

ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE

April 1, 2013

7:59 a.m.

MEMBERS PRESENT

Senator Gary Stevens, Chair
Senator Mike Dunleavy, Vice Chair
Senator Bert Stedman
Senator Charlie Huggins
Senator Berta Gardner

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 84

"An Act relating to the Alaska Challenge Youth Academy; and providing for an effective date."

- HEARD AND HELD

SENATE BILL NO. 6

"An Act providing for funding for school lunch and breakfast; and providing for an effective date."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 84

SHORT TITLE: MILITARY YOUTH ACADEMY

SPONSOR(s): SENATOR(s) GIESSEL

03/21/13	(S)	READ THE FIRST TIME - REFERRALS
03/21/13	(S)	EDC, FIN
04/01/13	(S)	EDC AT 8:00 AM BELTZ 105 (TSBldg)

BILL: SB 6

SHORT TITLE: FUNDING FOR SCHOOL MEALS

SPONSOR(s): SENATOR(s) WIELECHOWSKI

01/16/13	(S)	PREFILE RELEASED 1/7/13
01/16/13	(S)	READ THE FIRST TIME - REFERRALS

01/16/13 (S) EDC, FIN
04/01/13 (S) EDC AT 8:00 AM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR CATHY GIESSEL
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 84.

LINDSAY WILLIAMS, Staff
Senator Cathy Giessel
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Discussed the fiscal impact of SB 84.

MCHUGH PIERRE, Deputy Commissioner
Alaska Department of Military & Veterans Affairs
Anchorage, Alaska

POSITION STATEMENT: Provided information about the fiscal notes for SB 84.

CLYDE T. BURTON, Director
Alaska Military Youth Academy
Alaska Department of Military & Veterans Affairs
Anchorage, Alaska

POSITION STATEMENT: Provided supportive testimony for SB 84.

MAJOR GENERAL THOMAS H. KATKUS, Commissioner
Alaska Department of Military & Veterans Affairs
Fort Richardson, Alaska

POSITION STATEMENT: Provided supportive testimony for SB 84.

SENATOR BILL WIELECHOWSKI
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 6.

KENDRA KLOSTER, Staff
Senator Bill Wielechowski
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SB 6 on behalf of the sponsor.

ADRIANNE SCHWARTZ, Food Service Supervisor
Juneau School District
Juneau, Alaska

POSITION STATEMENT: Provided supportive testimony for SB 6.

DAVID NEES, representing himself
Anchorage, Alaska

POSITION STATEMENT: Spoke in opposition to SB 6.

ACTION NARRATIVE

[7:59:52 AM](#)

CHAIR GARY STEVENS called the Senate Education Standing Committee meeting to order at 7:59 a.m. Present at the call to order were Senators Gardner, Stedman, Huggins, Dunleavy, and Chair Stevens.

SB 84-MILITARY YOUTH ACADEMY

[8:00:03 AM](#)

CHAIR STEVENS announced that the first order of business would be SB 84.

SENATOR CATHY GIESSEL, sponsor of SB 84, related that the bill does three things: it amends the state statute to change the funding mechanism for the Alaska Military Youth Academy (AMYA), it establishes the program in the Department of Military and Veterans Affairs (DMVA), and it updates the program name from Alaska Challenge Youth Academy to the Alaska Military Youth Academy.

She explained the reason she was carrying the bill. She related how impressed she was with AMYA when she first encountered it. She said the program consists of kids who otherwise would "fall through the cracks." She shared a personal story about John Lopetrone, the carpentry teacher at AMYA. She stressed that the Academy makes a tremendous difference in kids' lives. She noted that the Academy has rigorous standards, which is what the kids need.

[8:02:16 AM](#)

SENATOR GIESSEL explained that the Academy targets students between 16 and 18 that have dropped out of high school. It is a 22-week residential school program. It has graduated over 4,000 cadets. She noted that out of 27 states with similar programs, Alaska's program is ranked in the top five.

