENTATIVE SADDLER asked for further details about universities as authorizers.

MS. KERWIN noted that states that allow university authorizers include Minnesota, New York, Missouri, Indiana, Wisconsin, and Ohio, and she offered to provide further information.

[8:44:48 AM](#)

REPRESENTATIVE SADDLER asked whether there is any sectarian element to the authorizers in other states.

MS. KERWIN said no.

REPRESENTATIVE SADDLER asked whether the bill would allow religious organizations to be authorizers.

CHAIR GATTIS said no.

REPRESENTATIVE LEDOUX referred to Section [9, Version 0] of the bill, which allows charter schools to employ nonunion teachers and employees. She expressed her belief that some charter school teachers receive wages significantly lower than those paid by public schools. Representative LeDoux asked whether this is the intent of the sponsor.

MR. CORDERO-GIORGANA answered the purpose of [Section 9] is to allow charter schools to utilize their funds in a way that meets their budget. The intent is that charter schools can hire teachers certified in the state, and other professionals, to meet their needs. Currently, an exemption in the statute allows charter schools to hire outside of a bargaining agreement only if the local school district and bargaining unit agree. However, this exemption has created some problems. In addition, wages and salaries would have to be determined by the charter school and its board at the time of the execution of the charter school contract.

REPRESENTATIVE LEDOUX pointed out that all schools - not only charter schools - may have similar problems that would be addressed during the negotiation process between teachers and school districts.

MR. CORDERO-GIORGANA said negotiations vary by district and opined that charter schools would ultimately be bound by the negotiations between the [bargaining] unit and the district.

REPRESENTATIVE LEDOUX asked for confirmation that the above referenced section allows charter schools to hire teachers at less than the public school wage.

MR. CORDERO-GIORGANA said "hypothetically, it would."

[8:49:31 AM](#)

REPRESENTATIVE SEATON observed most of the examples given by CER are from large urban areas with many multiples of schools. However, Alaska has many districts with a single school site, and he asked for information on the center's experience with very small school districts. For example, an authorizer might

want to place a charter school in a location that would divert enough students to cause the closure of the public school.

MS. KERWIN opined if all the parents choose for their children to attend the charter school that would provide them the opportunity to improve educational outcomes. She said CER sees no difference between large urban areas and those that have one school. In fact, in one case, parents and the community became more engaged in public education in their area.

REPRESENTATIVE P. WILSON expressed her concern about the impact of charter schools on small schools in Alaska that are not on the road system. She said she would like to contact small schools known to CER that have been closed after charter schools became available.

CHAIR GATTIS clarified the question.

MS. KERWIN suggested that the focus should be on improving education outcomes, not on a certain building or on one system. If a new system is created, that is an improvement to the educational system in a village. She said she understood the situation, but protecting schools is "not doing us a favor."

[8:56:08 AM](#)

REPRESENTATIVE LEDOUX cautioned that the reality is that a village school in Alaska must maintain an enrollment of at least ten students or it must be closed. If a charter school is established and the parents of five students choose the charter school, the five remaining students lose their school.

MS. KERWIN suggested other options may be considered, such as on-line classes or a collaborative effort between both schools.

REPRESENTATIVE SEATON surmised the proposed bill allows single-site schools to become charter schools in order to be exempt from scheduling, curriculum, and other requirements. One of the major components of the educational gains made by charter school students is due to parental involvement, and sometimes parents are required to volunteer a specific number of hours at the school. He asked how that might work in a local school district that converts to a charter school to exempt itself from all state requirements except for competency testing.

MR. CORDERO-GIORGANA advised the purpose of HB 93 is to provide a second mechanism so that community members can apply to become

a new charter school. One of the requirements to become a new charter school is that the school must be viable in its community. Therefore, if the proposed charter school is not viable, or good for children, the school would not be approved. He reminded the committee that in addition to approval by the local school board or the local authorizer, the school must be approved by the state board of education. Mr. Pearson expressed his understanding that a local school may convert to a charter school at the request of the local school district if it fails to meet adequate yearly progress (AYP) for a certain number of years, however, that is an issue separate from HB 151.

