

HOUSE FINANCE COMMITTEE  
April 26, 2024  
8:09 a.m.

8:09:14 AM

[Note: Continuation of 4/25/24 1:30 p.m. meeting. See separate minutes for detail.]

CALL TO ORDER

Co-Chair Foster called the House Finance Committee meeting to order at 8:09 a.m.

MEMBERS PRESENT

Representative Bryce Edgmon, Co-Chair  
Representative Neal Foster, Co-Chair  
Representative DeLena Johnson, Co-Chair  
Representative Julie Coulombe  
Representative Mike Cronk  
Representative Alyse Galvin  
Representative Sara Hannan  
Representative Andy Josephson  
Representative Dan Ortiz  
Representative Will Stapp  
Representative Frank Tomaszewski

MEMBERS ABSENT

None

ALSO PRESENT

Senator Loki Tobin, Sponsor; Mike Mason, Staff, Senator Loki Tobin; Representative Justin Ruffridge, Sponsor.

SUMMARY

HB 139 CORRESPONDENCE STUDY PROGRAM FUNDING

HB 139 was HEARD and HELD in committee for further consideration.

CSSB 52 (FIN)

EDU INFO; INCREASE BASE STUDENT ALLOCATION

CSSB 52 (FIN) was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the meeting agenda.

#sb52

CS FOR SENATE BILL NO. 52 (FIN)

"An Act relating to education; requiring the Department of Education and Early Development to provide information relating to public schools on an Internet website; relating to information on the post-secondary education, career path, and residency of graduates from high schools in the state; relating to transportation of students; relating to state funding for districts operating residential schools; increasing the base student allocation; and providing for an effective date."

[8:10:41 AM](#)

Co-Chair Foster invited the bill sponsor and her staff to the table. He recognized Senator Scott Kawasaki in the room.

Co-Chair Foster asked the sponsor to provide remarks on the bill.

SENATOR LOKI TOBIN, SPONSOR, asked her staff to provide a brief overview of the bill.

MIKE MASON, STAFF, SENATOR LOKI TOBIN, relayed that late in the 2023 legislative session, SB 52 was amended into SB 140 in the House Finance Committee. He intended to explain how SB 52 was drafted. Additionally, he would outline some of the provisions that had been included and removed from SB 140. The bill included multiple references to chapter 40 SLA 2022, which was the Alaska Reads Act passed under HB 114 on the last day of the 2022 session. He detailed that SB 52 was drafted in January 2023 prior to the full implementation of the Alaska Reads Act, which was the reason many of the provisions in the current bill were tied to the effective dates of the Alaska Reads Act. Most often, the effective date was July 1, 2023. He had spoken to the Legislative Legal Services drafter the previous day and confirmed that the bill would be cleaned up significantly

if there were a committee substitute (CS) because the linkage between the Alaska Reads Act was currently broken. He elaborated that the Alaska Reads Act was fully implemented, and the effective dates had passed. The bill would be cleaned up by a CS because much of the reference to the Alaska Reads Act would be removed.

Mr. Mason relayed that Section 1 amended AS 14.03.120, the statute governing reporting requirements for the Department of Education and Early Development (DEED). The bill added subsection (k), which required DEED to establish and maintain a website that would serve as a data dashboard for information about schools and student performance. The new subsection (M) added by the Senate Finance Committee directed the Department of Labor and Workforce Development (DLWD) to collaborate with DEED to gather data on the progress of each high school graduating class in the district. The provision required the departments to gather the data every five years until 20 years after the high school graduation date of the high school class. He shared that Senator Tobin had worked with Senator Click Bishop on the concept. The goal was to try to track students post-graduation to gather data in order for the legislature to make good policy choices. Currently, much of the information was unavailable or very challenging to obtain.

[8:14:48 AM](#)

Mr. Mason relayed that Section 2 of the legislation amended Section 15 of the Alaska Reads Act to add subsection 20 requiring DEED to collaborate with DLWD to gather the data. The bill contained several sections that would codify the relationship between DEED and DLWD. Section 3 would amend state law to add back collaboration. Section 4 would repeal and reenact AS 14.09.010, the statute governing student transportation services. He detailed that AS 14.09.010(a) would increase the per student amount to school districts for pupil transportation by about 11 percent. The provision was added into the Senate Finance Committee. Section 5 would amend AS 14.16.200(b), the statute governing state funding for school districts operating residential schools. The section added by the Senate Finance Committee, would increase the per pupil maximum monthly stipend to cover room and board expenses by 50 percent.

Mr. Mason continued reviewing the bill. Section 6 amended the Alaska Reads Act to increase the Base Student

Allocation (BSA) by an additional \$680 in FY 24. He noted it was the relationship between the Alaska Reads Act and the BSA increase that would be broken if a CS were created. He expounded that the Alaska Reads Act included the \$30 BSA increase, and Section 4 of the bill further amended it to increase the BSA by another \$680. He reiterated that the current version of the bill was linked in several places to the Alaska Reads Act. He clarified that the initial version of SB 52 included a simple \$1,000 BSA increase. He highlighted that the Legislative Finance Division (LFD) estimated that each \$100 change in the BSA was projected to increase state funding by around \$25.7 million.

