

**ALASKA STATE LEGISLATURE
HOUSE RULES STANDING COMMITTEE**

January 20, 2024

10:03 a.m.

MEMBERS PRESENT

Representative Craig Johnson, Chair
Representative Cathy Tilton, Vice Chair
Representative Jamie Allard
Representative Jesse Sumner
Representative Laddie Shaw
Representative Zack Fields (via teleconference)
Representative Calvin Schrage

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Dan Ortiz
Representative Tom McKay
Representative Rebecca Himschoot
Representative Andi Story
Representative Mike Prax
Representative Frank Tomaszewski
Representative Sara Hannan
Representative Maxine Dibert
Representative Julie Coulombe
Representative CJ McCormick
Representative Bryce Edgmon
Representative Mike Cronk
Representative Justin Ruffridge
Representative Kevin McCabe
Representative Alyse Galvin

COMMITTEE CALENDAR

CS FOR SENATE BILL NO. 140 (FIN)

"An Act relating to funding for Internet services for school districts; and providing for an effective date."

- MOVED HCS CSSB 140 (RLS) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 140

SHORT TITLE: INTERNET FOR SCHOOLS

SPONSOR(s): SENATOR(s) HOFFMAN

04/28/23	(S)	READ THE FIRST TIME - REFERRALS
04/28/23	(S)	FIN
05/08/23	(S)	FIN AT 9:00 AM SENATE FINANCE 532
05/08/23	(S)	Heard & Held
05/08/23	(S)	MINUTE(FIN)
05/10/23	(S)	FIN AT 9:00 AM SENATE FINANCE 532
05/10/23	(S)	Moved CSSB 140(FIN) Out of Committee
05/10/23	(S)	MINUTE(FIN)
05/11/23	(S)	FIN RPT CS 4DP 2NR SAME TITLE
05/11/23	(S)	DP: HOFFMAN, OLSON, KIEHL, BISHOP
05/11/23	(S)	NR: WILSON, MERRICK
05/12/23	(S)	TRANSMITTED TO (H)
05/12/23	(S)	VERSION: CSSB 140(FIN)
05/13/23	(H)	READ THE FIRST TIME - REFERRALS
05/13/23	(H)	FIN
05/15/23	(H)	FIN AT 1:30 PM ADAMS 519
05/15/23	(H)	Heard & Held
05/15/23	(H)	MINUTE(FIN)
05/16/23	(H)	FIN AT 10:30 AM ADAMS 519
05/16/23	(H)	Moved HCS CSSB 140(FIN) Out of Committee
05/16/23	(H)	MINUTE(FIN)
01/16/24	(H)	FIN RPT HCS(FIN) NEW TITLE 6DP 4NR 1AM
01/16/24	(H)	DP: ORTIZ, JOSEPHSON, GALVIN, HANNAN, EDGMON, FOSTER
01/16/24	(H)	NR: TOMASZEWSKI, CRONK, COULOMBE, D.JOHNSON
01/16/24	(H)	AM: STAPP
01/17/24	(H)	RLS AT 4:00 PM GRUENBERG 120
01/17/24	(H)	Heard & Held
01/17/24	(H)	MINUTE(RLS)
01/20/24	(H)	RLS AT 10:00 AM BUTROVICH 205

WITNESS REGISTER

DEENA BISHOP, PhD, Commissioner
Department of Education & Early Development
Juneau, Alaska

POSITION STATEMENT: Gave invited testimony endorsing a strategic investment approach during the hearing on SB 140.

LISA PARADY, PhD, Executive Director
Alaska Council of School Administrators

Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CAROLE BOOKLESS, representing self

Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

DAVID FRANCIS, representing self

Juneau, Alaska

POSITION STATEMENT: Testified in support of a robust BSA during the hearing on SB 140.

LON GARRISON, Executive Director

Association of Alaska School Boards

Juneau, Alaska

POSITION STATEMENT:

DENNIS ROBINSON

Unalaska City School District

Unalaska, Alaska

POSITION STATEMENT: Testified in support of increasing the BSA and in opposition to the charter school issue and lumpsum payment to teachers during the hearing on SB 140.

BRIDGET SMITH, representing self

Juneau, Alaska

POSITION STATEMENT: Testified in support of a \$1,423 increase of the BSA during the hearing on SB 140.

