

HOUSE FINANCE COMMITTEE
March 20, 2014
8:35 a.m.

[8:35:34 AM](#)

CALL TO ORDER

Co-Chair Stoltze called the House Finance Committee meeting to order at 8:35 a.m.

MEMBERS PRESENT

Representative Alan Austerman, Co-Chair
Representative Bill Stoltze, Co-Chair
Representative Mark Neuman, Vice-Chair
Representative Mia Costello
Representative Bryce Edgmon
Representative Les Gara
Representative David Guttenberg
Representative Lindsey Holmes
Representative Cathy Munoz
Representative Steve Thompson
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Representative Wes Keller, Sponsor; Senator Pete Kelly; Susanne DiPietro, Executive Director, Alaska Judicial Council; Nancy Meade, General Counsel, Alaska Court System; Daniel George, Staff, Representative Bill Stoltze; Thomas Studler, Staff, Representative Pete Higgins; Michael Hanley, Commissioner, Department of Education and Early Development.

PRESENT VIA TELECONFERENCE

David Landry, Self, Anchorage; Donald McClintock, Self, Anchorage; Nicole Borromeo, Alaska Federation of Natives, Anchorage; Matt Peterson, Self, Anchorage; Darrel Gardner, Self, Anchorage; Mike Coons, Self, Palmer; Fritz Pettyjohn,

Self, Standard California; Michael Pauley, Alaska Family Council, Seattle Washington.

SUMMARY

HJR 18 CONST. AM: ELECTED ATTORNEY GENERAL

HJR 18 was HEARD and HELD in committee for further consideration.

HJR 33 CONST. AM: MEMBERSHIP OF JUDICIAL COUNCIL

HJR 33 was HEARD and HELD in committee for further consideration.

HB 220 REPEAL SECONDARY SCHOOL EXIT EXAM

CSHB 220 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Department of Education and Early Development.

#hjr33

HOUSE JOINT RESOLUTION NO. 33

"Proposing amendments to the Constitution of the State of Alaska to increase the number of members on the judicial council and relating to the initial terms of new members appointed to the judicial council."

8:36:54 AM

REPRESENTATIVE WES KELLER, SPONSOR, referenced CSHJR 33 (JUD), legislation that proposed to amend Alaska's constitution to increase the number of non-attorney members of the judicial council from three to six and the total number of council members from seven to ten. The intent of the resolution was two-fold. First, he argued that the legislation would provide for better representation from around the state with additional seats potentially filled by individuals from rural areas presently underrepresented. Secondly, chances of the chief justice having to step in to cast a deciding vote and being exposed to subsequent criticism would be reduced by changing the number of regular voting members from an even to an odd number.

He relayed that in a hearing past Chief Justice Walter Carpeneti, testified that ties were rare. He also noted that ties had become more common recently. He thanked the committee for considering bringing the issue before the people of the State of Alaska for a vote.

Co-Chair Stoltze OPENED public testimony.

[8:41:44 AM](#)

SUSANNE DIPIETRO, EXECUTIVE DIRECTOR, ALASKA JUDICIAL COUNCIL, stated that the council had not taken a position on the legislation. She identified three areas of focus in her testimony. First, she would speak about Alaska's merit selection and retention system and how it worked. Secondly, she would provide information about how other states structured their judicial nominating commissions. Finally, she would discuss the founders' intent from the constitutional convention when they adopted Alaska's selection and retention system.

Ms. DiPietro explained that the judicial council was responsible for screening judges for nomination prior to the governor's review and appointment. She also informed the committee that the council was in charge of evaluating sitting judges for retention and that every sitting judge must be confirmed by voters in an election process. She noted the council was also accountable for conducting studies to improve the administration of justice. Some of the studies she cited included criminal sentencing, criminal recidivism, and mediation.

[8:44:39 AM](#)

Ms. DiPietro stressed Alaska's extensive and transparent judicial selection process. She pointed out that Alaska's system was frequently used as a model by other states and was called upon for technical assistance. Alaska provided information to the public more than any other judicial council in the country, issuing press releases for every vacancy, accepting public comments throughout the selection process, and conducting public hearings in judicial vacancy locations. She referenced an upcoming public hearing in Barrow for a superior court judge. In contrast, she remarked that other judicial selection commissions do not reveal the names of applicants.