Mr. Mason noted that version B of the bill added a second BSA increase of \$348 in FY 25 and a single year inflation adjustment in FY 26. He explained that the BSA increase in the second year and the inflation adjustment had been removed from the bill by the Senate Finance Committee. Additionally, the FY 24 BSA increase was lowered to \$680, which mirrored the BSA increase considered in the House. He noted that the dollar amount increase was also the equivalent to the one-time education funding included in the FY 24 budget and in the House and Senate versions of the FY 25 budget. He reminded the committee that the governor had vetoed half of the education funding increase in 2023, which left an additional \$87 million in one-time education funding for FY 24. Section 7 amended statute detailing the duties of DLWD to include the tracking of students post-graduation.

Mr. Mason relayed that the final sections were the effective dates. Section 8 set the effective date of the increased pupil transportation, Sections 9 and 11 related to the collaboration between DEED and DLWD and mirrored the effective date of the Alaska Reads Act reporting requirements and the effective date for the online data dashboard would be July 1, 2024. Section 10 was the effective date clause for student transportation, residential schools, BSA, and tracking students post-graduation provisions of the bill, which were all linked to the Alaska Reads Act effective date of July 1, 2023. Section 12 stipulated the reporting requirements for tracking students post-graduation would take effect on July 1, 2025. He clarified that if a CS were to be drafted, the bill would be simplified and would be much shorter.

[8:18:57 AM](#)

Co-Chair Edgmon discussed that when the governor vetoed SB 140, there was a reference to comprehensive education reform that the governor felt was not adequate. He stated that it was clear where the governor wanted to go with charter schools. He asked if SB 50 got closer to the goal.

Senator Tobin answered that all of the testimony received in the Senate Education Committee specified that reforms best occurred at the local level provided by the individuals who were the closest to the students attending the schools. The committee heard that the most effective way to make shifts in student outcomes was to empower classroom educators and administrators to ensure there were school counselors, guidance counselors, and nutrition specialists who were not contracted out. She relayed that each community needed something different and a statewide approach to reform would not produce the desired outcomes in every community.

Senator Tobin highlighted that the Northwest Arctic School Borough recently redevise all of its science curricula to be rooted in local indigenous knowledge. She explained that it was reform that would impact the community, but it would not be the right reform for the Anchorage School District or potentially for a Southeast school district. She believed that instead of trying to figure out from an overarching state approach, an investment in schools, locally designed curricula systems, local school boards, and local classroom educators was the best way to improve student outcomes. She remarked that it also led to a reduction in class size, which was one of the single most effective indicators of how to improve student outcomes. She relayed that it would also lead to better teacher retention, which was another predictor of how to improve student outcomes. It would also improve the leadership pipeline, which was directly related to the retention of educators. She stated that all of the aforementioned items led to better education outcomes and would come from local decisions made at the local level.

[8:21:27 AM](#)

Co-Chair Edgmon shared that he had strong feelings about the Alaska Reads Act when it had been implemented a couple of years ago. He clarified that it had not been about the law per se, but that it had been underfunded with a \$30

BSA. He referenced an article published in the Ketchikan Sentinel in the past six weeks about the significant catch up work needed to properly resource the Alaska Reads Act. He was not certain any current proposals under consideration by the legislature would accomplish that. The issue was still a concern and he hoped at some point the state addressed the schools with teachers in the kindergarten through 3<sup>rd</sup> grade who were struggling.

Senator Tobin agreed. The original fiscal notes for the Alaska Reads Act were initially twice what they had been when the bill passed. She pointed out that other states had significantly resourced their implementation of evidence based reading strategies and incredible outcomes. Alaska was already seeing movement in many of its schools and there would be better improvement if the program was funded.

Representative Stapp stated that the committee had heard and passed the vast majority of the bill in the past. He did not see any change reflecting items in the governor's veto letter [pertaining to SB 140] in SB 52. He noted that the bill included provisions that he did not believe had been passed previously by the House Finance Committee including the data dashboard and long term tracking of post high school graduates. He wondered about focusing on something they had not tried rather than something that they had.

Senator Tobin responded that the constitution directed the legislature to maintain a system of public schools; it was the legislature's obligation to do so. The bill before the committee reflected the Senate majority's proposal of doing so effectively, efficiently, and for the maximum benefit of all of the state's public school systems. The legislature had heard in public testimony and recognized through the stakeholders' engagement that the crisis still existed. She stated it was the legislature's responsibility to pass good public policy by making sure policies were well vetted and informed. She hoped that if the bill were to pass the legislature, that all legislators would encourage the governor to sign the legislation. She emphasized that the legislature needed to pass good public policy to improve/help its schools and help its communities.