[9:02:25 AM](#)

SUSAN MCCAULEY, PhD, Director, Teaching and Learning Support, EED, agreed that the proposed bill does not address the conversion of public schools to charter schools. Although, through current federal language, one of the options available to a traditional public school that is restructuring in improvement status, is conversion to a charter school. The bill, however, is addressing the availability for alternative authorization options for a charter school: to continue to be authorized by the local school board or whether they can be authorized by another authorizer not currently permitted by the language in statute.

REPRESENTATIVE SEATON said it seems that permitting authorizers in addition to local school boards, especially in smaller areas across the state, establishes two school boards within the same area. He questioned why HB 151 is a better idea than having the local school district function as the authorizer so there is coordination between the public schools.

[9:05:09 AM](#)

MR. CORDERO-GIORGANA advised the duties of an authorizer are limited to reviewing the charter school application and, if the school is approved by the authorizer and the state board of education, monitoring the charter school for compliance with local, state, and federal law. The authorizer does not act in the capacity of a local school board to set educational policy for the entire district. In current law, charter schools already have some exemption areas including textbooks, program curriculum, and scheduling requirements. He concluded that an authorizer is not a school board.

[9:06:15 AM](#)

CHAIR GATTIS asked for clarification on the role of the Academic Policy Committee (APC) related to the governance of charter schools.

DR. MCCAULEY recalled the language currently in statute and regulation requires establishing an APC for all charter schools to act as the school board for the charter school. The APC maintains a contract with the local school board, in terms of what the school plans to do. Further, the daily, weekly, and yearly governance of a charter school is by its APC, including hiring decisions, fiduciary responsibilities related to the school's budget, and its facilities.

REPRESENTATIVE SEATON warned of the "disconnect" in the relationship between a local school board, which will have certain responsibilities to the charter school, and the authorizer. Obviously, if there were not disagreements over the functions or mechanisms of the charter school, the charter school would have been authorized by the school board.

CHAIR GATTIS agreed that there is tension between a school district's responsibility to the charter school and its lack of authority over the charter school.

DR. MCCAULEY acknowledged tensions sometimes exist because districts are charged with educating children in an efficient and effective manner across many schools. Charter schools exist to provide something that is not otherwise available, thus the charter schools are offering an alternative educational program.

REPRESENTATIVE SEATON asked whether that would be the case with the authorizer as well, because the authorizer may approve a school that is separate, but not that different from what the local school offers. "A charter school must be offering a different experience than the local school district, or can it be a group of parents that just want a separate school?" he asked.

DR. MCCAULEY responded that an authorizer other than the local school board would be permitted to authorize "whatever kind of charter school it wished to authorize."

[9:11:29 AM](#)

REPRESENTATIVE P. WILSON turned attention to Section 1, page 1, line [5], of the bill and read:

If an application for a charter school is approved by an authorizer under AS 14.03.253 ...

REPRESENTATIVE P. WILSON inquired as to the identity of the authorizer.

MR. CORDERO-GIORGANA said the authorizer is defined in Section 3, page 2, lines 15-22, and he paraphrased:

The department shall establish a procedure for the approval of authorizers of charter schools authorizers, and in order to be approved, the authorizer has to demonstrate to the satisfaction of the department that they are capable of fulfilling their duties, and it can be a governmental entity; a private nonprofit entity that has expertise in education, finance, or administration, or any combination of those areas; or an accredited postsecondary institution in the state.

MR. CORDERO-GIORGANA added that the CS also identifies the local school [board] as an authorizer in Section 1, because the sponsor wanted local school districts to retain approving authority for charter schools if they wish to do so. In further response to Representative P. Wilson, he stated the local school is not an authorizer.

REPRESENTATIVE P. WILSON cautioned that there may be bias on the part of the local school district.

MR. CORDERO-GIORGANA stated one of the purposes of the bill is to eliminate some of the bias and hostility from the local school district that can be present toward charter school applications.