Ms. DiPietro explained that there are three non-attorney council members appointed by the governor and three attorneys appointed by the bar association. The council members agreed unanimously 62 percent of the time when voting on candidate qualifications. Votes were unanimous with the exception of one member 19 percent of the time.

[8:47:49 AM](#)

Ms. DiPietro reported that of the 38 states that had judicial nominating commissions 18 had an equal number of attorney and non-attorney members. Five of the states had a larger number of non-attorney members than attorney members. However, in four of the five it was required that a majority of the non-attorney members be of different political parties. The system in Alaska required appointment without regard to political affiliation. Lastly, she said Alaska founders embraced the theory of the Missouri Plan which specified that the predominance of the vote of the judicial council would go to professional individuals who knew the qualifications of their fellow careerists.

[8:50:13 AM](#)

DAVID LANDRY, SELF, ANCHORAGE (via teleconference), testified as a business owner in opposition to HJR 33. He opined that the legislation undervalued the expert knowledge attorneys bring to the table during the process of selecting judges and mischaracterized the nature of the bar association. He confirmed that as a contractor he valued input from his colleagues because of their knowledge and familiarity of a shared vocation. He believed that the current make-up and balance of the judicial council made use of professional knowledge in a similar way. He went on to contend that it was the governor's constitutional responsibility to ensure the appointment of a regionally diverse group of council members.

Mr. Landry pointed out the need for cases to be evaluated by fair and capable judges - judges appointed by the bar association. He claimed that the legislation depicted the bar association as ill-intentioned but believed the current judicial council make-up was only a problem for those interested in having it politicized. He wanted the selection process to result in confident, vetted judges that were held in high esteem by their peers.

8:54:21 AM

DONALD MCCLINTOCK, SELF, ANCHORAGE (via teleconference), spoke in opposition to the legislation. He began his testimony informing the committee he was a current member of the board of governors for the Alaska Bar Association, one of its past presidents, and an applicant for the vacant 2012 seat for the Alaska Supreme Court. He indicated that he was speaking on his own behalf outlining two points; the impact of the bill shifting the balance of power between the judicial branch and the executive branch and deterrence of qualified applicants. He reported that over the last 33 years, he witnessed a very competent and hard-working judiciary, fostered by an admirable selection process. He disclosed that in his experience as a prior applicant appearing before the judicial council, the selection process was driven based on aptitude rather than political persuasion. He commented that over the years past governors have done a fine job selecting judges and following the process currently in place. He expressed his concern with giving the governor the commanding majority vote of the judicial council and mentioned that the state would potentially lose qualified applicants if the council was stacked leaning towards one party or another. He argued that the state needs the broadest pool of people to choose from and believed an unintended consequence would result from politicizing the selection process. In closing, the judicial council was charged with picking the best qualified people for the job. He concluded that the current system had been working admirably since statehood. He reiterated his opposition to HJR 33.

8:59:51 AM

NICOLE BORROMEO, ALASKA FEDERATION OF NATIVES (AFN), ANCHORAGE (via teleconference), testified in strong opposition to the legislation and stated that AFN believed both the Alaska Constitution and the Alaska Judicial Council worked well. She mentioned that the judiciary functioned free of scandals, corruption and other ills that plagued other non-merit based systems. She contended that the reasons outlined for introducing HJR 33, increasing the council's rural representation and guarding against attorney dominance, were not truly addressed in the proposed legislation. Ms. Borromeo asserted that there was no portion of the bill that specifically assured rural

representation; it only added three non-attorney members selected by the governor. Also, there was no indication that the judicial council, in its current form, was significantly dominated by attorney members over non-attorney members.

Co-Chair Stoltze stated that the issue would be revisited.

[9:02:25 AM](#)

MATT PETERSON, SELF, ANCHORAGE (via teleconference), spoke against the bill. He testified that in his personal experience as a 35-year trial attorney, he was very satisfied with the judges he had dealt with. He found them to be hard-working, ethical, and professional. He expressed concerns that the bill would potentially insert previously non-existent political undertones and that there was not a need to change the constitutional council.

Mr. Peterson informed the committee that he conducted oral history interviews with two surviving members of the constitutional convention, past Lieutenant Governor Jack Coghill and Vic Fisher. In the interviews he focused on the judicial portion of the constitution including the selection process of judges and court administration. He reported that substantial oral history was created from interviews at Alaska's 50th anniversary of the constitution. He referenced the University of Alaska's collection of historical interviews, including some with Judge Tom Stewart, who provided extensive information to the university and bar association about judicial and court issues. He relayed intent to provide the committee with a supplement to his testimony in the form of a letter.

