

SENATE FINANCE COMMITTEE
February 4, 2014
9:07 a.m.

[9:07:52 AM](#)

CALL TO ORDER

Co-Chair Meyer called the Senate Finance Committee meeting to order at 9:07 a.m.

MEMBERS PRESENT

Senator Pete Kelly, Co-Chair
Senator Kevin Meyer, Co-Chair
Senator Anna Fairclough, Vice-Chair
Senator Click Bishop
Senator Mike Dunleavy
Senator Lyman Hoffman
Senator Donny Olson

MEMBERS ABSENT

None

ALSO PRESENT

Gail Fenumiai, Director, Division of Elections, Office of the Lieutenant Governor; Representative Lora Reinbold; Daniel Rawlings, Member, National Education Association (NEA); Irene Matheis, Member, National Education Association; Valerie Spencer, Member, National Education Association.

PRESENT VIA TELECONFERENCE

David Boyle, Self, Anchorage; Tom Fink, Self, Anchorage; Patrick Shier, Self, Wasilla; Kristina Johannes, Self, Anchorage; Randy Virgin, Self, Anchorage; Wayne Oskey, Self, Eagle River; Robert Pope, Self, Soldotna; Risti Dugan, Self, Nenana; Barbara Eaton, Self, Eagle River; Mark Wiggan, Self, Anchorage; Kathleen Tonn, Self, Anchorage; Celeste Hodge, Executive Director, Shiloh Community Development Inc., Anchorage; John Baumeister, Self, Anchorage; Deborah Brollini, Self, Anchorage; Katherine

Hicks, Self, Anchorage; Maria Rensel, Self, Fairbanks;
Candice Jesclard, Self, Anchorage.

SUMMARY

SJR 9 CONST. AM: EDUCATION FUNDING

SJR 9 was HEARD and HELD in committee for further consideration.

#sjr9

SENATE JOINT RESOLUTION NO. 9

Proposing amendments to the Constitution of the State of Alaska relating to state aid for education.

9:09:11 AM

GAIL FENUMIAI, DIRECTOR, DIVISION OF ELECTIONS, OFFICE OF THE LIEUTENANT GOVERNOR, explained the fiscal note. She stated that the fiscal note was from the Division of Elections for \$1,500. She stated that the cost reflected the expenses associated with publishing information about the constitutional amendment in the official election pamphlet, which was required by statute. She stated that the \$22,000 that was noted in the analysis section would be required if the constitutional amendment depended on the division to go to a larger ballot. The \$22,000 would cover the cost of printing.

Senator Hoffman queried what would necessitate the issue going to the larger paper. Ms. Fenumiai replied that it would occur if there were a large amount of judges in a judicial district or if there were a large amount of constitutional amendments or measures that were appearing on the general election ballot. She doubted that the larger ballot would be required, but felt that the information was necessary just in case.

9:11:22 AM

DAVID BOYLE, SELF, ANCHORAGE (via teleconference), testified in support of SJR 9. He felt that the authors of the Alaska constitution intended no public funds were to directly benefit religious or private educational institutions. He expressed frustration with the 1979 supreme court ruling that included the word "indirect" in

regards to funding. He felt that the supreme court took the legislative prerogative for education away from the legislature. He remarked that the current discussion would not occur, had that ruling never taken place. He felt that SJR 9 made it clear that the Alaska Legislature could make choices with regard to the education of children in Alaska. He stressed that the legislature could enact sound public policy as bounded by the first amendment to the United States Constitution. He remarked that there were high number of individuals in Alaska who supported school choice.

Vice-Chair Fairclough wondered if Mr. Boyle had testified the previous day, but figured out that he had not already testified.

[9:15:37 AM](#)

TOM FINK, SELF, ANCHORAGE (via teleconference), spoke in support of SJR 9. He felt that the resolution would remove the limit on the legislature to consider all options to improve K-12 education. He stressed that the resolution would remove an impediment to good legislation on the subject. He felt that the resolution must pass in order to allow change. He remarked that the change would allow parents to fulfill their duty to raise their children to become good members of society; and the change would also allow improvement to K-12 education through choice and competition. He stated that there had been three statewide polls over the last three years on this subject. He shared that all three public showed public support for the constitutional amendment. He stressed that the main opposition to the resolution was from the National Education Association (NEA), which he felt had a monopoly on K-12 education in Alaska.