[8:25:09 AM](#)

Representative Coulombe thanked Senator Tobin for all of her work on education. She remarked that the bill encompassed a lot of good aspects. She looked at the user friendly website and guardrails around it. She could currently look up a school to see how much each student cost and their test scores. She asked what the website proposed in the bill would offer that was not already available.

Senator Tobin responded that two aspects of the data dashboard should be considered. First, the department had been using leftover Elementary and Secondary School Emergency Relief (ESSER) from federal COVID-19 relief resources to create the beginning of a dashboard; however, the department was not currently statutorily required to provide the information to parents. The goal was to help provide statutory guardrails to ensure that information going into the hands of parents was user friendly, easily downloadable and comparable, and interactive. Additionally, the goal was to ensure every district and community was able to access the resource. She noted that there was low bandwidth issues in some rural communities; therefore, the bill provided additional guardrails to ensure that when the next steps of the information system were available to every parent everywhere.

Representative Coulombe asked how realistic tracking graduates was. She noted the timeframe was long and it was difficult to find people for that length of time. She wondered if DLWD had told Senator Tobin it was something it could easily do or if it would be an uphill climb.

Senator Tobin replied that DLWD already did the work and was producing reports on the information. She elaborated that instead of doing the work episodically with graduating classes identified by the department, the bill would ensure the work was done with every graduating class in order to have better information when considering shifts and tweaks to improve education outcomes.

Mr. Mason clarified that the [DLWD] Trends magazine was included with information on SB 52, but he was not certain he had included it in members' bill packets. The information was available online. He shared that the department had come in to talk about the process. He elaborated that the information gathering had been a one-time thing, but DLWD had communicated the desire to try to

collect the data as envisioned in the bill. He directed members' attention to the DLWD fiscal note, OMB component 336. The note specified that the department could do the work with current staff at a cost of approximately \$30,000. He stated that the work was something he believed the department could do and that it was looking forward to trying to do.

Representative Coulombe asked for clarification about the transportation funding. She asked if the funding was retroactive.

Mr. Mason responded that because of all of the linkages to the Alaska Reads Act, the funding would essentially go back to the current fiscal year, FY 24. He elaborated that if the committee introduced a CS, it could update the date to FY 25. He relayed that the hope had been that SB 52 would pass the previous year; therefore, it was drafted as if it would pass early in the 2023 session, which would have enabled school districts to use the money for the FY 24 fiscal year. The way the bill was currently written, the funding would be retroactive; however, he was anticipating there would be a CS, which would change the effective date to FY 25.

[8:29:48 AM](#)

Representative Coulombe remarked that the Alaska Reads Act was likely the biggest statewide reform she had seen. She pointed out that there were cases where reforms could apply to the entire state. She understood there were regional differences. She asked if there was anything statewide that could be part of the reform category that would support the Alaska Reads Act. She shared the concerns with Representative Edgmon that it was an important piece. She wondered if other ideas that could be applied statewide had been discussed when considering the bill.

Senator Tobin answered that the Senate Education Committee heard from many education advocates, stakeholders, and experts over the past two years on things that could be done from a statewide perspective. She expounded that items included helping to deal with chronic absenteeism, which was impacting all of the state's districts. Additionally, looking at youth experiencing homelessness, which had an incredible strain in Alaska's communities. She referenced a recent DOJ report on behavioral health and the need to

expand school-based services so the state did not continue to send young Alaskans out of state to get behavioral health support. She believed a bill on that topic would hopefully be heard soon by the House.

Senator Tobin believed that tribal compacting could have some incredible impacts in Alaska. She relayed that for the past three years the State of Alaska had been exploring how it may enter into contractual agreements with tribal entities to help improve education outcomes. The bill was forthcoming; the legislature had not yet seen a regulatory or statutory package from the governor's office. She explained that there had been a robust public process on the topic as the legislature continued to work on what potential legislative interventions may be. She noted that some of the other things the legislature heard regarding charter school access and increasing correspondence funds were new in the current year. She personally believed in a deliberative, slow, incremental process when it came to transformational change and implementing the changes because she did not want deleterious effects to impact students.

Senator Tobin relayed that the Senate Education Committee had several hearings with charter schools, charter school families, and school boards. The committee had been told it was not a new authorizer that was needed. The committee had learned that having charter schools rooted in local community was critical. She elaborated that having families be able to come together to specify desired education options for their students meant the local engagement existed from the beginning including going to their local school board to talk about how ideas may be supported by the local community and going forward in the approval process. She noted that the state board was the final authorizer for all charter schools in the state. She explained that it would not necessarily result in better outcomes if the process was shifted away from local communities. The committee had heard that charter schools needed legal help. She detailed there were charter schools in the Fairbanks area that had signed predatory loans with facilities and were unable to get out of the contracts. She noted that the bill previously vetoed by the governor [SB 140] had included support for existing charter schools to enable them to continue to improve their systems and potentially serve more students. She thought it was very reasonable comprehensive reform that was informed by

communities. She wanted to ensure that any changes would improve student outcomes, not necessarily contribute to destabilizing the system.

