

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

March 7, 2014

8:09 a.m.

MEMBERS PRESENT

Representative Lynn Gattis, Chair
Representative Lora Reinbold, Vice Chair
Representative Paul Seaton
Representative Peggy Wilson
Representative Sam Kito III (Alternate)

MEMBERS ABSENT

Representative Gabrielle LeDoux
Representative Dan Saddler
Representative Harriet Drummond

OTHER MEMBERS PRESENT

Representative Tammie Wilson

COMMITTEE CALENDAR

HOUSE BILL NO. 278

"An Act increasing the base student allocation used in the formula for state funding of public education; repealing the secondary student competency examination and related requirements; relating to high school course credit earned through assessment; relating to a college and career readiness assessment for secondary students; relating to charter school application appeals and program budgets; relating to residential school applications; increasing the stipend for boarding school students; extending unemployment contributions for the Alaska technical and vocational education program; relating to earning high school credit for completion of vocational education courses offered by institutions receiving technical and vocational education program funding; relating to education tax credits; making conforming amendments; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 278

SHORT TITLE: EDUCATION: FUNDING/TAX CREDITS/PROGRAMS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/24/14	(H)	READ THE FIRST TIME - REFERRALS
01/24/14	(H)	EDC, FIN
02/03/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/03/14	(H)	Heard & Held
02/03/14	(H)	MINUTE(EDC)
02/07/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/07/14	(H)	Heard & Held
02/07/14	(H)	MINUTE(EDC)
02/10/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/10/14	(H)	Heard & Held
02/10/14	(H)	MINUTE(EDC)
02/14/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/14/14	(H)	Heard & Held
02/14/14	(H)	MINUTE(EDC)
02/17/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/17/14	(H)	Heard & Held
02/17/14	(H)	MINUTE(EDC)
02/24/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/24/14	(H)	Scheduled But Not Heard
02/26/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/26/14	(H)	Heard & Held
02/26/14	(H)	MINUTE(EDC)
02/28/14	(H)	EDC AT 8:00 AM CAPITOL 106
02/28/14	(H)	Heard & Held
02/28/14	(H)	MINUTE(EDC)
03/05/14	(H)	EDC AT 8:00 AM CAPITOL 106
03/05/14	(H)	Heard & Held
03/05/14	(H)	MINUTE(EDC)
03/07/14	(H)	EDC AT 8:00 AM CAPITOL 106

WITNESS REGISTER

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

POSITION STATEMENT: Responded to questions, during the hearing on HB 278.

LES MORSE, Deputy Commissioner
Office of the Commissioner
Department of Education and Early Development (EED)
Juneau, Alaska

POSITION STATEMENT: Responded to questions, during the hearing on HB 278.

ACTION NARRATIVE

8:09:46 AM

CHAIR LYNN GATTIS called the House Education Standing Committee meeting to order at 8:09 a.m. Representatives Gattis, Reinbold, Seaton, P. Wilson, and Kito III were present at the call to order.

HB 278-EDUCATION: FUNDING/TAX CREDITS/PROGRAMS

8:10:11 AM

CHAIR GATTIS announced that the only order of business would be HOUSE BILL NO. 278, "An Act increasing the base student allocation used in the formula for state funding of public education; repealing the secondary student competency examination and related requirements; relating to high school course credit earned through assessment; relating to a college and career readiness assessment for secondary students; relating to charter school application appeals and program budgets; relating to residential school applications; increasing the stipend for boarding school students; extending unemployment contributions for the Alaska technical and vocational education program; relating to earning high school credit for completion of vocational education courses offered by institutions receiving technical and vocational education program funding; relating to education tax credits; making conforming amendments; and providing for an effective date."

8:10:18 AM

CHAIR GATTIS established that HB 278 has been before the committee multiple times, and acknowledged the work accomplished thus far. She referred to the committee packet, and the 16 page handout labeled "HB 278 by Individual Components," to introduce it as the reference document for purposes of addressing and amending the 10 sections of the bill. Continuing with the handout, she drew attention to page 1, with the subheading, "1. Increasing the base student allocation." and paraphrased the final entry on the page, which read [original punctuation provided]:

House Education Committee will NOT address this section - it will be advanced to House Finance Committee.