[9:18:52 AM](#)

PATRICK SHIER, SELF, WASILLA (via teleconference), testified in favor of SJR 9. He stated that he had been involved in education issues in Alaska for almost three decades. He stated that he had been a member of various organizations that worked on behalf of Alaska's school age children. He stated that his wife was a teacher, and both of his sons were teachers. He felt that he was intimately aware of issues that faced local school districts, teachers, and administrators. He shared an anecdote about

how some small schools had opened to serve the needs of students that were living just outside of some school districts near Anchorage.

[9:21:53 AM](#)

KRISTINA JOHANNES, SELF, ANCHORAGE (via teleconference), testified in support of SJR 9. She felt that the language in the current constitution was anti-Catholic. He felt that the language derived from an animus against her religious ancestors. She quoted the language that would be in the constitution, if the constitutional amendment were ratified.

[9:23:54 AM](#)

RANDY VIRGIN, SELF, ANCHORAGE (via teleconference), spoke in opposition to SJR 9. He shared that he was a parent of two students in the Anchorage School District. He stated that his sons had been able to apply to several different schools in the district, and never felt that his choices were restricted. He remarked that he was very satisfied with alternative options. He felt that there was not enough funding already for schools, so the finance options should not be expanded to include private schools. He shared that, in his research, the largest private school in Alaska was the Anchorage Baptist Temple. He was not in support of diverting public money to religious schools at the expense of public funding.

[9:26:21 AM](#)

WAYNE OSKY, SELF, EAGLE RIVER (via teleconference), testified in support of SJR 9. He felt that parents were frustrated with the current system, and hoped that the legislation would pass to ease that frustration.

[9:27:12 AM](#)

DANIEL RAWLINGS, MEMBER, NATIONAL EDUCATION ASSOCIATION (NEA), testified in opposition to SJR 9. He was in a teacher in the Anchorage School District. He stressed that he was in support of school choice, but against the school voucher system. He shared that he had attended private catholic schools in Ohio in his youth. He stated that Cleveland, Ohio was a case study for school vouchers. He stated that Cleveland starting accepting school vouchers in

the late 1990s, and he graduated from high school in 2003. He observed that the school voucher system in Ohio had negative consequences. He stated that the system in Cleveland became a "voucher plus" system. He felt that the school vouchers did not even come close to covering the cost of tuition, so the schools would not make enough money to stay open.

Senator Olson asked for an example of a negative consequence of vouchers, understanding that Alaska had a 30 percent dropout rate in the public schools. Mr. Rawlings responded that there was not a 30 percent dropout rate in the private schools in Cleveland, Ohio. He stressed that parents of private school children were actively involved in their child's education. He felt that the tuition in most private schools was significantly higher than a voucher would be, so the voucher system did not enhance the choices of Alaska parents.

Senator Olson wondered if that was the only negative thing that Mr. Rawlings could think of. Mr. Rawlings responded that the voucher system would take money away from the public schools, so the public schools would be weakened from lack of funds.

Senator Dunleavy wondered if Mr. Rawlings thought that children would leave the public school from the passage of the legislation, and if so, to what degree. Mr. Rawlings did not know, but felt that there would be a small percentage of students that would move on to the private schools. He remarked that there would be cheap, private education systems that would sprout up and do not produce the same quality education as other private schools.

Co-Chair Kelly remarked that the committee should refrain from asking too many questions of testifiers, because he did not want to intimidate the testifiers.

[9:33:38 AM](#)

IRENE MATHEIS, MEMBER, NATIONAL EDUCATION ASSOCIATION, spoke against SJR 9. She stated that the school that she worked at was a Title 1 school, with 600 students. She felt that there was a safety issue related to the number of students and the number of teachers. She stressed that there were many budget decreases in the state that had

resulted in layoffs of teachers, so diverting money to private schools would be detrimental to the public schools.

[9:34:53 AM](#)

VALERIE SPENCER, MEMBER, NATIONAL EDUCATION ASSOCIATION, testified in opposition to SJR 9. She stressed that the benefit of living in the United States was the availability of the best education possible. She was in supportive of private and religious institutions, but felt that they did not offer choice for everyone. She stressed that the private and religious schools had admissions policies that offer admissions for some students, but were not required to admit every applicant. She shared that she was a single mother and a non-tenured teacher, and made twice the per capita income of the average Alaska. She stressed that, even with \$6,000 voucher, she would still not be able to afford to send one of her children to a typical private school in Anchorage. She felt that many other parents would be in a similar situation, and therefore the school voucher system did not offer a real choice for parents and students.