Representative Coulombe asked how Senator Tobin felt about the charter school language in Representative McKay's bill where they [the state board] could authorize a charter school but the school could shop around for a school district to avoid forcing a charter school on one school district.

Senator Tobin replied that she had concerns, but she was interested in hearing more about the idea in the Senate Education Committee. Particularly, she thought about federal impact aid; Alaska was the only state with the ability to deduct federal impact aid from its state aid, which meant there was a \$90 million cost savings for providing education to all of Alaska's students. She elaborated that currently there could not be more than a 25 percent difference between one district that received the lowest revenue and the district that received the highest revenue. She considered what it would mean for schools competing in districts. For example, she asked which district had to count a charter school to their revenue level if the Nome school decided to establish a charter school in Anchorage. She questioned whether it would impact the Nome district or Anchorage School District. Additionally, she wondered whether it would push the state out of compliance with federal impact aid and federal disparity tests. She did not know the answer and believed it was necessary to have the conversations. She also wondered who would be responsible for providing mental health services and guidance counseling to the students. Under the example she provided, she wondered if the services would come from the Anchorage School District or the Nome School District. She believed the questions were best flushed out in the public process.

[8:35:50 AM](#)

Representative Coulombe stated if felt like that was how correspondence schools worked currently where the funds were going to one area and the students were somewhere else. She did not know if it was impacting the disparity test. She asked Senator Tobin if she thought it would function the same way as correspondence.

Senator Tobin responded that the state was starting to see how it would impact communities. She relayed that the State of Alaska failed its maintenance of equity test, which was a stipulation on the state's federal ESSER relief funding. She elaborated that the state had failed the test because so many students from particular districts - Anchorage and Kenai for FY 22 - left their local districts and went to correspondence programs outside of their communities, taking the funding with them. The situation resulted in a substantial decrease to average pupil spending in communities even though the students still lived in those communities. She stated the situation was having real repercussions in Alaska. Due to the state's failure to meet maintenance of equity, it currently had a high risk designation for its ESSER grants and potentially it would be required to pay back all \$359 million to the federal government if it did not move back into compliance. She stressed that there needed to be more insight and input into the ramifications before moving forward with any additional programs that may have the same impacts.

[8:37:33 AM](#)

Co-Chair Foster stated his plan was to try to get all of the education bills before the committee to find a path forward. He realized SB 52 came far before the broadband bill ended up being what it was. He wanted to make sure the committee had all of the tools to work from. He noted that Representative McKay's bill, HB 392, was also in the committee. He explained that if the committee moved forward with HB 392 it would have to go through the committee process on the Senate side, which would take time. He stated that one option was to modify the Senate bill and move it forward, which would then need concurrence in the Senate.

Representative Ortiz appreciated Senator Tobin's comments about her overall preference for local control. He thought there was a general belief amongst most legislators that it was the way to go on a variety of levels, not limited to education. He was the former principal at a charter school and there were two charter schools in his community that worked well. He explained that both of the charter schools had gone through the approval process and were longstanding with an important role in the overall education programs provided in Ketchikan. He considered what could be done at the state level to advance reform or improvement in

outcomes. He asked if teacher retention, particularly in rural areas would be a considerable help to outcomes. He shared that he had gotten better at his job as a teacher as time went on. He discussed the importance of building relationships with students and their families.

Senator Tobin responded affirmatively. The Senate Education Committee had heard an outcry from many teachers asking for a defined benefit. Teachers had shared that they could move to the State of Washington and make \$30,000 more and have a pension. She stated there was something to be said that teachers were willing to take a \$30,000 pay cut and remain in Alaska if they had a pension. She referenced a document in members' packets titled "How Does Your Kindergarten Classroom Affect Your Earnings? Evidence from Project Star" (copy on file). She relayed that Project Star enumerated 11,571 students in Tennessee to determine how to improve education outcomes. The first determination was that small class sizes were significantly more likely to lead to attendance in college and exhibit improvements in other outcomes. The second finding was that students with a more experienced teacher in kindergarten had higher earnings. She stated that educator experience led to improved student outcomes. She shared that she is a Ph.D. student researching teacher quality and experience and its relationship to student outcomes. She relayed that there was a correlational and causal relationship. She elaborated that an educator with five to seven years in the classroom led to improved student outcomes by several points on any standardized assessment.

[8:43:37 AM](#)

Representative Hannan stated that her concerns with the Alaska Reads Act pertained ensuring there were adequate funding resources for its implementation in addition to the data to track it. She noted that the legislature looked at the collective data of kids across the state. She provided an example of a child who did not read at grade level in 1<sup>st</sup> grade and then moved four different school districts over the next two years. She noted that the data was confidential on an individual basis. She asked if there was place in the data collection that DEED could have mechanisms to help school districts know of any interventions a student may have from a prior district when they switch to a new school halfway through a school year. She noted that the school the student was moving to partway

through the year would not receive any BSA funding for the student because their former school would have received it. She stated there was so much confidentiality that when an individual kid's needs were identified by one school the information did not follow them when moving schools (e.g., a second grade teacher knew a student missed half their first grade year, but then the student moved schools). She asked what it would take to include that type of information in the data available to drive policy. She was not suggesting a truant officer in every district improved attendance, but when kids were not in class or moved repeatedly it resulted in learning deficits.