Mr. Peterson went on to discuss his interviews with Mr. Coghill and Mr. Fisher. He reported that the aim of the 1955 constitutional convention was to arrive at a framework that would pass the test of time and to create a valid and sound structure for governing the state. He furthered that in all of the research he had done regarding the crafting of a new judicial system, merit was the primary gage in the choosing of judges and any political influence would be left out of the selection process. He relayed that the balance of power was a concern at the inception of Alaska's constitution and still was today. He closed by reiterating his opposition to HJR 33.

9:11:40 AM

DARREL GARDNER, SELF, ANCHORAGE (via teleconference), testified in opposition to the bill. He introduced himself as a life-long Alaskan, an attorney for over 30 years, the president of the Alaska chapter of the Federal Bar Association, the president of the Alaska Association of Criminal Defense Lawyers, a night circuit lawyer representative to the judicial conference, and a current candidate for a seat on the board of governors of the Alaska Bar Association for the third judicial district. He testified on his own behalf. He remarked that he did not know a single practicing attorney who was in favor of HJR 33 and that the current structure of the judicial council worked. He claimed there was no demonstrated need to change the constitution to add additional members or the way in which the council functioned. He speculated that the proposed legislation to expand the size of the council had the potential to politicize and hamper the council's selection process. He suggested that the proposed legislation was short-sighted and that, overall, the bar was satisfied with the judicial selection process.

9:13:57 AM

NANCY MEADE, GENERAL COUNSEL, ALASKA COURT SYSTEM, opposed HJR 33 on behalf of the court system. She stated that the court system normally remained neutral except when bills and resolutions directly impacted its operation or when the administration of justice was threatened. She was specifically directed by the Alaska Supreme Court to oppose the resolution. She relayed that the court's mission was to provide the citizens of Alaska an impartial forum for the resolution of disputes. She emphasized that it relied on the judicial council to screen candidates for judgeships and, thereafter, to make recommendations about the retention of sitting judges for the benefit of Alaskan voters. She opined that HJR 33 would disrupt a fine-working configuration of three attorneys and three public members sitting on the council. She explained that the judicial council considered candidates based on qualifications and merit by both its attorney members and public members; attorney members weighing in from a colleague's perspective and public members evaluating from a citizen's viewpoint. She expressed the court's concern that without the current balance of power in place members would change their evaluation criteria from aptitude to political leanings.

The court's other concern was that with a clear majority of members sharing a particular philosophy, attorney views might be excluded from consideration, or the quality of applicants might be compromised. She also suggested that a judge might potentially rule on a case in alignment with the governor to avoid being unseated in the future. Ultimately, Alaska's citizens would not feel like they had a fair and impartial decision maker in front of them. She asserted that the court system currently had 73 sitting judges from every background imaginable with a wide range of experience. She was attempting to dispel any notion of council member biases based on political leanings. She concluded her testimony reemphasizing the court system's opposition to the legislation.

[9:20:46 AM](#)

MIKE COONS, SELF, PALMER (via teleconference), testified in support of the legislation. He stated that the testimony in the committee hearing was stacked with opponents to HJR 33. He contended that the Ninth Circuit District Court was stacked with the most liberal judges in the entire world. He suggested that the Supreme Court ruled against freedom of choice in education and for the Blaine Amendment, continually having judges legislating from the bench. He commented that he could think of several judges over the years that were extremely liberal, letting people out on their own recognizance after they had raped elderly people. He pointed out the need for a judge that made a judgment based on the constitution not on his or her political leanings. He mentioned that people misconstrued the Second Amendment. He wanted as many solid citizens to sit on the judicial council as possible; people that wanted to do the job, to take care of criminals, and to avoid legislating from the bench. He restated his full support of HJR 33.