CHAIR GATTIS noted no comments or objections from the committee for setting this section aside.

8:11:31 AM

CHAIR GATTIS directed attention to page 2 of the committee handout, with the heading, "2. Repealing the secondary student competency exam (HSGQE)", to address the topic of the High School Graduation Qualifying Exam (HSGQE). She reminded the committee that HB 220, a bill specific to repealing the HSGQE, was previously heard, amended, and passed out of this committee.

8:12:34 AM

REPRESENTATIVE KITO III suggested the inclusion of the Armed Services Vocational Aptitude Battery (ASVAB) test, as an additional assessment option.

8:13:41 AM

MIKE HANLEY, Commissioner, Office of the Commissioner, Department of Education and Early Development (EED), pointed out the two components involved: removal of the HSGQE as a high stakes test; and approving tests for state funding as proposed in a separate section of the bill. Addressing the question regarding the inclusion of ASVAB, he reported that the department considered it for inclusion, however, proctoring was a concern as it is administered in a manner unique from the WorkKeys assessment, the Scholastic Achievement Test (SAT) and the American College Testing (ACT).

8:15:40 AM

CHAIR GATTIS recalled that, while in school, her student was administered the military assessment with his entire eleventh grade class.

8:17:13 AM

REPRESENTATIVE SEATON directed attention to HB 278 page 3, lines 19-22, and the language bracketed for deletion. He expressed interest in offering an amendment to retain the first portion of the bracketed sentence which requires collection of data

regarding the number of teachers by district and school who are teaching outside their area of endorsement. He maintained that this information is valuable and should be retained, independent of eliminating the HSGQE.

COMMISSIONER HANLEY said the entire sentence is bracketed for removal because it is connected to the HSGQE, and was deemed information that is not utilized or actionable. The expectation is that teachers are hired in areas in which they are endorsed or highly qualified. A school with only 10 students may be an exception to this, but neither can it be forced to hire another teacher.

REPRESENTATIVE SEATON pointed out the preceding paragraph, line 17, and asked about the actionable aspect associated with it, then read the language, which states:

(7)[(8)] the number and percentage of turnover in certificated personnel and superintendents ...

COMMISSIONER HANLEY said currently the expectation is that teachers are hired who are highly qualified, but exceptions exist. Regarding turnover, strategies are devised to assist schools to improve retention rates.

8:22:17 AM

CHAIR GATTIS agreed with eliminating requirements for the collection of data which is not actively utilized; ensuring educators more time for teaching.

REPRESENTATIVE SEATON maintained that the information regarding the number of teachers who are working outside of their area of endorsement, could prove important if a district has a school that is under performing.

REPRESENTATIVE KITO III pointed out that the rural areas are often restricted regarding hiring options.

REPRESENTATIVE P. WILSON said that the data could prove helpful to the urban school districts and agreed the information would be less helpful to the rural schools.

CHAIR GATTIS cited this as housekeeping language to eliminate a requirement for reporting that is not used by the department.

REPRESENTATIVE SEATON pointed out that it wouldn't be used for penalty purposes, but might prove to be helpful information for analyzing the performance of a school, should the question arise.

8:26:29 AM

LES MORSE, Deputy Commissioner, Office of the Commissioner, Department of Education and Early Development (EED), said the data exists, but is not utilized or reported on a routine basis. He said a report could easily be generated if necessary, thus the language is redundant, and he advised allowing the deletion indicated in HB 278.

REPRESENTATIVE SEATON stated satisfaction, knowing that the data is accessible and reportable.

8:28:13 AM

CHAIR GATTIS said removing the HSGQE has been argued and deemed by the committee to be appropriate and the question is how to best handle the transition period. She offered that one option for any student not receiving a diploma might be a general educational development (GED) certificate. Another consideration would be to provide a diploma to any student who has fulfilled all other graduation requirements; honoring the validity of the courses which they have completed. The goal is to save money, and by not extending the transition period to three years, a significant savings will be realized and could be directed to the classroom.