[8:03:03 AM](#)

LINDSAY WILLIAMS, Staff, Senator Cathy Giessel, explained that currently under AS 14.37.40, about one-third of the program

funding comes from a space/student calculation. The formula is equal to the Base Student Allocation (BSA), multiplied by 7 for each residential student, added to the BSA, multiplied by .6 for each non-residential student, and then any amount received by the program and by federal matching grants is subtracted. The formula was created in 2002 to protect a young and fledging program. Over the past decade the Academy has grown and proven to be very successful. It is time to move the program funding to a direct appropriation so that the Academy can budget and focus on results and graduation rates.

SENATOR DUNLEAVY joined the committee meeting.

MS. WILLIAMS pointed out that the Academy has been operating since 1993. It was never formally established in statute under the direction of DMVA. This bill helps to correct this oversight.

She explained that in 1999, Senator Stevens, along with the legislature, encouraged changing the name of the program to the Alaska Military Youth Academy.

[8:04:34 AM](#)

CHAIR STEVENS asked for an explanation of the funding mechanism and the impact of the fiscal note on the budget in the future.

MS. WILLIAMS replied that the bill repeals the current BSA calculation and changes it to a direct appropriation from DMVA.

CHAIR STEVENS asked how many students receive a GED versus a high school diploma and how many enter the military after graduation.

SENATOR GIESSEL deferred to the Academy's staff to answer.

SENATOR GARDNER asked about Section 2 of the bill, which makes the Academy a part of the National Guard Youth Challenge program.

MS. WILLIAMS explained that it is simply a formality. By repealing the BSA, the reference to the Academy is removed; therefore, it needs to be formally established under DMVA.

CHAIR STEVENS noted the letter previously referenced has not been sent to the committee. He requested the spelling of the person who sent the letter.

SENATOR GIESSEL said it was John Lopetrone.

8:07:15 AM

MCHUGH PIERRE, Deputy Commissioner, Alaska Department of Military & Veterans Affairs (DMVA), noted there were two fiscal notes; one from DMVA and one from the Department of Education and Early Development. He addressed the fiscal note from DMVA, which he said is a "zero change" and is a formality. The current operating budget is the vehicle that will fund the program. The effective date of the bill is for next fiscal year, which means there will be a direct appropriation from DMVA at that time. There is a total of \$9.5 million operating dollars in FY 14, which includes \$1.5 million in access authority. The Academy will not come from the Department of Education, but rather from a National Guard program in DMVA.

CHAIR STEVENS asked how that will impact the state.

MR. PIERRE said there is no fiscal impact to the state. The goal is to focus on graduating students.

8:09:33 AM

SENATOR GARDNER asked about any expected changes to the funding of the matching grant program from the Department of Defense. She requested more information about not using the BSA with an October student count.

MR. PIERRE addressed the first question by saying that DMVA has been given commitments from the National Guard Bureau that the funding will remain the same. In answer to the second question, he explained that DMVA's funding formula is a multiplier of the BSA which was needed in 2002 when the BSA was \$3,000 per student. The needs of the program have changed and that funding does not fit. He said he does not have the expertise to say if it is relevant to a K-12 school.

8:11:03 AM

SENATOR HUGGINS recalled the demographics of the Academy and termed it "a school of choice."

MR. PIERRE deferred to Mr. Burton to answer.

SENATOR HUGGINS noted the first line of the Academy letter and corrected that 30 percent of high school freshmen fail to graduate. He asked if the Academy is open to all students in Alaska, who must apply to be accepted.

MR. PIERRE said yes.

8:12:35 AM

MAJOR GENERAL THOMAS H. KATKUS, Commissioner, Alaska Department of Military & Veterans Affairs, introduced himself.

CLYDE T. BURTON, Director, Alaska Military and Youth Academy, Alaska Department of Military & Veterans Affairs, introduced himself.

MAJOR GENERAL KATKUS provided an overview of how the Academy evolved. He explained that the need for a youth academy was first identified 20 years ago and was put under the National Guard and the Department of Defense (DOD) in order to help prevent the high national dropout rate. The program was to target high risk youth and was designed to use a military approach on discipline, organization, and instilling values. It was not for the purposes of recruitment.