EMILY FERRY, representing self

Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

KATHY TODD, representing self

Valdez, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

SHARON HANSEN, representing self

Fairbanks, Alaska

POSITION STATEMENT: Questioned stated oversight of charter schools and supported an increased BSA during the hearing on SB 140.

DON GRAY, representing self

Fairbanks, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CINDI LAGOUDAKIS, representing self
Petersburg, Alaska

POSITION STATEMENT: Testified regarding provisions under SB 140.

LUKE HERMAN, Teacher
Kenai Peninsula Borough School District
Kenai, Alaska

POSITION STATEMENT: Testified during the hearing SB 140.

REBECCA CALDWELL, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

LYNNETTA MARCELLUS, representing self
Eagle River, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

BARB CLARK, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified for an increased BSA during the hearing on SB 140.

CHEYENNE CUELLAR, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CHRIS HEIDEMANN, representing self
Douglas, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

TAYLOR BEARD, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

KAYCEE PARADY, representing self
Juneau, Alaska

POSITION STATEMENT: Testified regarding the lack of BSA funding during the hearing on SB 140.

KATIE GREEN, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

BRENDA TAYLOR, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140 to advocate for amendments.

SCOTT ARNDT, Mayor
Kodiak Island Borough
Kodiak, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CYNDY MIKA, Superintendent
Kenai Island Bureau School District
Kodiak, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

KATHY SIMPLER, representing self
Kodiak, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

SUSAN RITTER, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

REBECCA VANO, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

JANEL WALTON, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

MARGARET MCDONAGH, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 140, as amended.

TASHIA AMSTISLAVSKI, representing self
Anchorage, Alaska

POSITION STATEMENT: During the hearing on SB 1490, testified in support of immersion programs and a BSA of over \$700.

BEN ELBOW, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140 to ask for an increase in the BSA.

MARGARET HANSON, Member
Northwest Arctic Bureau School District Board of Education
Kotzebue, Alaska

POSITION STATEMENT: Testified for an increased BSA during the hearing on SB 140.

TERRY WALKER, Superintendent
Northwest Arctic Bureau School District
Kotzebue, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CRAIG MCCONNEL, representing self
Kotzebue, Alaska

POSITION STATEMENT: Testified in opposition to SB 140.

SUSAN BRANDT-FERGUSON, representing self
Sitka, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

HARVEY BRANDT, representing self
Sitka, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140 in support of an increased BSA, better retirement for teachers, and local control of charter schools.

KATHLEEN BRANDT, representing self
Sitka, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140 in support of an increased BSA and support for hearing impaired students.

BILL BURR, Superintendent
Wrangell City School District
Wrangell, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ALEX L. KOPLIN, representing self
Homer, Alaska

POSITION STATEMENT: Testified in opposition to SB 140, as written.

ROBANNE STADING, representing self
Homer, Alaska

POSITION STATEMENT: Testified in opposition to SB 140.

WINTER MARSHALL-ALLEN, representing self
Homer, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

LADAWN DRUCE, President

Kenai Peninsula Educators' Association
Kenai, Alaska

POSITION STATEMENT: Testified during the hearing SB 140.

LILY MICHAEL, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CHARLENE FISHER, PhD, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

PATRICE LEE, representing self
Fairbanks, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

BELA PYARE, representing self
JOCELYN ELFERS, representing self
NAYELI HOOD, representing self
Juneau, Alaska

POSITION STATEMENT: Gave joint testimony during the hearing on SB 140.

TODD SPIECH, President
Juneau Education Support Staff
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140 to urge raising the BSA.

LENA MERREL, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140 to ask the legislature to raise the BSA.

BETH WELDON, Mayor
City & Borough of Juneau
Juneau, Alaska

POSITION STATEMENT: Testified to support an increased BSA during the hearing on SB 140.

MARY MARKS, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

STEVE HUTCHINSON, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

CALLIE CONERTON, representing self
Juneau, Alaska

POSITION STATEMENT: Testified for an increased BSA during the hearing on SB 140.

MORGAN MICHELS, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

MARILYN ROSENE, representing self
Dillingham, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

SUZANNE SAUERTEIG, representing self
Juneau, Alaska

POSITION STATEMENT: Testified in support of a raised BSA during the hearing on SB 140.

JUDY CARSTENS, Vice President
Kodiak Island Bureau School District Board
Kodiak, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

KERRY IRONS, Member
Kodiak Island Bureau School District Board
Kodiak, Alaska

POSITION STATEMENT: Testified to ask for an increase in the BSA during the hearing on SB 140.