8:30:20 AM

REPRESENTATIVE SEATON moved Conceptual Amendment [2], to read:

Page 2
Delete lines 12-31
Insert CSHB 220(EDC)

Page 3
Delete lines 1-22

REPRESENTATIVE REINBOLD objected.

8:32:31 AM

REPRESENTATIVE KITO III asked for a brief understanding of the changes in CSHB 220(EDC) that will be incorporated into HB 278.

8:32:58 AM

COMMISSIONER HANLEY provided that the governor requested a three year transition period, during the elimination of the HSGQE, and CSHB 220(EDC) reduced it to a one year period.

8:33:34 AM

The committee took an at-ease from 8:33 a.m. to 8:41 a.m.

8:43:47 AM

CHAIR GATTIS referred to the committee handout, page 4, and read:

Amends information required to be included in the annual February 15 report to the legislature by removing the related to the high school competency exam.

Amends information required to be included in the annual School Report Cards to the Public, which are submitted.

Amends language to match what is measured on the standard-based assessments.

Recommend amending to include transitional language that includes allowing a substitution test with a change to the effective date.

CHAIR GATTIS referred to the [committee handout] page 5, Amendment A.26, labeled 28-GH2716\A.26, Mischel, 3/6/14, which read:

Page 17, line 30, through page 18, line 5:

Delete all material and insert:

"* **Sec. 33.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROSPECTIVE ISSUANCE OF A HIGH SCHOOL DIPLOMA. (a)
At the request of a student made by June 30, 2015, a

school district shall issue a high school diploma to a student who

(1) did not receive a high school diploma because the student failed to pass all or a portion of the secondary school competency examination;

(2) received a certificate of achievement under former AS 14.03.075; and

(3) successfully completed the general education development examination.

(b) On or before October 1, 2014, a school district shall mail a notice consistent with this section to each student who qualifies for a diploma under this section to the student's last known address.

(c) The Department of Education and Early Development shall immediately post a notice consistent with this section on the department's Internet website with information about how to request a high school diploma.

(d) In this section, "school district" has the meaning given in AS 14.30.350."

[8:45:48 AM](#)

REPRESENTATIVE SEATON pointed out that adopting Amendment A.26 will not accomplish the same action as adopting CSHB 220 (EDC), proposed by the Conceptual Amendment [2].

[8:46:49 AM](#)

CHAIR GATTIS returned to consideration of Conceptual Amendment [2] as the appropriate course of action, noting that CSHB 220 (EDC) better mirrors what is identified for amendment in HB 278.

REPRESENTATIVE SEATON agreed, and said that many of the points in Amendment A.26 were incorporated in CSHB 220(EDC), including elimination of the HSGQE as well as transition language with specific options for students pursuing a diploma; within a one year versus a three year period.

[8:49:10 AM](#)

MR. MORSE said that CSHB 220(EDC) may not have included the deletion of the report and endorsement language, as indicated in HB 278 [page 3, lines 19-22]. He pointed out that HB 278 contains the transition language on page 18, and suggested the committee restrict the amendment to that aspect; cautioning that insertion of CSHB 220(EDC) may not accomplish everything intended.

[8:51:44 AM](#)

CHAIR GATTIS confirmed HB 278 as the working document.

[8:53:40 AM](#)

REPRESENTATIVE SEATON acknowledged that the language in CSHB 220(EDC) retains the reporting requirement for teachers working outside their area of endorsement.

[8:55:40 AM](#)

The committee took an at-ease from 8:55 a.m. to 8:57 a.m.

[8:57:43 AM](#)

REPRESENTATIVE SEATON moved Amendment 1, to Conceptual Amendment 2, deleting the language from CSHB 220(EDC) page 2, lines 15-16, which states:

(8) [(9)] the number of teachers by district and by school who are teaching outside the teacher's area of endorsement [BUT IN AREAS TESTED BY THE HIGH SCHOOL COMPETENCY EXAMINATION].

REPRESENTATIVE SEATON said the intent is to align the two bills and, thus, remove the language, as proposed for deletion, in HB 278, while retaining the remainder of the language in CSHB 220(EDC) for insertion.