REPRESENTATIVE P. WILSON restated her question regarding authority over the charter school.

MR. CORDERO-GIORGANA explained that the charter school is supervised by its APC and not by the traditional local school. Furthermore, charter schools have autonomy in most areas.

[9:17:23 AM](#)

DR. MCCAULEY added that the terms of the charter school contract state the performance that is expected from a charter school,

and the local school board has the ability to approve the terms or discontinue the contract. However, that action would not be arbitrary, and would be based on whether or not the charter school has met the obligations as defined by a legally binding contract between the APC and the school board. Although the school board has the ultimate decision about the ability of the charter school to operate, it does not address daily operations.

REPRESENTATIVE SEATON directed attention to page 4, line 20, which read:

other requirements or exemptions agreed upon by the charter school and the authorizer or local school board.

REPRESENTATIVE SEATON pointed out the authorizer can exempt the charter school from other policies imposed by the local school district because the charter is written between the authorizer and the charter school. He urged for further review on the intent of [Section 5, subsection (c), paragraph 14]. Additionally, he directed attention to page 2, line 20, which read:

a private nonprofit entity ...

REPRESENTATIVE SEATON asked whether an authorizer can be a private nonprofit entity from out of state.

MR. CORDERO-GIORGANA, in response to Representative Seaton's first question, answered that the "other requirements or exemptions agreed upon by the charter school and the authorizer or local school board" language implies other contractual exemptions. The language on page 3, lines 15-25, specifies the areas in which charter schools have and do not have autonomy. In response to Representative Seaton's second question, he said the bill does not specify that an entity would have to be an Alaska nonprofit.

REPRESENTATIVE SADDLER asked whether the bill, or state law, contains a provision for an appeal of a decision by a local school board or authorizer to close a charter school.

MR. CORDERO-GIORGANA stated that Section 2 [subsection (d)] refers to an appeal after the denial of a charter school application. He said an appeal of closure would have to be specified in the contract or charter.

REPRESENTATIVE SADDLER observed that at this time, charter schools are somewhat under the control of local school districts, which is frustrating to parents. He asked whether a charter school established under an authorizer's approval holds all liability for student safety, health, and educational achievement, or if liability remains with the local school district beyond its contractual agreement.

MR. CORDERO-GIORGANA responded the responsibility rests with the authorizer and details of liability are part of the contract.

[Chair Gattis opened public testimony.]

[9:24:47 AM](#)

DAVID BOYLE, Representative, Alaska Policy Forum, informed the committee the Alaska Policy Forum is Alaska's only free market think tank. Mr. Boyle described the process to establish a charter school in Alaska as follows: get permission from the local school district; abide by collective bargaining agreements; hire maintenance and teaching staff and an administrator from the local school district pool; pay for a school building; and hire a "union janitor." An effective charter school is tied to a small community group or headed by an administrator with vision. The school can be headed up by a Native corporation, chamber of commerce, trade union, religious community, or educational entrepreneur, and there must be flexibility for success. The Anchorage School District (ASD) has many charter schools and over 1,000 students are on waiting lists hoping to enroll. He questioned why ASD is unable to meet the demands of parents. Mr. Boyle said ASD has a lengthy policy for charter school set-up, operation, and closure, but the neighborhood schools do not have to meet stringent rules and never close even after failing to meet No Child Left Behind Act of 2001 (NCLB) requirements for eight years. He said when only local school boards are charter school authorizers there is a conflict of interest because school districts want to maintain control. In Anchorage parents must furnish transportation to charter schools despite state transportation funds that are paid to the school district, thus poor families cannot attend. Also, charter schools must pay for their facilities. He advised that in the Lower 48, charter schools benefit low income, disabled, and minority students; however, in Anchorage this is not true.

[9:30:34 AM](#)

BOB GRIFFIN said he is an education advocate and reported that he has had the opportunity to visit a number of charter school models across the country. Four of the models were of high-performing charter schools, but none were able to establish a school in Alaska because the charter school laws are too restrictive to allow the models to function properly; in fact, the National Alliance of Public Charter Schools rates Alaska 41st out of 43 states that authorize charter schools, largely because multiple authorizers are not allowed. Mr. Griffin said he is in support of HB 93 because charter schools need the proven models of the large, successful charter schools that are available in other parts of the U.S.