He noted the program has been very successful. He said he could not predict DOD's future funding in light of today's economy. The State of Alaska has provided the majority of the funding, rather than the federal government.

He explained that SB 84 would facilitate a needed change to the funding formula. The goal is to get more students to graduate, not to get more students in the program at the beginning. A direct appropriation provides the commission the opportunity to identify the Academy's needs each year and make a funding request.

8:15:04 AM

MR. BURTON agreed with Major General Katkus's statements. He called the Academy a customer-service-oriented and results-based organization. In the past, with 330 students, there was less than a 50 percent success rate. The current class had the highest retention rate so far.

He agreed that the current funding formula creates a ceiling and limits efficiency.

CHAIR STEVENS noted the Governor's goals to increase the graduation rate and to enhance digital learning. He inquired how the military deals with a GED or diploma when accepting new recruits. He also wanted to know the number of graduates who earn their GED, versus a diploma.

MAJOR GENERAL KATKUS replied that the Academy provides dropouts the ability to get the remaining credits necessary to graduate or a GED, both of which are acceptable for entry into the military.

[8:17:36 AM](#)

SENATOR HUGGINS noted that students with a GED can go back to school to earn a diploma. He characterized the program as allowing those who are close to graduating to get a diploma and those who are not to go back to their school to earn the credits needed to graduate.

MAJOR GENERAL KATKUS said that is correct. The Academy also provides students the opportunity to experience military culture or work.

MR. BURTON pointed out that the program is voluntary. The student must volunteer for the program, which increases retention. Half of the class is made up of sixteen-year-olds, which is a great advantage toward getting the students back on track in order to graduate from their high school. The number of high school diplomas the Academy awards is small.

[8:20:17 AM](#)

SENATOR DUNLEAVY asked how many staff are at the Academy.

MR. BURTON replied that there are 75 staff and some unfilled positions.

SENATOR DUNLEAVY inquired how many are teachers.

MR. BURTON said eight are teachers.

SENATOR DUNLEAVY asked if they are certified teachers.

MR. BURTON said they are not certified.

SENATOR DUNLEAVY asked if there is a chaplain at the Academy.

MR. BURTON said there are voluntary church services every Sunday and guest chaplains lead them.

SENATOR STEDMAN asked about the advantages and disadvantages of certified versus non-certified teachers.

MR. BURTON replied that the Academy has extremely good teachers. He did not see an advantage of certification in the Academy's program. He noted the reading/writing teacher is certified. He

stressed the holistic approach of the Academy's curriculum, with a focus on academics, as well as life skills, job skills, and fitness.

[8:22:29 AM](#)

SENATOR DUNLEAVY asked if Mr. Burton had considered expanding the Academy to being a full-fledged military academy.

MR. BURTON said he personally thinks that is a good idea; however, the Academy is constrained from doing so by the cooperative agreement it operates under. The Academy is only allowed to take dropouts.

He noted the Academy has a great teaming relationship with the Department of Education and with school districts and does not wish to take away from public school programs.

MAJOR GENERAL KATKUS further explained that the cooperative agreement consists of rules and regulations from the National Guard Bureau, the national program.

[8:24:13 AM](#)

SENATOR HUGGINS asked Mr. Burton to verify if an Academy graduate went on to the Naval Academy.

MR. BURTON said that was correct.

SENATOR HUGGINS asked what a graduation from the Academy is like.

MR. BURTON replied that the most recent graduation was very emotional and patriotic. There were 144 graduates.

MAJOR GENERAL KATKUS described the growth of confidence shown in graduates by their firm handshakes.

MR. BURTON pointed out that the graduates are sincerely grateful for their Academy experience.

He noted that the standards of the Academy are very high.

[8:27:12 AM](#)

SENATOR HUGGINS opined that it does not matter if the graduates have the diploma or the GED, the program provides hope and the ability to move forward when many had given up. He asked for an explanation of how the Academy demonstrates when a student has challenges.