[9:37:37 AM](#)

ROBERT POPE, SELF, SOLDOTNA (via teleconference), testified in opposition to SJR 9. He stated that he and his family were lifelong Alaskans. He felt that the founders of the constitution had extensive discussions regarding whether or not public funds should be used in private schools. He felt that the focus should be on the issues within public education, rather than moving that money to private schools.

[9:39:40 AM](#)

RISTI DUGAN, SELF, NENANA (via teleconference), spoke in support of SJR 9. She felt that there should be more parental support of students and schools, but she did not feel that the parental support would occur in the status quo. She stressed that she wanted the best choice for her children's education, but did not feel that it was related to public funding. She felt that competition may encourage the public schools to enhance their performance.

[9:40:53 AM](#)

BARBARA EATON, SELF, EAGLE RIVER (via teleconference), testified in support of SJR 9. She felt that the federal government was continually restricting Alaskans. She felt that choice was a part of the American and Alaskan tradition. She remarked that all of Alaskans were affected by the issue, so all of Alaskans should have the opportunity to vote on the amendment. She felt that any individual who did not support the resolution would be on the wrong side of history, because she felt that all Alaskans were in support of this issue. She remarked that school choice would not make education more expensive.

[9:42:47 AM](#)

MARK WIGGIN, SELF, ANCHORAGE (via teleconference), spoke in opposition to SJR 9. He believed that the resolution was a way to force him to subsidize his money for religious and private academies. He felt that it was a levied tax in support of religious schools. He cared about public schools, and shared that his children had a very positive experience in the Anchorage public school system. He understood that Alaska schools were not perfect, but they were very good. He felt that diverting money to religious schools would force residents to either pay higher taxes or sacrifice the vitality of the public schools.

[9:45:38 AM](#)

KATHLEEN TONN, SELF, ANCHORAGE (via teleconference), testified in support of SJR 9. She stated that she was a member of the Anchorage Baptist Temple. She shared that she was in support of the resolution, because her children had some very negative experiences in the public school system. Her children had a principal and some peers who had died while they were in school. She also felt public funds should be used toward religious schools, because she felt that tax payer money was also being used to pay for abortions.

[9:49:48 AM](#)

CELESTE HODGE, EXECUTIVE DIRECTOR, SHILOH COMMUNITY DEVELOPMENT INC., ANCHORAGE (via teleconference), spoke in opposition to SJR 9. She stated that the Shiloh Community Development Incorporated was a local non-profit organization that empowered youth, minorities, and the disadvantaged. She explained that the organization's goal

was to enhance the quality of life for the less fortunate by providing transitional assistance; economical and educational opportunities; job search support; health education, prevention, and wellness programs; and youth mentoring. She spoke very strongly against SJR 9, because she felt it could be used as a tool to discriminate.

[9:51:40 AM](#)

JOHN BAUMEISTER, SELF, ANCHORAGE (via teleconference), spoke in support of SJR 9. He felt that the parents were ultimately responsible for the child's education. He remarked that the success of a child was directly correlated to how involved the parent is in the child's education. He felt that any tool that could be given to parents to enhance the child's education was positive in the long term. He stressed that the voucher would only be a percentage of what the expense of just one child. He felt that because the voucher was only a percentage, there would be more money per student in the public school system.

[9:53:49 AM](#)

DEBORAH BROLLINI, SELF, ANCHORAGE (via teleconference), testified against SJR 9. She stated that her children had attended both public and private schools. She did not believe that there should be a constitutional amendment in support of funding private school education, because the children in rural villages and districts would not have the option to attend private schools. She wondered where the families in extremely rural communities would use the vouchers. She also expressed concerns about the lack of standards and supervision in private schools. She felt that her son had been academically and emotionally harmed while he attended a private elementary school.

[9:55:50 AM](#)

KATHERINE HICKS, SELF, ANCHORAGE (via teleconference), spoke in support of SJR 9. She remarked that Alaskans do not pay taxes, rather Alaska receives money from the oil companies. She felt that educators were blaming parents for the lack of participation in the failing schools in Alaska, but the educators were now refusing to let the parents be involved in the education choices of their children. She felt that the teachers should either take responsibility for what they were producing, or the teachers needed to

allow parents the choice to be involved in their children's education.