[9:02:51 AM](#)

REPRESENTATIVE P. WILSON removed her objection, and without further objection, Amendment 1 to Conceptual Amendment 2 was adopted.

[9:03:11 AM](#)

REPRESENTATIVE KITO III turned to HB 278 page 3, lines 12-14, and paraphrased the language, which states:

(5) [(6)] a description of the efforts by the department to assist a public school or district that receives a low performance designation under AS 14.03.123

REPRESENTATIVE KITO III noted the proposed changes that would be re-inserted by adopting CSHB 220 (EDC), and directed attention to the CS, page 2, lines 9-10, to paraphrase the language, which states:

(5) [(6)] a description of the efforts by the department to assist a public school that receives a designation of deficient or in crisis;

[9:03:49 AM](#)

MR. MORSE said CSHB 220 (EDC) retains some language that the department considers to be problematic, including the lines read by the member, which relate to an archaic statute. As a housekeeping measure, this language is deleted from HB 278.

[9:05:57 AM](#)

REPRESENTATIVE KITO III moved Amendment 2 to Conceptual Amendment 2, to affect CSHB 220(EDC) as:

Page 2
Delete lines 9-10

REPRESENTATIVE P. WILSON objected for discussion.

[9:08:04 AM](#)

REPRESENTATIVE KITO III, conjectured on the need to focus on the transition language, and directing attention to HB 278 page 18, line 1, read, "Until June 30, 2017". He said amending this date may be all that is necessary.

CHAIR GATTIS agreed that the major change to CSHB 220(EDC) was the transitional language, and noted nods of agreement from the EED representatives in the gallery.

[9:08:42 AM](#)

REPRESENTATIVE P. WILSON opined that the amendments, stated thus far may not be necessary.

REPRESENTATIVE KITO III suggested rescinding action for adopting the language of CSHB 220(EDC), and focus on amending the transitional language.

[9:09:42 AM](#)

REPRESENTATIVE KITO III withdrew Conceptual Amendment 2, to Conceptual Amendment 2.

[9:09:54 AM](#)

REPRESENTATIVE SEATON withdrew Conceptual Amendment 2.

CHAIR GATTIS announced all amendments, thus far, as rescinded.

[Amendment 1 to Conceptual Amendment 2 was treated as rescinded.]

[9:10:50 AM](#)

REPRESENTATIVE KITO III moved Conceptual Amendment 3, to read:

Page 18, line 1:

Following "June 30,"
Delete "2017"

Following "June 30,"
Insert "2015"

Without objection, Amendment 3 was adopted.

[9:15:00 AM](#)

REPRESENTATIVE SEATON moved Conceptual Amendment 4 [contained in the committee handout labeled 28-GH2716\A.7, Mischel, 2/17/14], which read:

Page 2, lines 1 - 10:

Delete all material and insert:

"* Section 1. AS 14.03 is amended by adding a new section to read:

Sec. 14.03.073. Secondary school course credit. (a) A school district shall provide the opportunity for students enrolled in a secondary school in the district to challenge a course provided by the district by demonstrating mastery in the subject at the level of the course challenged. A school district shall give full credit for a course to a student who successfully challenges that course as provided under this section.

(b) A school district shall establish, within a reasonable time, an assessment tool and a standard for demonstrating mastery in secondary school courses provided by the district that are likely to be or have been the subject of a challenge requested under this section.

(c) The board shall adopt regulations to implement this section.

(d) In this section, "district" has the meaning given in AS 14.17.990."

Page 8, following line 8:
Insert a new bill section to read:

"* Sec. 12. AS 14.16.050(a) is amended to read:

(a) The following provisions apply with respect to the operation and management of a state boarding school as if it were a school district:

(1) requirements relating to school district operations:

(A) AS 14.03.030 - 14.03.050 (defining the school term, day in session, and school holidays);

(B) AS 14.03.073 and 14.03.083 - 14.03.140 [AS 14.03.083 - 14.03.140] (miscellaneous provisions applicable to school district operations);

(C) regulations adopted by the board under authority of AS 14.07.020(a) that are applicable to school districts and their schools, unless the board

specifically exempts state boarding schools from compliance with a regulation;