Senator Tobin answered that there was very comprehensive data reporting in the Alaska Reads Act; however, because the legislation did not have the resources it needed, educators across the state were struggling to get the information to DEED. She stated that a significant increase to the BSA would help fund additional support staff that would be able to collect the data and provide it to DEED. She believed a critical component of the Alaska Reads Act was an annual convening of educators, experts, and early education advocates to help the legislature understand where there were holes and where there could be future iterative designs made to the Alaska Reads Act. Unfortunately, the panel was defunded the previous year. There were resources included in the FY 25 budget to convene the panel electronically. Information from the panel would enable the legislature to make changes to the legislation that were locally informed that would provide for statewide reform. She shared that the Colorado Reads Act had gone through five iteratives and she believed the Alaska Reads Act would follow a similar path as the state continued to realize where gaps existed. She believed there were gaps in how the state tracked student performance from district to district and as families moved. She thought it was one area where the legislature could do some real work to help get resources into schools and resources in the DEED to track.

Senator Tobin provided closing comments on the bill. She shared that she had been thinking about the concept of accountability. She detailed that the legislature heard frequently from individuals that more accountability was needed in Alaska's public schools. One of the tools of accountability was assessments. She noted that when there was trauma in a community, disruptions to the learning

environment (e.g., a pandemic), and things happening in a student's home life, students would not do well on a single point in time assessment. She stated that other tools were needed to help understand whether students were learning what they were meant to learn. Additionally, the state needed to ensure that students were tracked because the goal was to get them out into the workforce and into the places they could make a difference in the world. She believed the provisions to opt out of state assessments could be shifted. She detailed that students in brick and mortar schools took the statewide assessments (about 86 percent of those students took the assessments). She noted that the number of students taking the assessments in the state's public correspondence programs and charter schools was about 19 percent. She explained that the state did not know how its correspondence and charter school students were doing because it did not have the data from assessments as one available tool. She noted that a bill would be introduced on the Senate floor that day, which would remove a parent's ability to opt out of assessments.

Co-Chair Foster thanked Senator Tobin and Mr. Mason.

SB 52 was HEARD and HELD in committee for further consideration.

#hb139

HOUSE BILL NO. 139

"An Act relating to funding for correspondence study programs."

[8:49:01 AM](#)

Co-Chair Foster explained that the bill had been introduced well before the recent court decision on the topic. He noted that he intended to have a hearing on each of the education bills in the House Finance Committee's possession in order for the committee to think about how it wanted to move forward and to be informed on all of the available tools. He had hoped to have Legislative Legal Services to speak to the court decision; however, it had not been possible to get someone in time for the current meeting. He asked to hear from the bill sponsor.

REPRESENTATIVE JUSTIN RUFFRIDGE, SPONSOR, confirmed that the bill had been introduced long before any of the [court]

decisions were made. He was able to offer his opinion but could not speak to the legality of different court cases. He relayed that HB 139 sought to put correspondence funding on par with other funding in Alaska. The initial bill sought to add a special needs factor, which other students in the state received at a 1.2 multiplier in the foundation formula. Correspondence programs were currently funded at 90 percent of the average daily membership (ADM) and did not move through the foundation formula.

Representative Ruffridge explained that the bill was intended to start the conversation about whether the special needs factor should apply to correspondence students. He acknowledged that sometimes the title was confusing, and it should not be mistaken for the intensive needs factor, which was a special multiplier for students with an individualized learning plan (ILP) for very specific disabilities or learning disabilities that required them to have additional funding. He clarified that the special needs factor applied to all students for certain things like technical or vocational education, advanced placement courses, and a host of other things including athletics. He characterized it as a catchall for all things that students may need that were above and beyond the standard educational platform. He relayed that HB 139 sought to add a special needs factor to correspondence school students to bring them on par with other students in the state.

Co-Chair Edgmon asked the same question he asked previously to Senator Tobin and Representative McKay. He noted that correspondence schools were a significant part of SB 140, which had been vetoed by the governor. The governor's veto letter had talked about the need for educational reform and that the money attached to the bill for education, including a large chunk for correspondence schools, did not come with reform. He referenced Senator Tobin's comments earlier in the meeting on assessments and the low number of testing in correspondence schools. He asked for Representative Ruffridge's comments on the topic.