KATIE BOAT, representing self
Juneau, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

JOSH SMITH, representing self
Chugach, Alaska

POSITION STATEMENT: Testified to support a higher raise in the BSA as well as maintaining the status quo for local control of charter schools during the hearing on SB 140.

MIKE COONS, representing self
Palmer, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

PAUL KELLY, representing self
Juneau, Alaska

POSITION STATEMENT: Testified in support of an increase to the BSA and against state controlled charter schools during the hearing on SB 140.

MICHAELA KOLEROK, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of an increase to the BSA during the hearing on SB 140.

GENE STONE, Superintendent
Lower Yukon School District
Mountain Village, Alaska

POSITION STATEMENT: During the hearing on SB 140, testified for greater increase to the BSA and maintaining local control of charter schools.

ED PEKAR
Lower Kuskokwim School District
Bethel, Alaska

POSITION STATEMENT: Testified in opposition to the proposed House committee substitute during the hearing on SB 140.

VICKI CAMPBELL, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of an increase to the BSA of \$1,400 during the hearing on SB 140.

SUSANNA LITWINIAK, representing self
Moose Pass, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ALEXANDRA MCGUAN, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

JESSICA VAUDREUIL, representing self
Shishmaref, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

MARILYN PILLIFANT, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the original SB 140 and in opposition to the House committee substitute version.

KAITLYN WOLFE, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to SB 140, in its current form.

RACHEL LORD, representing self
Homer, Alaska

POSITION STATEMENT: Testified in opposition to SB 140, in its current form.

MOLLY HAYES, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ANNA ELLIOT, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ALLEN STRAH, representing self
Eagle River, Alaska

POSITION STATEMENT: Testified for a \$1,400 increase in the BSA during the hearing on SB 140.

BETH SHORT-RHOADS, representing self
Sitka, Alaska

POSITION STATEMENT: Testified in support of a \$1,400 increase in the BSA during the hearing on SB 140.

MICA VANBUSKIRK, representing self
Seward, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ANGELA HEAD, representing self
Homer, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

SUSAN DUNHAM, representing self
Matanuska-Susitna, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

RICHARD SAVILLE, Staff
Governor's Council on Disability and Special Education
Anchorage, Alaska

POSITION STATEMENT: Testified in favor of Sections 11 and 12 of the proposed House committee substitute for CSSB 140(FIN) am.

COLLEEN THORNTON, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

MONICA WHITMAN, representing self
Eagle River, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

LINDSEY BANNING, PhD, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of raising the BSA by \$1,400 during the hearing on SB 140.

MARY GEDDES, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

DUNCAN FISHER, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

DANETTE PETERSON, President
Fairbanks Education Association
Fairbanks, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ERICA KLUDT-PAINTER, Superintendent
Petersburg School District
Petersburg, Alaska

POSITION STATEMENT: Testified in opposition to certain provisions proposed under SB 140.

DOUG VEIT, representing self
Craig, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

ERICA ARNOLD, representing self
Chugiak, Alaska

POSITION STATEMENT: Testified in support of the \$1,400 BSA increase in the original SB 140.

CHARLENE BROWN, representing self
Delta Junction, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

DAVID BOYLE, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

EARL KRYGIER, representing self

Anchorage, Alaska

POSITION STATEMENT: Testified in support of an increase in the BSA and against state controlled charter schools during the hearing on SB 140.

TERRIE GOTTSTEIN, representing self

Anchorage, Alaska

POSITION STATEMENT: Testified in support of an increase in the BSA and against state controlled charter schools during the hearing on SB 140.

CAROLINE STORM, Executive Director

Coalition for Education Equity

Anchorage, Alaska

POSITION STATEMENT: Spoke in support of an earlier version of SB 140.

LISA VILLANO, representing self

Fairbanks, Alaska

POSITION STATEMENT: Testified for an increase of at least \$680 to the BSA during the hearing on SB 140.

LUANN MCVEY, representing self

Douglas, Alaska

POSITION STATEMENT: Testified in opposition to the proposed HCS for CSSB 140(FIN) am.

ROY GETCHELL, Superintendent

Haines Borough School District

Haines, Alaska

POSITION STATEMENT: Testified during the hearing on SB 140.

SANDRA BARRON, representing self

Sunrise, Alaska

POSITION STATEMENT: Testified in support of an increase of \$1,400 to the BSA during the hearing on SB 140.