(D) AS 14.12.150 (authorizing school districts to establish and participate in the services of a regional resource center);

(E) AS 14.14.050 (imposing the requirement of an annual audit);

(F) AS 14.14.110 (authorizing cooperation with other school districts);

(G) AS 14.14.140(b) (establishing a prohibition on employment of a relative of the chief school administrator);

(H) AS 14.18 (prohibiting discrimination based on sex in public education);

(2) requirements relating to the public school funding program and the receipt and expenditure of that funding:

(A) AS 14.17.500 (relating to student count estimates);

(B) AS 14.17.505 (relating to school operating fund balances);

(C) AS 14.17.500 - 14.17.910 (setting out the procedure for payment of public school funding and imposing general requirements and limits on money paid);

(3) requirements relating to teacher employment and retirement:

(A) AS 14.14.105 and 14.14.107 (relating to sick leave);

(B) AS 14.20.095 - 14.20.215 (relating to the employment and tenure of teachers);

(C) AS 14.20.220 (relating to the salaries of teachers employed);

(D) AS 14.20.280 - 14.20.350 (relating to sabbatical leave provisions for teachers);

(E) AS 23.40.070 - 23.40.260 (authorizing collective bargaining by certificated employees), except with regard to teachers who are administrators and except that the board may delegate some or all of its responsibilities under those statutes;

(F) AS 14.25 (provisions regarding the teachers' retirement system);

(4) requirements relating to students and educational programs:

(A) AS 14.30.180 - 14.30.350 (relating to educational services for children with disabilities);

(B) AS 14.30.360 - 14.30.370 (establishing health education program standards);

(C) AS 14.30.400 - 14.30.410 (relating to bilingual and bicultural education)."

Renumber the following bill sections accordingly.

Page 9, line 3:

Delete "sec. 14"
Insert "sec. 15"

Page 9, line 6:

Delete "secs. 14 and 15"
Insert "secs. 15 and 16"

Page 18, line 19:

Delete "Sections 17 and 35"
Insert "Sections 18 and 36"

Page 18, line 20:

Delete "Section 14"
Insert "Section 15"

Page 18, line 21:

Delete "15, and 18 - 20"

Insert "16, and 19 - 21"

Page 18, line 22:

Delete "Section 16"

Insert "Section 17"

Page 18, line 23:

Delete "Sections 22, 25, 28, and 31"

Insert "Sections 23, 26, 29, and 32 "

Page 18, line 24:

Delete "secs. 36 - 40"

Insert "secs. 37 - 41"

REPRESENTATIVE SEATON said this language replaces HB 278 Section 1, with the language adopted by this committee and passed under HB 190.

[9:16:50 AM](#)

REPRESENTATIVE P. WILSON objected for discussion.

REPRESENTATIVE SEATON said HB 190 allows students to earn course credits through demonstration of mastery of the subject.

REPRESENTATIVE P. WILSON removed her objection. Without further objection, Amendment 4 was adopted.

[9:17:51 AM](#)

CHAIR GATTIS directed attention to HB 278 page 2, lines 11-23, to take up the subject of college and career readiness assessments.

[9:18:51 AM](#)

REPRESENTATIVE REINBOLD indicated interest in gaining a better understanding of the entire assessment process. The common core and the Alaska Standards are similar; however, these standards appear to represent a significant change in the system. She

reported on the receipt of constituent comments expressing concern for the language as written in Sec. 2.

[9:20:21 AM](#)

REPRESENTATIVE SEATON said the legislature found it necessary to consider the 70 percent of students who don't proceed to college and WorkKeys was adopted to support these students. The test is taken by every high school student and can be repeated to achieve the highest score; WorkKeys assessments are recognized on a national level; and the assessment ranking becomes part of a student's transcripts. He opined that funding for an exam, which will provide a student with this type of information is important, and pointed out that it serves a purpose unique from that of a college entrance exam. Providing funding for only one test eliminates a student's options, creates segregation in the graduating cohort, and may represent a disadvantage in the work place. The committee has implemented this system to ensure that students graduate high school with a career ready status and ranking. Removal of the requirement for the WorkKeys assessment will change a philosophical direction that the legislature has adopted.