MR. BURTON said Senator Huggins is referring to the Hard Core Program involving consequences for behavior.

[8:30:00 AM](#)

CHAIR STEVENS noted his appreciation for military training and the Academy.

CHAIR STEVENS announced that SB 84 would be held in committee.

[8:30:40 AM](#)

At ease

SB 6-FUNDING FOR SCHOOL MEALS

[8:32:17 AM](#)

CHAIR STEVENS called the meeting back to order. He announced that the final bill before the committee would be SB 6.

SENATOR BILL WIELECHOWSKI, sponsor of SB 6, said the bill would provide a state match for schools participating in the federal free and reduced-price school breakfast and lunch program. The state match would be 35 cents for each breakfast and 15 cents for each lunch. Alaska is one of the few states in the country that does not have a state contribution which causes a gap of about \$2.1 million for schools to fund out of their general funds. He noted that studies strongly show that kids that receive meals at school tend to be less obese, have better attendance records, and do better academically. The state spends over \$1 billion for education every year. If students are hungry and cannot pay attention, that money is not being used as well as it could be.

He noted that the bill has passed the Senate twice before.

[8:34:03 AM](#)

KENDRA KLOSTER, Staff, Senator Bill Wielechowski, introduced SB 6. She explained the three goals of SB 6 as follows: to increase the number of meals served, increase the number of students receiving meals, and providing more nutritious meals.

She shared statistics related to kids in need. One out of eight Alaska families struggles to put enough food on the table each year. She said 74,000 families seek food assistance and 43 percent of households visiting food pantries have children under the age of 18. She related that 51,000 Alaskan children are eligible for free or reduced lunch, however, six school

districts do not offer either breakfast or lunch and 20 percent of the schools are not offering breakfast. Alaska is in the bottom 10 percent of the state for participation in food programs.

She discussed statistics related to schools in need. It costs rural schools more to provide food programs.

[8:36:02 AM](#)

MS. KLOSTER listed the reasons to have food programs in schools. They provide a solid investment in children's futures. They promote better health, and behavior and performance in school. They lower the dropout rates, prison populations, and obesity, and provides higher incomes.

She cited a number of studies that show positive effects of the school meal program.

[8:38:31 AM](#)

MS. KLOSTER addressed the state supplement to federal funding. She said the more the program increases, the more federal dollars are available to the state. She referred to letters of support for the program.

She summarized that SB 6 is a solid investment in children's futures.

CHAIR STEVENS asked to Ms. Kloster to clarify if SB 6 increases the number of children who would receive the breakfast/lunch program or if it simply replaces funding from one source.

MS. KLOSTER replied that funds were being taken out of schools' operating budgets and SB 6 provides funding from a different source. It will not cover the entire recent shortfall, but will help. She reported that some of the schools plan to use the funding to increase the nutrition of the meals. One of the goals is to add more students and receive more federal funding.

[8:40:41 AM](#)

SENATOR GARDNER asked about the cost of the state's supplemental funding mentioned on page 27. She wondered why the breakfast cost more than the lunch.

MS. KLOSTER deferred to Ms. Schwartz to answer.

ADRIANNE SCHWARTZ, Food Service Supervisor, Juneau School District, testified in support of SB 6. She explained that there

is a very low number of students participating in the breakfast program, so more funding would increase the numbers. The reimbursement rate for the breakfast is a lot lower than that for the lunch program. The supplemental funding would also provide for a higher quality breakfast.

8:42:18 AM

SENATOR GARDNER noted a concern about ensuring enough time for the breakfast so that children would not be late for class. She asked if the program currently provides food that the children can eat in the classroom.

MS. SCHWARTZ said yes. Typically, the breakfast consists of something fast. Half of the schools participate in the National School Breakfast Program and half use a volunteer donation program. The latter is having a higher success because it is offered for no cost for everyone. She opined that the funding found in SB 6 is vital in order to offer students a full, complete breakfast.

8:44:00 AM

SENATOR GARDNER asked if some districts require students to pay for a portion of the cost of breakfast.