MICHAEL PATTERSON, representing self

Anchorage, Alaska

POSITION STATEMENT: During the hearing on SB 140, testified for an increase in the BSA and for matters within the bill to be separated.

ROD MORRISON, Superintendent

Southeast Island School District

Thorne Bay, Alaska

POSITION STATEMENT: Testified in support of an increase to the BSA during the hearing on SB 140.

PHYLLIS CLOUGH, representing self
Old Harbor, Alaska

POSITION STATEMENT: Testified in support of an increase to the BSA during the hearing on SB 140.

SARAH BREWER, representing self
Homer, Alaska

POSITION STATEMENT: Testified in opposition to SB 140.

KYLE SCHNEIDER, representing self
Homer, Alaska

POSITION STATEMENT: Testified in support of a higher increase to the BSA during the hearing on SB 140.

TOM WRIGHT, Staff
Representative Craig Johnson
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: During the hearing on CSSB 140(FIN), explained Amendment 5 on behalf of Representative C. Johnson.

LAUREL SHOOP, Legislative Liaison & Special Assistant to the
Commissioner
Office of the Commissioner
Department of Education and Early Development
Juneau, Alaska

POSITION STATEMENT: During the hearing on SB 140, reviewed the department's fiscal note for the Broadband Assistance Grants Program Allocation, one of the department's seven fiscal notes for SB 140.

HEIDI TESHNER, Policy Advisor
Office of Management and Budget (OMB)
Office of the Governor
Juneau, Alaska

POSITION STATEMENT: During the hearing on SB 140, reviewed six of DEED's seven fiscal notes.

ACTION NARRATIVE

[10:03:26 AM](#)

CHAIR CRAIG JOHNSON called the House Rules Standing Committee meeting to order at 10:03 a.m. Representatives Sumner, Fields

(via teleconference), Tilton, Shaw, Allard, Schrage, and C. Johnson were present at the call to order. Also present were Representatives Ortiz, McKay, Himschoot, Story, Prax, Tomaszewski, Hannan, Dibert, Coulombe, McCormick, Edgmon, Cronk, Ruffridge, McCabe, and Galvin.

SB 140-INTERNET FOR SCHOOLS

[10:05:11 AM](#)

CHAIR C. JOHNSON announced that the only order of business would be CS FOR SENATE BILL NO. 140(FIN), "An Act relating to funding for Internet services for school districts; and providing for an effective date." [Before the committee was the proposed House Committee Substitute (HCS) for CSSB 140(FIN), Version 33-LS0687\D, Bergerud, 1/15/24, adopted by the committee on 1/17/24 as the working document.]

CHAIR C. JOHNSON noted that the committee would first finish invited testimony, [began during the hearing on CSSB 140(FIN) on 1/17/24].

[10:06:29 AM](#)

DEENA BISHOP, PhD, Commissioner, Department of Education & Early Development (DEED), began her invited testimony stating her appreciation for the opportunity to speak on SB 140, regarding education policy. She noted that she was speaking in her capacity as commissioner with three decades of experience, having served in numerous education positions from classroom teacher and coach to school principal and district administrator, and most recently as superintendent in the two largest school districts in Alaska. She continued from her written testimony [included in the committee packet], which read as follows [original punctuation provided]:

My thoughts today begin with our foundation, in achieving our Constitutional promise to **"Establish and maintain a system of public schools open to all children of the State,"**

Alaska's system of education has been grounded in schools that meet students' and families' needs. Our constitution did not speak to "common uniform schools" as many states' do, rather, our state from the start acknowledged and supported multiple and varied school types as vast and varied as Alaska's geography and people.

The legislation before you will strengthen the commitment to students and families as they seek the best public school for their children to become intelligent problem solvers, responsible citizens, and diligent individuals.

As I listened Wednesday when this bill was introduced and as you will most likely hear in testimony today, some of Alaska's public schools will come under fire as harming to "the system." I ask the 33rd Legislature to know and understand whom our system of public education serves---its young people not itself.

Alaska's foundation in choice will have an opportunity to grow by expanding the process for review and authorization of charter schools. Harvard University found in 2023, in analyzing the National Assessment of Educational Progress (Naep) student achievement data, that Alaska's charter school students outperform their peers in all 50 states. Again, we are number one for student achievement outcomes in the country.

In speaking with the researcher, he shared that the most successful charter schools in the nation had state authorizing agencies as Alaska's charters are designed. This bill simply expands the processes for approval at the state board level.