Representative Ruffridge responded that assessments were a broad subject. He was currently missing a discussion on assessments with the Department of Education and Early Development (DEED) and after he was finished in the current meeting, he would join the discussion and would report back to the committee. He found assessments to be a considerable

concern. He elaborated that the assessments offered in Alaska over the past decade had been unusable. He explained that regardless of the testing percentage, it was difficult to trust what was coming out of the assessments given in the state. For example, the cut scores for the assessment given in the past school year were altered to allow the numbers of students deemed proficient to be higher. He stated that if it was possible to manipulate the scores or change the test entirely, he wondered if the amount of funding put towards supporting assessments were rightly spent. He thought the state needed to offer stability and a necessity of tracking successes or failures, which he did not believe was currently occurring. He considered the question of whether students should be able to opt out [of assessments]. He believed it was an important aspect, particularly for students in rural Alaska. He spoke to correspondence schools in general and explained that many students located in remote areas who were being homeschooled or were in a correspondence program typically had to travel to a centralized location to test. He noted the same was true for homeschool students located on the Railbelt or road system.

[8:56:41 AM](#)

Representative Ruffridge continued to answer Co-Chair Edgmon's question. He detailed that a centralized testing was offered over multiple days and all students were encouraged to go to take the test; however, due to the cost of travel, many parents chose not to participate. He noted that there was equality amongst all students in the state to be able to opt out, but students in brick and mortar schools were more likely to take the test because the test was offered onsite and all of the resources were built to get the students to that spot, while correspondence students, by the nature of being at home, did not have the same opportunity. Potentially with special needs funding there could be some additional resources allocated to allowing students to travel for testing purposes.

Representative Ortiz appreciated the intent of the bill to increase [funding for correspondence schools] from 90 percent to 100 percent. He asked if Representative Ruffridge would agree that the number had been originally set at 90 percent with the understanding that the cost for students to attend brick and mortar schools were higher in relationship to facilities and access to activities.

Representative Ruffridge replied that he wanted to ensure they were talking about the same bill. He noted there had been a number of correspondence program conversations recently. He detailed that SB 140 had included the ADM, the ADM only, and 100 percent of ADM, which was different than HB 139. He explained that HB 139 was amended in the House Education Committee to retain the 0.9 percent funding, which was reflected in the current version of the bill. The bill added the special needs factor funding.

Representative Ortiz asked if the bill would be an avenue to fix the problem in relationship to what had transpired with the court decision. He wondered if the problem would be solved by adopting an amendment to revert back to the way funds were administered to correspondence programs in 2014.

Representative Ruffridge answered there would be a bill introduced later in the day sponsored by the House Education Committee that would include statutory language to address the court decision. He advocated for an omnibus fix for education. He believed a wholesale discussion was needed. He shared that he had been a supporter of SB 140. He thought that having the pieces in place to have the conversation prior to the end of session was important. He advocated strongly for the correspondence component in SB 140. He stated that the shorter answer to Representative Ortiz's question was, "Yes, hopefully."

[9:01:03 AM](#)

Representative Galvin stated that there were population assessments related to how the state was doing and student assessments used by teachers that could be shared among districts and schools. She thought both seemed to be important, especially when thinking about accountability for public funds. She referenced Representative Ruffridge's mention of how difficult it was to travel [to take assessments] for charter and correspondence students. She believed Representative Ruffridge was suggesting that the fix would be to raise the base funding for those particular students. She wondered if he would entertain the idea of a reimbursement of costs individuals incurred as a result of taking the test. She thought that route may be more acceptable to people currently concerned about the funding spent within that segment of education. She noted

that apparently there had been some reports that people were going to private school all day and taking the full allotment and using it for extras. On top of that, the students were not taking the testing; therefore, the state did not know how the public dollars were doing within the public education realm.

Representative Ruffridge asked for a distillation of the question.

Representative Galvin complied. She asked about opting out of the testing, getting correspondence and charter school students to take the test, and how the legislature may fund it.

Representative Ruffridge made a distinction between charter schools and correspondence. He believed charter school students tested at a similar rate to those in brick and mortar neighborhood schools. For the most part, charter schools were brick and mortar neighborhood schools, which had a slightly different operational model including boards run by parents and with that could be run separate of the school district in some sense. He relayed that correspondence schools had a much lower testing rate. He stated there was a long history of ways to leverage homeschool students to take state testing including holding their allotment for the following year for refusing to take the statewide test. He relayed that it was a program run in Alaska for many years. He noted it was not a kind or particularly stable way of getting at the issue. He thought the existing method was a much better way of administering the program. He relayed that correspondence he had worked with during his time in Alaska went out of their way to make testing available to students. Ultimately, it came down to whether a parent chose to take advantage of the option. The option was the same option afforded to every parent in the state, which was equally given.

[9:06:00 AM](#)

Representative Galvin stated heard so much about accountability and accountability of public dollars. She highlighted that it was very hard to assess how the state was doing with its public dollars if it did not have some measure of how the state was doing population wise. She thought it may be a component to consider when thinking through how to reform education to help improve all

students. She believed an additional component would be improved sharing among educators on how the growth of the state's students was going. She understood that all of the things required resources.