[9:33:13 AM](#)

TERRY SNYDER stated her opposition to HB 93, saying that it is offering a solution to a problem that does not exist. She said enrollment in Matanuska-Susitna Valley charter schools is down, and charter schools are advertising for students, thus there is no need for expansion there. She questioned the accuracy of the waiting lists for enrollment in Anchorage. Also, in Alaska the disparity of school success between students in charter and neighborhood schools is less than in the Lower 48 for many reasons. Recently, funding for reading coaches has improved reading scores. Ms. Snyder pointed out that the bill will encourage the proliferation of charter schools that will compete for public education dollars. In fact, the Mat-Su Valley also has small schools that if closed, will eliminate choice for parents. School boards will lose local control, and there is no evidence that allowing nonunion workers to replace unionized employees will result in a better outcome. Ms. Snyder urged for more investigation and deliberation of the bill, especially by members new to the education committee.

REPRESENTATIVE LEDOUX asked whether more parents would actually enroll their children in charter schools if transportation were provided.

MS. SNYDER advised that transportation is being provided to some Mat-Su charter schools, but transportation needs to be funded. She opined charter schools succeed due to parent involvement; however, one-third of Mat-Su residents work in Anchorage and may not have time to volunteer at school. She cautioned that Alaska is "building a[n education] system of disparity," and encouraged the committee to continue asking good questions.

CHAIR GATTIS advised a current copy of the Charter School Enrollment Capacity wait list data will be provided to committee members.

[9:38:35 AM](#)

DAN LORING said his neighborhood schools are considered chronically underperforming and are located in a lower socioeconomic neighborhood. He said his experience serving on public school committees for about eight years has shown that Alaska's schools in general are performing at a very low level, and he praised the current conversation about education. He urged the committee to support HB 93, and suggested that the issue has surfaced because neighborhood schools are performing at a very low level, with little evidence of intervention from the state board of education to facilitate improvements. The charter schools are successful - not due to parental involvement - but because they provide good instruction, high rigor, accountability, transparency, and culture. Neighborhood schools perpetuate a culture of status quo, social inequities, and power; charter schools provide high expectations and instruction.

[9:42:16 AM](#)

BARBARA GERARD, Principal, Academy Charter School, informed the committee she has been the principal of Academy Charter School for 16 years. She stated that over the years the local school district environment has varied from volatile to great, due to changes in district administration and the administration's beliefs about charter schools. Charter schools must watch to protect their funding and the freedoms granted by the charter school law. She said charter schools should be protected from changes in the school district's administration. Ms. Gerard noted that charter schools are open to all students and the Academy's school population largely reflects that of traditional elementary and middle schools in its district, including students with an individual educational plan (IEP), or a behavioral plan. Students of charter schools succeed because charter schools empower hard-working students to give them the skills needed for success.

[9:45:16 AM](#)

SCOTT MCKIM said he is a public school teacher who supports HB 93. He disclosed he is a founder of a proposed charter school in Anchorage. He stated he and his co-workers work hard in the

classroom but acknowledged that the current system of education is not world-class. As a professional educator, he said he believes one way to improve education is through charter schools. Charter schools are the research and development branch of public education, where cutting edge education practices and pedagogies are implemented and tested; however, in Alaska, charter schools are not given much freedom. In fact, local school boards and district administrations actively limit how charter schools operate, keeping them in the category of magnet and optional schools in the Lower 48. Alaska's charter school law severely discourages the implementation of new charter schools. Mr. McKim opined charter school law was designed to end the exclusive franchise held by local school boards to deliver public education. Alaska's charter school law must give educators, parents, and schools the freedom to operate outside of the existing educational system. Allowing an authorizer outside of the local school district will lead to Alaska's charter schools reaching their full potential.