[9:24:19 AM](#)

FRITZ PETTYJOHN, SELF, CALIFORNIA (via teleconference), testified in support of the legislation. He noted his qualifications as a prior Alaska State House Representative and Senator and a 40-year member of the Alaska Bar Association. He explained that legislators were not allowed to legislate in areas of laws which infringed upon Second Amendment rights. The purpose of the court was to protect citizens from the majority trampling on minority rights as reflected in the constitution. He asked what extent the

court had in deciding for itself what was or was not a constitutional issue, what could or could not be legislated, or what had to be decided by a court, not by the representatives of the people. He claimed to have seen a consistent tilt in the Alaska Court System, specifically at the Alaska Supreme Court level of a very expansive view of its own power and a limited one of the legislature. He believed that the system imposed on the citizens of Alaska has taken the judicial branch of government and expanded its power at the expense of the legislature and the people. He advocated for legislators to have a say in which qualified names went before the governor for judgeship consideration. He opined that in the past the judicial council had clearly manipulated the outcome of a nomination. He believed that HJR 33 corrected a fundamental flaw in Alaska's constitution that puts lawyers in charge of a branch of government rather than in the hands of the people. He argued that the legislation would help fix a broken system.

[9:27:15 AM](#)

MICHAEL PAULEY, ALASKA FAMILY COUNCIL, SEATTLE WASHINGTON (via teleconference), supported more public involvement in the process in which the State of Alaska selected, evaluated, and retained its judges. He affirmed the goal of HJR 33. He noted the wide variety of members serving on various judicial nominating commissions around the country. From the perspective of the Alaska Family Council, the proposal of adding three additional public members to the judicial council was not out of the ordinary in comparison to other states. He emphasized the population of Alaska had at least tripled from the time of statehood and the court system had grown along with it. He suggested that creating a larger judicial council would be appropriate. He concluded that there should be a proper balance between members representing the bar association and members representing the general public. He did not believe that the council would be out of balance with three attorneys and three public members. He reported that the attorneys on the council were selected by the board of governors of the bar association, an entity with 4,212 members, representing one half of 1 percent of the population of the state. However, they get to choose half the regular voting members of the council. The three public members were there to represent the non-attorneys, the other 731,000 Alaskans served by the court system. He claimed that in the judicial

council's current form an enormous amount of power rested in the hands of attorneys practicing law in front of judges rather than in the hands of the general public. He noted that the chief justice was a dues-paying member of the bar association. In reality, the bar members had a majority of four of the seven seats of the council. He also emphasized that the bar members were not appointed by the governor or confirmed by the legislature. In contrast, the non-attorney public members were required to appear before the House and Senate Judiciary Committees for an interview process.

Mr. Pauley opined that the way in which Alaska's Judicial Council was structured was different from other commissions and government. For example, physicians on the state medical board were appointed by the governor, not by the Alaska State Medical Association, and stood for legislative confirmation. He reported that the same process applied to the Alaska Board of Nursing and the Alaska Board of Pharmacy. He referenced five examples in the past two years where all three public members of the council voted yes to nominate a particular applicant for a judicial vacancy, but all of the participating attorney members voted no. In each case, the chief justice sided with the attorneys, defeating the nominations and shortening the list of names submitted to the governor. He believed the potential for the chief justice to influence decisions made by the council was undeniable. HJR 33 proposed to increase the number of voting members to nine, making tie votes more rare.

[9:32:58 AM](#)

Co-Chair Stoltze CLOSED public testimony.

Representative Keller concluded his testimony by stating that in the process of hearing HJR 33 in the House he was baffled that the issue was such a big deal. He cited the addition of three non-attorney members to the judicial council if the legislation passed. He asserted that the reaction to the bill was amazing and that he had never heard of a problem with a non-attorney member on the judicial council. He mentioned having difficulty understanding the rationale of anyone opposing the legislation. He read from a book titled, "Alaska's Constitutional Convention" (published by University of Alaska) which he suggested provided proper context:" He elaborated that the review of the convention consisted of

five lawyers and two laymen. He specified that the committee agreed to follow the principles suggested by the American Bar Association and to adapt the Missouri Plan. He recounted another section of the book where a consultant talked about some of the issues that came up. The book stated that these sections, referring to the judicial branch:

go a long way toward withdrawing the judicial branch from the control of the people of this state and placing it under that of the organized bar. No state constitution has ever gone this far in placing one of the three coordinate branches of the government beyond the reach of democratic influence. We feel that it is in its desire to preserve the integrity of the courts the convention has gone further than necessary or safe in putting them in the hands of a private professional group, however public spirited the members may seem to be.