MS. SCHWARTZ replied that half of the schools participate in the National Program where students pay full price - \$1.75 - for the breakfast. Some students are eligible for a reduced-price breakfast for \$.30 and some qualify for the free breakfast.

CHAIR STEVENS asked for a rough idea of how many receive free, reduced, or full-fare meals.

MS. SCHWARTZ replied that Juneau is serving 1,300 meals per day for free, reduced, and full-fare meals. Half of the students are eligible for free or reduced-price meals.

SENATOR HUGGINS asked how many Title I schools are in the Juneau School District.

MS. SCHWARTZ said she did not know.

SENATOR HUGGINS asked what the qualifying percentage for Title I is.

MS. SCHWARTZ said it is in the 40 percent to 50 percent range. Two elementary schools have higher than 40 percent of their students eligible for free and reduced-price meals. One of the

high schools has 60 percent eligible. District-wide, 30 percent of students are eligible.

[8:46:57 AM](#)

SENATOR HUGGINS discussed food quality in schools as it relates to obesity.

MS. SCHWARTZ responded that food requirements are changing and now require healthier fare.

SENATOR HUGGINS asked if the federal government is a reliable partner in light of the national debt.

SENATOR WIELECHOWSKI said he does not know if sequestration will impact SB 6. He noted the bill was originally passed by Congress in 1946 as a measure of national security because too many men were unfit for military service due to malnutrition. He said he would be surprised if there were cutbacks in this area. He added that it is a bi-partisan issue.

[8:49:48 AM](#)

SENATOR DUNLEAVY asked a question about the cost of the program.

SENATOR WIELECHOWSKI reiterated that it costs 35 cents for breakfast and 15 cents for lunch per student. That is the base amount and it is tied to the funding formula so rural Alaska schools would receive a greater amount to compensate for the much higher costs.

He related that the Anchorage School District would use this funding to expand the meal program and to increase the quality of the food. Schools would have the option as to how to spend the money.

SENATOR DUNLEAVY he asked how much the fiscal note is.

[8:51:21 AM](#)

SENATOR WIELECHOWSKI replied that the fiscal note is for \$2.3 million per year.

SENATOR GARDNER asked if some schools were using other funding sources for the meals program, so that SB 6 would free up those funds to be used in other ways.

SENATOR WIELECHOWSKI said that was correct and noted the fiscal gap of \$7.8 million to \$9 million.

[8:52:26 AM](#)

DAVID NEES, representing himself, testified in opposition to SB 6. He questioned how reimbursements would take place. He pointed out in the Anchorage School District 22,000 of 50,000 children are eligible because USDA standards for the poverty level are used. He did not believe the fiscal note would cover those costs. He suggested that the allocation for the funding needs to come out of the money allotted to families to feed their children.

[8:54:59 AM](#)

CHAIR STEVENS requested clarification of Mr. Nees' question.

MR. NEES asked if the schools that receive the funding get reimbursed for the children served or for those who are eligible for the program. He also wondered how much waste there was. He questioned the use of USDA standards.

SENATOR WIELECHOWSKI replied that the way the legislation is written is to supplement the cost of lunch and breakfast provided to each student who is eligible for a free or reduced-price lunch. The state produces the fiscal note.

MS. KLOSTER explained that for every meal that is served, the cost is reimbursed.

CHAIR STEVENS summarized that it is based on the number served.

MS. KLOSTER agreed.

CHAIR STEVENS inquired about the issue of wasted food.

MS. KLOSTER deferred the question to Ms. Schwartz.

CHAIR STEVENS requested comments about USDA funding.

SENATOR GARDNER restated the question to ask why the program uses USDA levels for eligibility that are cut off at the \$50,000 income level.

MS. KLOSTER did not know.

[8:58:49 AM](#)

CHAIR STEVENS held SB 6 in committee.

[8:59:05 AM](#)

There being no further business to come before the committee,
Chair Stevens adjourned the Senate Education Standing Committee
hearing at 8:58 a.m.