Representative Cronk remarked that the lawsuit had been backed by the National Education Association in support of the state's brick and mortar schools. He remarked that the state could not use public funds for private school. He shared that he had been a teacher for 25 years. He thought public school districts had violated the constitution because they had paid for private school classes. He elaborated that his school district used to pay Brigham Young University to teach classes. He thought it was ironic a lawsuit was filed against correspondence kids, yet the school districts had paid for private school classes for students. He did not believe there was a quick fix to the situation at hand. He asked who was to say that McGraw Hill was not a private company that the state was buying curriculum from. He thought it was a much bigger issue now that a judge had ruled "this was" unconstitutional. He asked who would determine which curriculum company was not private. He reiterated his comments about a district paying for classes at the private Brigham Young University. He thought it was an obvious violation of the constitution.

Representative Ruffridge answered that he had received some clarity when looking at some of the correspondence programs aligned with private schools in Alaska offering payment for their tuition for children to attend private school essentially full-time. He believed it was not the intention of the correspondence program allotment. He thought the judge's decision required clarity in some cases in terms of how far it reached. He had looked up some of the minutes of the constitutional convention and believed the intention was that students attending a private school full-time should not have state funds going to pay their tuition. He thought it was a little less clear for classes, tutoring services, and curriculums. He thought there was a possibility the legislature could work on a fix of some sort going forward. He believed it would be challenging and that there would be some uncertainty working through the situation. He did not want to be afraid of having the hard conversations. Part of the conversation was addressing how to fund correspondence schools because they were part of the public education system in Alaska. He believed allowing parents to have the opportunity to educate students at home

was envied by other states. He was supremely grateful to his homeschooling opportunity as a child and thanked his mother for her sacrifice.

Representative Cronk estimated that his district had over half the correspondence students. He stated the argument had been that using funds for classes at private schools was not appropriate. However, public school districts had been doing so since he was a teacher. He found it ironic that it was possible to pick and choose what to fight against. He supported correspondence. He found it frustrating to see one entity picking on another, when the practice had been going on for years.

[9:12:48 AM](#)

Representative Hannan asked for verification that the provisions pertaining to the special needs factor would apply to every child enrolled in correspondence versus students identified with special needs.

Representative Ruffridge clarified that the special needs factor already applied to every student attending a brick and mortar school. He detailed that it was a 20 percent multiplier to the ADM. He relayed that there was a very specific difference between intensive needs, which a student needed to apply for, and special needs, which applied to every student. He believed special needs should apply to all students.

Representative Hannan stated that every school needed to be prepared by law to comply with the federal law to have a certified special education teacher for students with individualized education plans (IEP). She reasoned that sometimes it was not cost effective because there was the [special needs] factor and a lot of kids. She stated that generally in correspondence there was a smaller number of kids in a unit. She explained that even though the Galena School District would receive the funding, there may not be any kids in Kenai that needed the special education services. She asked for verification that Representative Ruffridge wanted the factor to be applied to every correspondent student whether any services needed to be delivered or not.

Representative Ruffridge believed they were conflating two separate issues. He clarified that the special needs factor

was a catchall for a large number of things including advanced placement classes, technical vocational education, and other things. He noted that statute clearly laid out the large list of services that applied. He encouraged legislators to visit a correspondence program because they offered some of the things that Representative Hannan was concerned about. He highlighted one program in Juneau. He elaborated that some of the things were offered at a very high level and provided some coverage for occupational, physical, or other needs without any additional funds. He stated they were doing an incredible job of using the limited resources available to provide even the intensive needs services in some cases. Most of the certified teachers available to students within homeschool programs had years of teaching and homeschooling experience. He elaborated that they were helping parents learn how to be good teachers at home. He remarked the legislature supported the Parents as Teachers program through the budget process, but the program actually had nothing to do with homeschooling. He thought the homeschooling programs provided a large amount of support to parents and offered special needs and other intensive needs services at home or through the program, currently without additional funding. He disagreed with the idea that the services were not being offered within correspondence programs.

Representative Hannan remarked that there were three home school centers in Juneau: Idea, Raven, and Homebridge. She noted that she had visited all three.

[9:17:59 AM](#)

Representative Stapp remarked on the conversation and stated that there was an attempt at a narrative regarding accountability around homeschool kids. He thought there was a misconception by many members of the committee about how correspondence programs worked. He asked how many kids in Alaska were currently in correspondence schools. He asked for the total number of students enrolled in public school in Alaska.

Representative Ruffridge answered that about 22,000 to 23,000 students were enrolled in correspondence programs. There were about 100,000 students enrolled in brick and mortar schools. He stated there a total of 128,000 students.

Representative Stapp estimated that 22,000 was about 24 percent of the total. He if it was reasonable to conclude that if 14 percent of the 22,000 were testing, there was not accountability for the kids not testing. He noted that the vast majority of the kids in the school system were testing and there were reliable numbers for how kids tested and scored. He considered comments that a fraction of a fraction of a total population did not have accountability. He found it to be ironic that individuals did not see that the problem was that the majority of the kids in the school system were testing poorly. He asked if it was a fair assessment.