Representative Keller went on to explain that the consultants suggested a number of revisions that would democratize the proposed system by providing for the legislative confirmation of both the attorney and lay members of the judicial council. He reported that the suggestions were not accepted by the meeting committee chairman and never reached the convention floor. He reemphasized the importance of allowing the public to vote on the legislation.

Co-Chair Stoltze made a historical reference before setting the bill aside.

HJR 33 was HEARD and HELD in committee for further consideration.

[9:38:29 AM](#)

AT EASE

[9:43:08 AM](#)

RECONVENED

#hjr18

HOUSE JOINT RESOLUTION NO. 18

Proposing amendments to the Constitution of the State of Alaska relating to the office of attorney general.

[9:43:21 AM](#)

Co-Chair Stoltze presented HJR 18. He reported that Alaska was one of seven states that did not elect its attorney general. Instead, Alaska's attorney general was appointed by the governor. He expressed concern that, under the current practice, the people of Alaska did not have a voice. HJR 18 gave Alaskans a say in the process of electing their state attorney general, an official that made opinions under the force of the law. He also asserted that there were no checks and balances within the executive branch. Alaska's attorney general was given incredible powers working as the head of the Department of Law and for the governor. He declared that it was a stretch to refer to the attorney general as the "people's" attorney general. He expressed confidence that if HJR 18 was brought to a public vote it would be strongly supported and readily approved. In proposing HJR 18 he surmised that the legislature had the responsibility of practicing due diligence in reviewing, refining, and perfecting the legislation. He agreed with former governor Bill Egan, one of the founding founders of the state, who believed in a strong executive branch. Prior to attending the first constitutional convention, Territorial Senator Egan professed that the station of attorney general should be an elected position.

Co-Chair Stoltze pointed out that the tenure of elected attorney generals in territorial times far surpassed that of appointed attorney generals since statehood, another argument in support of the resolution. Also, he noted members of the constitutional convention expressing concerns about not having enough attorneys to run for office. Today, Alaska had more than 4,000 members of the bar. He spoke of his admiration for former Governor Egan and was glad they shared the same opinion on the importance of a strong executive branch. He hoped for the committee's support to move the resolution forward.

[9:51:55 AM](#)

Co-Chair Austerman stated that the objective was to introduce HJR 18; public testimony would be heard at a later date.

HJR 18 was HEARD and HELD in committee for further consideration.

9:52:18 AM

At EASE

9:53:03 AM

RECONVENED

#hb220

HOUSE BILL NO. 220

"An Act repealing the secondary student competency examination and related requirements; and providing for an effective date."

9:53:14 AM

Co-Chair Stoltze MOVED to ADOPT the proposed committee substitute for HB 220, Work Draft 28-LS0947\C, (Mischel, 3/17/14). Co-Chair Austerman OBJECTED for discussion.

Co-Chair Stoltze stated that the CS responded to concerns expressed by the House Finance Committee.

DANIEL GEORGE, STAFF, REPRESENTATIVE BILL STOLTZE, explained the changes in the CS. In Sections 6 and 7 on page 4 of the previous version there was a transition period where students could continue to take the High School Qualifying Graduation Exam (HSQGE) for one year following its repeal. He noted that the newest version added the language from lines 25 through the end of the bill on page 5. He read the section:

RETROSPECTIVE ISSUANCE OF A HIGH SCHOOL DIPLOMA. (a) At the request of a student made by June 30, 2017, a school district shall issue a high school diploma to a student who did not receive a high school diploma because the student failed to pass all or a portion of the secondary school competency examination but who received a certificate of achievement under former AS 14.03.075. 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. (b) The Department of Education and Early Development shall post a notice consistent with this section on the department's Internet website with information about how to request a high school diploma. (c) In this section, "school

district" has the meaning given in AS 14.30.350. Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

Mr. George concluded his presentation on HB 220.

[9:55:44 AM](#)

Co-Chair Stoltze asked for the bill sponsor's staff to address the committee.

THOMAS STUDLER, STAFF, REPRESENTATIVE PETE HIGGINS, reported that Representative Higgins had no opposition to the new work draft.

Vice-Chair Neuman asked why the effective date was not retroactive. Mr. Studler explained that any student that did not pass the exam since its inception in 2004 would be able to request a retrospective issuance of a high school diploma.