[9:48:25 AM](#)

REPRESENTATIVE P. WILSON requested that the witness submit further written comments to the committee, with suggestions to help improve public schools.

[9:49:40 AM](#)

ELLEN VAROSI stated her support for HB 93, saying the U.S. education system needs drastic change and charter schools are part of the solution. She cited studies that have shown U.S. students rank low globally in reading, math, and science. The 1995 Alaska charter school law is at the "bottom of the barrel nationally." The intent of charter schools in Alaska is to fill a space unfilled by local school districts, and to provide opportunities for students through their autonomy and unique collaboration. Further, charter schools should not be influenced or regulated by a failing school system. She opined the educationally successful nations of Singapore, Korea, and Hong Kong use collaboration in their school systems, similar to charter schools which start building schools with missions, goals, and curriculum, followed by funding, land, and infrastructure. Better charter school law leads to more schools, more choice, more competition, and more success. Lastly, Ms. Varosi suggested the term "timely" in Section 3, subsection (c), paragraph 2, should be defined.

[9:52:33 AM](#)

CARL ROSE, Executive Director, Association of Alaska School Boards (AASB), reminded the committee that in 1998 the legislature addressed the desire to open the state to charter schools, using Arizona as a model. The result was Senate Bill 88, which intended to ensure a level of accountability and responsibility, and to limit the liability of school districts. That is why the bill directed that the authorizing body would be school boards; subsequently, the environment has changed and current testimony is somewhat relevant. Although AASB strives to be open, he advised that the rationale behind AASB's position supporting school board authority is the possible liability and accountability factor for state funds tied to student performance, and for the cost associated with a diversion of the student population. Mr. Rose said: "What I'm hearing here today, what this bill is designed to do, is to ensure that ... state dollars provide state outcomes with state oversight." He assumed this provision relieves school boards from some of the responsibility. Further, the bill is an attempt to address that if there are alternative authorizers, EED will be responsible to provide oversight to ensure that the schools are not operating unto themselves. However, AASB remains neutral on the bill at this time, recognizing the need to ensure that the transfer of responsibility and authority is covered by the state, and also recognizing the difficulty that AASB has with school districts in working out the fixed costs.

[9:57:18 AM](#)

LORI BERRIGAN stated her support for HB 93 as her experience founding a charter school revealed the need for an appeal process, which is covered by the bill. An appeals process will also allow the state to qualify for federal grants. In response to Representative Saddler, she said she is a founding member of Birch Tree Charter School.

[9:58:27 AM](#)

CHAIR GATTIS, after ascertaining that no one else wished to testify, closed public testimony on HB 93.

[9:58:39 AM](#)

REPRESENTATIVE SADDLER understood testifiers' frustration at the limited capacity of the charter schools, but he said he still has more questions and possible modifications for the bill.

REPRESENTATIVE P. WILSON said she still has questions on the effect of charter schools on the funding formula.

[10:00:24 AM](#)

CHAIR GATTIS announced HB 93 was heard and held.

HB 151-SCHOOL GRADING SYSTEMS

[10:00:52 AM](#)

CHAIR GATTIS announced that the final order of business would be HOUSE BILL NO. 151, "An Act establishing a public school and school district grading system for purposes of improving accountability and transparency; providing for Alaska strategic educators in public schools; and providing for an effective date."

[10:00:56 AM](#)

REPRESENTATIVE LORA REINBOLD, Alaska State Legislature, sponsor, introduced HB 151, paraphrasing from the sponsor statement, which read [original punctuation provided]:

I passionately believe in improving the achievement of Alaska's students. We can and we must do better. On a personal note, I gave up a lucrative career in the healthcare industry to pilot my own children successfully through public and private school as a substitute teacher for over 10 years. My son is a great product of the public school system, and there are pockets of greatness all over the state in our public school system, and I am definitely a supporter of both public, private, charter, home schooling, and any parental choice to give our students an opportunity to succeed. Although there are pockets of greatness, overall our kids are not making across the board measurable progress in reading, writing, math and science to prepare them for higher education and to compete in the global marketplace. It is only fair that parents know how their school is doing and that is the reason for this bill, the Parental Education Information Act, HB 151. House Bill 151 is a consumer report card for education by grading our schools A through F. We grade cars and vacuums through Consumer Reports and our schools and kids are much more important. House Bill 151 will provide parents,

educators and communities invaluable feedback on where their schools stand. What gets measured gets done. By measuring achievement, A through F clearly identifies where there is excellence in our schools and where there is concern, and provides the opportunity to raise the annual grade.