[9:24:51 AM](#)

REPRESENTATIVE SEATON directed attention to HB 278 page 2, lines 19-21, indicating that the state will only fund the administration of a single test. Stating his belief that administration of the WorkKeys assessment is required by statute, he pointed out that a student's transcript may contain a void, lacking the WorkKeys ranking. He proposed to offer an amendment to fund WorkKeys, as well as one other college readiness assessment.

[9:26:24 AM](#)

REPRESENTATIVE P. WILSON expressed agreement with the proposed amendment, and said that the state should fund appropriate testing for all students. WorkKeys serves 70 percent of the student population who statistically do not pursue a college career. However, she said the state should also fund an entrance examination of choice, for students who are college bound.

[9:27:20 AM](#)

COMMISSIONER HANLEY said that the WorkKeys assessment is administered by regulation as established by the Alaska State School Board. The intent of HB 278 is to provide a choice, he stressed, by removing WorkKeys from mandatory status and including state funding of either the SAT or ACT. The bill intent could also be satisfied by retaining the requirement for the WorkKeys assessment, as well as stipulating that the state fund an optional college entrance exam.

[9:29:30 AM](#)

REPRESENTATIVE REINBOLD inquired about costs involved and whether the tests compare with the common core standards.

COMMISSIONER HANLEY directed attention to the fiscal note, indicating \$525,000 for testing. With the adjustment of removing the HSGQE and by enacting the option for WorkKeys v. college assessment proctoring, he said the component will carry a negative fiscal note. To a further question, he clarified that the fiscal note will remain unchanged by the amendment. The important aspect is to identify what options should be provided for students, he pointed out, with an eye on the performance scholarship.

[9:32:42 AM](#)

CHAIR GATTIS stated her understanding that HB 278 provides the student with the opportunity to choose between taking the WorkKeys assessment, the ACT, the SAT, or perhaps none.

[9:33:03 AM](#)

REPRESENTATIVE SEATON pointed out that the committee has given consideration to the statistical number of students who attend college, how many earn a college degree, as well as the number that leave college and enter a career field. The committee's decision resulted in the regulatory requirement for WorkKeys to be taken by every 11th grade student. He emphasized the need to maintain and require this uniform test, which provides crucial performance data as well.

[9:34:05 AM](#)

REPRESENTATIVE P. WILSON stated her understanding that the decision is whether the SAT or ACT tests will become state funded exams, as the WorkKeys assessment is already in regulation. Further, HB 278 changes the WorkKeys requirement to

a student option. She stated support for retaining the status quo for WorkKeys while including funding for a college entrance exam of the student's choice; SAT or ACT.

[9:35:58 AM](#)

REPRESENTATIVE KITO III opined that the students should be empowered to make the decision appropriate for them.

REPRESENTATIVE P. WILSON explained that WorkKeys is given specifically in the 11th grade to allow students to identify any areas that they may need to bolster as they enter their final year of high school and plan for life beyond graduation.

[9:37:37 AM](#)

CHAIR GATTIS upheld that the students and parents should be able to make the choice.

[9:37:51 AM](#)

REPRESENTATIVE SEATON moved Conceptual Amendment 5 to page 2, line 19, such that the language read as follows:

The department shall provide funding for WorkKeys and the administration of a single college readiness assessment; SAT/ACT.

CHAIR GATTIS objected.

[9:39:07 AM](#)

A roll call vote was taken. Representatives Wilson and Seaton voted in favor of Conceptual Amendment 5. Representatives Gattis, Kito III (Alternate), and Reinbold, voted against it. Therefore, Conceptual Amendment 5 failed by a vote of 2-3.

[9:40:27 AM](#)

REPRESENTATIVE P. WILSON moved Conceptual Amendment 6, requiring funding of the WorkKeys assessment for all students.

CHAIR GATTIS objected.

[9:41:27 AM](#)

A roll call vote was taken. Representatives Wilson and Seaton voted in favor of Conceptual Amendment 6. Representatives Gattis, Kito III (Alternate), and Reinbold, voted against it. Therefore, Conceptual Amendment 6 failed by a vote of 2-3.