[9:57:39 AM](#)

Representative Gara expressed that he appreciated and supported HB 220. He recalled some studies showing that 3 to 6 percent of school budgets were spent on teaching to the exit exam rather than to curriculum. He asked a similar question to Vice-Chair Neuman regarding the June 30, 2017 request deadline. He wondered why it would be necessary to impose a deadline on any student that had previously received a certificate of achievement.

Mr. Studler responded that it would be up to the wisdom of the committee to make a change.

Co-Chair Stoltze surmised that a deadline of three years was a reasonable time period for past students to request their diploma. He contended that a cutoff date served as a motivator and affirmed that eliminating the test requirement saved the state a significant amount of money. He supported a request deadline of 2017 and suggested that if there was a large group of students still looking for their diploma, the legislature could revisit the issue.

[10:02:04 AM](#)

Representative Guttenberg noted the immediate effective date. He asked how many students without a diploma were eligible to take the HSGQE and inquired if they were in limbo.

Mr. George deferred his response to Michael Hanley, Commissioner, Department of Education and Early Development.

[10:02:51 AM](#)

MICHAEL HANLEY, COMMISSIONER, DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT, cited that, since 2004, 2,968 students received a certificate of achievement rather than a diploma because they could not pass the HSGQE. Just over 600 of the 2,968 students have retested and passed the test since the time of their initial exam. Currently, about 2,300 students would be eligible to receive their diploma if the legislation passed. He reported that 48 percent of the 2,300 were students with disabilities. The governor suggested a three-year transition as one way of removing the HSGQE. Ultimately, the department supported the removal of the HSGQE without reference to the method. One way to implement the legislation would be to make the bill retroactive, which he supported. He mentioned that there was an \$8,000 component in the fiscal note that provided for the Department of Education and Early Development (DEED) to help school districts notify the 2,300 students about the change in law.

Representative Wilson asked the commissioner how many of the 2,300 students received their General Education Diploma (GED).

[10:05:12 AM](#)

Commissioner Hanley responded that he did not have a number. He also informed the committee that the GED was conducted by the Department of Labor and Workforce Development and was separate from a high school diploma.

Representative Wilson asked for clarification as to the maximum number of students that could retrospectively request their diploma. Commissioner Hanley stated that the maximum number of students included the current year's cohorts plus 2,300 past students.

Representative Wilson again requested clarification that the current high school seniors would be eligible to receive their diploma if they completed their coursework.

Commissioner Hanley replied that current seniors would still be required to pass the HSGQE prior to the legislation becoming law. However, students that did not pass the test and only had a certificate of achievement would be able to request their diploma after the law took effect.

10:06:56 AM

Representative Wilson wanted additional clarification about whether or not students would receive their diploma if the law took effect prior to graduation of the current year. She also wanted confirmation that the current high school seniors were not included in the 2,300 number the commissioner provided.

Commissioner Hanley verified that current seniors would receive their diplomas if the law became effective prior to graduation. He also affirmed that the current year's cohorts were not a part of the 2,300 past students that would be eligible to receive a diploma under HB 220.

10:07:57 AM

Representative Munoz supported the legislation. She asked for details regarding communication to past students with attendance certificates. Specifically, she wanted clarification about whether it would be the high school or the department that would be following up with and issuing diplomas to students. She also asked how DEED would work with high schools to get the message out to the public about the law, if it passed.

Commissioner Hanley reported that high schools issued diplomas. The department would partner along-side the school districts to get word out to the public, hence the \$8 thousand fiscal note. The fiscal note addressed mailings, public service announcements, and postings around the state.

Representative Munoz suggested that legislators make an announcement via their newsletter in order to get the word out to constituents if and once the legislation passed.

Commissioner Hanley agreed emphatically.

[10:09:43 AM](#)

Vice-Chair Neuman was concerned with eligible military personnel being able to meet a request deadline of 2017. He did not want to see service members miss an opportunity to receive a diploma because of an extended tour of duty overseas or because of an accessibility issue.

Commissioner Hanley responded that the bill did not specify that a student would have to physically return to their high school to make a request. Past students could contact their school remotely. He furthered that students who received a certificate of completion but wanted a diploma were most likely making arrangements to take the HSGQE and, therefore, would have access to any change in graduation requirements. He was not as concerned about students who were no longer pursuing their diploma after three years.

Vice-Chair Neuman opposed having a three-year request deadline.

[10:12:01 AM](#)

Representative Guttenberg asked why anyone would take the HSGQE if it was apparent that the legislation would pass.