[9:57:44 AM](#)

MARIA RENSEL, SELF, FAIRBANKS (via teleconference), testified in favor of SJR 9. She stated that she was raised Catholic. She echoed the sentiments of the previous testifiers who spoke in support of the resolution, especially the comments of David Boyle and Tom Fink. She felt that the resolution gave the people of Alaska a voice in making the decision to remove the impediments to good legislation. She stressed that monopolies, like the public schools, end up keeping the costs high. She felt that the vouchers would have a positive effect on state budgets for education, because some money was left behind in the public schools.

[10:00:31 AM](#)

CANDICE JESCLARD, SELF, ANCHORAGE (via teleconference), testified in support of SJR 9. She felt that the citizens of Alaska should be given the opportunity to decide if the language of the constitution should remain the same. She felt weary of a judge making the decision that she believed parents should be more involved in. She stated that she had five grandchildren that were currently attending school in the Anchorage School District, and she hoped that the bill would pass so Alaskans could vote and make their own choice in the future of Alaskan children.

Co-Chair Meyer CLOSED public testimony.

[10:03:58 AM](#)

Senator Dunleavy stated that SJR 9, if passed by both bodies of the legislature, places a constitutional amendment before the voters in the general election in the fall of 2014. This ballot proposal provides voters a chance to amend the Alaska Constitution to allow the use of public money for the benefit of all Alaskans seeking educational/training aid, regardless of whether individuals enroll in public or private institutions. Currently the Alaska Constitution prohibits the use of public funds for the direct benefit of any private educational institution. The courts have determined that this ban extends to state funds being allotted to individual Alaskans who choose to

attend a private school. Meanwhile an increasing number of Alaskans are questioning the constitutionality of the long-standing practice of giving educational scholarships/grants to adults for educational and training purposes while denying children the same funding opportunities. Passage of SJR 9 clarifies the question on the constitutionality of current educational practices. More than that, the ballot question allows the voters to decide whether to maintain or abolish the restrictions on the use of public dollars for the education of children. SJR 9 gives the voters the power to decide what is right for them, their families and the State of Alaska. It is important to note that even with the adoption of this constitutional amendment by a majority of voters, the Legislature still needs to have a robust discussion on how to go forward. These deliberations will occur before any Alaskan child receives state funds to attend a private educational institution. The passage of SJR 9 allows these discussions to begin.

[10:13:56 AM](#)

Senator Dunleavy stressed that the issue should be focused on and determined by all Alaskans. He remarked that the choice should be made by all Alaskans.

Co-Chair Meyer queried Senator Dunleavy's background in the education system. Senator Dunleavy responded that he was a graduate of public schools; he attended both state and private colleges; he received his master's degree at UAF; he had been a teacher, assistant principal, principal, director of various departments, assistant superintendent, and superintendent; he had been both a school board member and school board president in the Matsu; and a former member of the NEA.

Senator Olson felt that there may be some people in rural Alaska who may not be able to make the choice on how to vote on the issue, because they were unable to become educated on the subject. Senator Dunleavy replied that those people should be given the opportunity to vote on the issue.

[10:18:55 AM](#)

Senator Olson stressed that he is a representative of the people of Alaska, so his constituents had entrusted him to make an educated decision. Senator Dunleavy responded that

he was given the opportunity to make the choice to allow Alaskans to discuss the issue.

Senator Olson felt that constitutional amendments and ballot initiatives were different ways to determine what Alaskans desire. He expressed concern regarding the high school graduation rate in the state. He felt that should be the main focus of the conversation. Senator Dunleavy responded that if the graduation did not improve and had a harmful impact on the state, he would engage in that conversation.

Co-Chair Kelly felt that the state needed to have a conversation regarding education. He felt that special interest groups often dominated the conversation. He remarked that there was more to education than the base student allocation (BSA). He felt that the teachers in public schools were very good, but stressed that the system needed reform. He did not like the continual conversation regarding increasing the BSA. He appreciated that the conversation has changed to reform. He felt that the constitutional amendment spurred conversation about reform.

[10:25:09 AM](#)

Senator Bishop agreed that the discussion was important. He felt that the legislature needed to recognize the problems and solve those issues before the need for a constitutional amendment.

Senator Hoffman shared that he had many concerns, which he would share at a later date.

SJR 9 was HEARD and HELD in committee for further consideration.

#

ADJOURNMENT

[10:27:07 AM](#)

The meeting was adjourned at 10:27 a.m.