Representative Ruffridge answered that assessments in general as a singular measure of accountability was probably the wrong thing. He relayed that in the case of some of the court decisions he thought in some cases there was very blatant signaling about what was happening and likely DEED or the state board should have taken some action to make sure it was clear what was not allowed. He thought that was accountability. He did not necessarily know that accountability had a single answer. He remarked that because Alaska could not pick a test or score that mattered, he thought it was a very poor measure of accountability.

Representative Stapp asked if correspondence schools were operated by public schools.

Representative Ruffridge responded affirmatively.

Representative Stapp stated that numerous committee members had talked about local control. He asked if local school districts had the ability to change the structure of how they want to administer their homeschool programs, even changing if they wanted to give an allotment or not. He asked for verification that nothing compelled them to do so.

Representative Ruffridge answered affirmatively. He relayed that each district decided the allotment amount. He noted it was incredibly varied.

Representative Stapp thought it was fair to say that when people talked about local and accountability, they were looking for a statewide solution for correspondence school testing; however, local school districts already had the

ability to impose accountability metrics themselves by changing the structure of their individual homeschool programs because they were public schools.

Representative Ruffridge replied affirmatively. He relayed that in his experience, local districts were highly supportive of their correspondence programs because parents wanted the option. He elaborated that because there many options for correspondence programs throughout the state, there was a bit of a push-pull competition going on for who could take the best care of a student. He noted there were three [correspondence programs] in Juneau and each one had a connection to a specific district. Parents could choose which one fit the needs of a certain group of people; they may find a home in one and not find the supports they need in another.

[9:23:09 AM](#)

Representative Stapp agreed. He considered how changing the spend multiplier for correspondence students worked in conjunction with the court case. He asked if correspondence school funding was basically discretionary spending for districts.

Representative Ruffridge responded affirmatively.

Representative Stapp stated that the court case even struck down the 1997 statute regarding ILPs and allotments. He asked what would happen with the increased funding for correspondence schools if it was determined that allotments and ILPs were not legal.

Representative Ruffridge answered that the funding would go to the school district.

Representative Stapp asked if the district could do whatever it wanted with the funds because it was discretionary spending.

Representative Ruffridge agreed.

Representative Josephson appreciated Representative Ruffridge's nuanced answer to Representative Cronk on his understanding of the NEA backed case. He agreed that the state constitution did not intend for the state to fire up number two pencil factories because it could not purchase

them from a vendor. He did not believe that was what the constitution intended. He addressed the accountability component of the meeting conversation. He recalled that when he worked as a public school teacher in western Alaska, he had taken the GRE with a proctor in rural Alaska when preparing to go to law school. He asked if a similar system could be designed.

Representative Ruffridge remarked that he thought a number two pencil factory and factories in general in Alaska were a good idea. He agreed that a proctored exam could be done. He was not certain what the options were in terms of online availability and connectivity issues could occur. The legislature had worked to address connectivity issues with broadband assistance grants and other solutions. He noted that the tests offered in person were proctored. There was significant staffing and building rental that currently occurred in order to administer tests for correspondence programs. He thought it was an opportunity to ask some questions about the idea and he thought it was a good line of thinking to do so going forward.

[9:26:57 AM](#)

Co-Chair Johnson remarked that accountability and testing was not really a part of the bill. She appreciated the bill. She remarked on the idea of separating out correspondence programs and providing less funding because they were not located in a brick and mortar building. She highlighted that the students still had to be housed somewhere. She would love to have the same conversation on accountability related to the entire education funding instead of doing things piecemeal. She noted they had a problem in Alaska with getting kids up to national standards. She stated it did not start and end with correspondence students.

Representative Ruffridge thought the answer when asking about accountability in neighborhood schools was to look at all of the information districts were providing back to the state in terms of where the money went, how it was spent, who was testing, how they were testing, etcetera. He stated that correspondence programs were run by districts and all of the same things provided to neighborhood schools related to accountability for funds were offered through correspondence programs as well. He noted that Representative Stapp had an interesting line of questioning

about whether correspondence programs were district run, district allocated, and district accountable programs. The answer was yes. He found separating the programs out as "other" was odd to him. He supported an omnibus approach for education. He thought education should be considered on a wholesale level including asking how neighborhood schools and neighborhood schools were doing and if they were getting the needed resources. He stated that the concept in the bill was one component of the "three headed question." He thought it was important to remember that the programs were all district run, district allocated, and district accountable and were ultimately accountable to DEED.

[9:30:25 AM](#)

Co-Chair Edgmon appreciated the comment. He highlighted there were 19 remaining days in session. He fully supported a comprehensive discussion on a holistic level as outlined. He hoped work could be done over the coming interim to prep legislators for the following session. He hoped the governor could be involved in the larger discussion as well. He believed there was support to do so for correspondence, charter school, and brick and mortar programs. He appreciated the commentary and Representative Ruffridge's ability to respond to questions from all angles including the lawsuit with the correspondence programs.

HB 139 was HEARD and HELD in committee for further consideration.

Co-Chair Foster reviewed the schedule for the next meeting to take place immediately.

#

ADJOURNMENT

[9:31:50 AM](#)

The meeting was adjourned at 9:31 a.m.