Commissioner Hanley reported that the test was given in October and April of each year. In the current year the test would be given in April prior to the legislation passing.

[10:12:38 AM](#)

Representative Thompson clarified that members of the military were required to have a diploma. He was concerned that civilian contractors, who wanted to join the military, would be ineligible if they missed a cutoff date.

Co-Chair Stoltze suggested removing the objection and adopting the CS in order to offer any changes.

Co-Chair Austerman WITHDREW his OBJECTION. There being NO further OBJECTION, Work Draft 28-LS0947\C was ADOPTED.

Representative Gara agreed with Representative Neuman and Representative Thompson on their point about imposing a deadline. He wanted to know what grade level the HSGQE tested at and how much of teachers' time was spent teaching to the exam.

Co-Chair Austerman asked if Representative Gara's question was directly related.

Co-Chair Stoltze noted the savings of \$1.4 million with the elimination of the HSGQE. He directed the commissioner to provide information about the practicality of having a deadline and any other fiscal issues.

[10:15:39 AM](#)

Commissioner Hanley stated that the fiscal note was a decrement of \$2.75 million.

Co-Chair Stoltze wanted further clarification about the \$2.75 million figure because of conflicting reports from Mr. Morse about the state's obligations to the contractor.

Commissioner Hanley replied that the only difference was a very small increment of \$8 thousand from the current year to the next. The \$8 thousand was designated for mailings and disseminating information to the public.

[10:16:34 AM](#)

Representative Thompson MOVED to ADOPT Amendment 1, 28-LS0947\N.I, Mischel, 2/26/14 (copy on file):

Page 1, line 2, following "requirements;":
Insert "relating to an annual performance report to the legislature by the Department of Education and Early Development;"

Page 1, line 6, following "year":
Insert "by electronic means"

Co-Chair Austerman OBJECTED for discussion.

Representative Thompson detailed the amendment. The amendment changed the reporting format from paper to electronic means. The amendment helped to reduce the use of paper.

Co-Chair Stoltze supported Amendment 1 but asked Representative Thompson to make it a conceptual amendment to conform to the new CS.

Representative Thompson MOVED that his amendment be a conceptual amendment.

Co-Chair Austerman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered. Amendment 1 was ADOPTED.

[10:19:25 AM](#)

Representative Gara MOVED to ADOPT Amendment 2 (copy on file):

Page 4, line 26:

Delete "made by June 30, 2017"

Co-Chair Austerman OBJECTED for discussion.

Representative Gara described the amendment. The amendment would allow students to apply for a diploma at any time if they completed their course requirements. He did not see any reason to treat people who completed the same coursework differently due to a diploma request deadline. He suggested removing the cutoff date entirely.

Representative Wilson asked if there was an established period of time school districts were required to retain their records. She questioned whether it was the student or the school district that was responsible for verifying graduation qualifications.

Commissioner Hanley answered that records would be available and that districts would be mailing out notices to students who received their certificate of achievement.

Representative Wilson asked whether a high school would have the ability to verify a student's eligibility if the student requested a diploma at some point in the future.

Commissioner Hanley confirmed that records would be available.

[10:22:00 AM](#)

Representative Edgmon asked the commissioner to explain the counterpoint to having a deadline in place.

Commissioner Hanley replied that the deadline allowed students to either pass the HSGQE now or request the issuance of their diploma within three years. He didn't see the applicability of someone making a request at 30 or 40 years of age.

[10:22:51 AM](#)

Co-Chair Stoltze disputed that the amendment was a punitive measure. He believed that people respond well to deadlines and that they served as good motivators. He emphasized that he wanted to make sure kids get their diplomas, deadline or no deadline. He had no objection to the amendment.

Co-Chair Austerman WITHDREW his OBJECTION. There being NO further OBJECTION, it was so ordered. Amendment 2 was ADOPTED.

[10:24:36 AM](#)

Co-Chair Austerman asked for any objections.

Co-Chair Stoltze MOVED to REPORT CSHB 220 (FIN) as amended out of committee with individual recommendations and the attached fiscal notes.

There being NO OBJECTION, CSHB 220 was REPORTED out of committee with a "do pass" recommendation and with one new fiscal impact note from the Department of Education and Early Development.

ADJOURNMENT

[10:25:35 AM](#)

The meeting was adjourned at 10:25 a.m.