If a school received an undesirable grade it is a clear signal and a baseline for action. We can identify the problem; we can find solutions and help these schools improve their goals. A through F grading is a catalyst for change.

Over a dozen states have adopted the A through F grading system, very successfully.

The state of Florida has fourteen years of data showing that clear, understandable information on school achievement leads to improvement. I ask for your support for House Bill 151.

REPRESENTATIVE REINBOLD continued with an overview of the bill and directed attention to an untitled chart found in the committee packet with one column labeled, "K-12 Education Spending Per Capita State and Local Spending," which ranked Alaska highest, and a second column labeled, "4th Grade Reading Scores Upper and Middle Income Students," which ranked Alaska lowest. She stated HB 151 will: help bring clarity and understanding; encourage school excellence; motivate improvement; direct and attract public and media attention to the issues; initiate a positive statewide competition; spark community wide-spread support; increase parental involvement; and create school pride. Representative Reinbold directed attention to a chart found in the committee packet titled, "Proven Results of the A-F Grading System," which illustrated the results in Florida after 14 years of experience with its grading system. In 1999, there were 677 D and F schools and 515 A and B schools. By 2012, there were 279 D and F schools and 2,220 A and B schools. Florida began grading schools in 1995 on a scale of high performing, performing, low performing, and critically low performing. However, in 1998 the grading scale was changed to I-V, and in 1999 to A-F.

[10:08:02 AM](#)

CHAIR GATTIS moved to adopt the proposed committee substitute (CS) for HB 151, Version 28-LS0496\0, Mischel, 3/14/13. There being no objection, Version 0 was before the committee.

[10:08:45 AM](#)

ROBERT PEARSON, Staff, Representative Lora Reinbold, Alaska State Legislature, informed the committee the first change reflected in the CS for HB 151 is to page 1, line 9, which returns the date of the performance designation to September 1, as is currently in statute. The second change is to page 2, lines 23-25, which adds language to clarify that no new science assessments will have to be made in the schools; only the testing that is being done right now will continue to be done, thus no additional test will have to be developed. He directed attention to page 2 of the fiscal note identified as HB0151-EED-TLS-3-8-13, and pointed out the above changes will eliminate Section 2 and its related cost of approximately \$900,000. A provision of Section 4 and its related cost of approximately \$100,800,000 will also be eliminated, leaving only \$254,700 in personnel costs in Section 4. This is the substantial effect of the CS.

MR. PEARSON then referred to a document found in the committee packet entitled, "Florida's School Grades Based on Student Performance," saying the change in Florida has been effective. The next page, entitled, "'Parental Education Information Act' Grading Criteria," lists the standards that would be adopted under HB 151. Also, he pointed out that HB 151 will exempt small schools with fewer than 20 students - which will affect an estimated 70 of the approximately 500 schools in Alaska. He emphasized that the main thrust of the bill is to include both the previously identified standards and additional measures; furthermore, HB 151 will incorporate "precise, measurable student achievement" into the section on school accountability. Also included in the committee packet was a document provided by the Foundation for Excellence in Education listing other states that have adopted A-F school grading, and he restated that Florida was the first, adopting the policy 14 years ago. The final document found in the committee packet was an example of a proposed report card with letter grades and back-up information. He said, "Every parent and school and community, the media, would receive something like this and the whole state would be clear on where schools were performing and each community would know what was going on in their community schools."

CHAIR GATTIS announced HB 151 was heard and held.

10:13:01 AM

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 10:13 a.m.