[9:42:15 AM](#)

REPRESENTATIVE KITO III moved Conceptual Amendment 7, to include the following:

Page 2, line 23 following "assessment":

Delete "."

Insert "or Armed Services Vocational Aptitude Battery"

[9:42:27 AM](#)

REPRESENTATIVE P. WILSON objected for discussion. She recalled that the test may need to be proctored on military grounds.

CHAIR GATTIS added that the department will bring concerns in the event that this test is not deemed appropriate and requires a further amendment to remove it prior to passage of HB 278 from committee.

[9:43:07 AM](#)

REPRESENTATIVE P. WILSON removed her objection. Without further objection, Conceptual Amendment 7 was adopted.

[9:44:40 AM](#)

REPRESENTATIVE KITO III explained that the test is required for entry into the military to ascertain aptitude and determine placement.

REPRESENTATIVE SEATON conjectured that a contract to proctor the test and a fiscal note may need to be considered.

[9:45:25 AM](#)

CHAIR GATTIS offered that further information would be made available, and pointed out that these are federal tests.

[9:46:48 AM](#)

REPRESENTATIVE REINBOLD objected to the course of action being taken, during the hearing, and reviewed a number of procedural points. Additionally, she expressed concern that amendments were being adopted without the benefit of having fiscal notes attached for consideration.

REPRESENTATIVE P. WILSON pointed out that the amendment procedure does not typically include fiscal note attachments.

[9:50:01 AM](#)

CHAIR GATTIS turned to page 8, [lines 10-30] to address the topic of increasing the stipend for residential boarding schools, and reminded members that the committee previously considered and passed [HB 291} regarding this topic.

[9:51:30 AM](#)

COMMISSIONER HANLEY said the first consideration, of Sec. 12, accommodates the requirement of residential facilities to file an application by establishing an annual open period. Secondly, HB 278 proposes an increase of the allowable stipend, as specified by region.

[9:52:29 AM](#)

CHAIR GATTIS said that, although this section of HB 278 mirrors HB 291 as passed, the effective date may need to be amended for fiscal year alignment purposes.

[9:52:58 AM](#)

REPRESENTATIVE REINBOLD expressed concern for the cost that increasing the stipend will impose on the state's budget that is currently running in a deficit.

[9:54:13 AM](#)

REPRESENTATIVE KITO III asked for a recap of the programs being served by the proposed stipend increases.

COMMISSIONER HANLEY said the traditional full term resident programs were expanded by legislative order, in 2013 to include 2-6 week, variable term programs. The variable term program does not allow the base student allocation (BSA) to be directed to the boarding school, but instead allocates a stipend to

offset the cost of housing the students. The bill also modifies how the October count is handled to determine the BSA.

[9:56:23 AM](#)

REPRESENTATIVE SEATON ascertained that the variable term programs are funded for the year, as established during the count period.

COMMISSIONER HANLEY said correct, with the expectation that students will attend 170 days of the school year. He clarified that the student count remains with the home district school and a stipend amount is generated for the variable program facility.

[9:58:03 AM](#)

REPRESENTATIVE KITO III asked if the change to this section might generate additional variable term, as well as full term residential programs.

COMMISSIONER HANLEY replied yes.

[9:59:05 AM](#)

CHAIR GATTIS reported village support for the variable term program as a means to give students an experience that otherwise would not be available, while not "losing" their children for the entire school year.

REPRESENTATIVE SEATON asked to have the effective date change clarified.

COMMISSIONER HANLEY said the date was an apparent oversight should be amended to a July date, as September is problematic.

[10:02:46 AM](#)

REPRESENTATIVE P. WILSON moved Conceptual Amendment 8, to read:

Page 18, line 20:

Following: "Section 14"

Insert: ", 12, and 13"

REPRESENTATIVE SEATON objected to ask whether other sections of the bill required a similar effective date amendment.

COMMISSIONER HANLEY responded no, and offered that some dates are established based on tax codes.

[10:07:51 AM](#)

REPRESENTATIVE SEATON removed his objection, and with no further objection, Conceptual Amendment 8 was adopted.

[HB 278 was held over.]

[10:08:42 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 10:09 a.m.