Many public charter schools in Alaska often operate on a lottery system for enrollment as there is limited space. Expanding the state authorization process is an investment in our students and families to grow learning opportunities.

Representative Fields shared a concern for out-migration of families as he spoke to the present legislation. I too have this concern as young families leave Alaska. As an educator, I know that school choice is a favorable construct for Alaska's parents. I believe all school choice puts our parents in the best position to engage in their child's education and builds the stability in our state that we desire. The bill before you has the potential to bring families back to Alaska, not push them away.

Additionally, this bill provides for the needed adjustment to Alaska's correspondence school funding. Our school funding algorithm builds investment in both

geographical location and school size as well as provides for multipliers to support student learning.

Presently, the multipliers for student learning exclude the special needs of homeschool students. This bill corrects an outdated funding provision by assigning the student needs multiplier to all students.

Specifically, the student needs multiplier invests in Special Education, Career and Technical Education, Gifted Education, as well as gives additional funds for English Language Learners. The special needs factor should support all public-school students who exhibit the needs.

Additionally, I would like to speak to Governor Dunleavy's steps in this bill to prioritize recruitment and retention of Alaska's teachers. This legislation is designed to be a study on how additional payments to teachers who finish their contract year impacts recruitment and retention.

The amounts range from \$5,000 to \$15,000 annually based on geographic areas and needs. It is essential to note that this initiative concentrates on the vital individuals closest to our students - classroom teachers, and it is grounded in a comprehensive study by Dr. Adams on Teacher Retention and Recruitment completed in August of 2023.

Moreover, as we discuss investment in public schools, many advocate for a simple increase in the Base Student Allocation (BSA), I endorse a strategic investment approach.

My current viewpoint has evolved through years of being an educator and extensive research. I am convinced from my experience in the classroom and as an education leader that we must strategically target funds to achieve the academic goals that you the Legislature, the Department, and the state and local school boards have established for our students, rather than simply increasing the BSA.

As stated earlier, the existing BSA formula is designed through multipliers to allocate funds to

educational priorities. Geographic location and school sizes are two investment multipliers. However, funding through the BSA does not ensure that money gets directly into the classroom to support better educational outcomes.

This approach finds backing in a 2019 report titled, "How much Does Alaska spend on k-12 Education" by the Institute of Social and Economic Research (ISER), presented at the Ed Funding 101 for Legislators on January 9th of this year. In it, Dr. De Feo shared the research recommendation that in funding schools, "a shift in our focus from how much we spend to what we buy with our dollars" should be considered.

Another example is found in the Anchorage School District's contracted report by Picus Odden, titled "An Evidence-Based Approach to the Basic Student Allocation in Alaska." It identified specific improvement strategies implemented by schools and districts that have positive effects on student learning.

Through an extensive review spanning over two decades, this evidence-based approach considers impactful practices that matter most. While it shares a BSA number, I believe looking at and specifically funding the practices we desire in our schools gives you, the Legislative body, an avenue to invest in the best rather than do a blanket investment which may not address your priorities.

As Commissioner, my stance is clear - investments in education should be directed to areas that generate the best outcomes and prepare students for a successful future.

As example, the Reads Act law speaks to a highly valued school function for which financial investment would benefit our most underserved and below proficient readers.

Another example is providing funding that connects students to their career interests and our state's workforce needs. Investing in opportunities for students to earn trade certifications before leaving high school helps to accomplish this because it prepares them for living wage jobs immediately after

graduation. Addressing broader challenges that impact school districts, such as energy and healthcare costs, may also be crucial to your conversations.

In short, a prudent approach to funding is imperative to focus our time and money on preparing students for success after high school.

SB140 invests in public school education. This bill builds upon Alaska's foundation of choice by expanding public charter school authorizing as well as provides for the true learning needs of correspondence school students.

This bill invests directly in teachers and supports school districts in their work to attract and hire the best teachers.

Thank you for prioritizing k-12 education, by hearing this bill early in the session.

Education funding that results in the improved outcomes desired by the people of our state is paramount. SB140 gets us one step closer to that goal.

[10:16:22 AM](#)

COMMISSIONER BISHOP, in response to a question from Representative Schrage, talked about what she has done to get funds into classrooms successfully. She stressed the importance of strategic planning and having support in programs and areas conducive to student learning.

[10:18:28 AM](#)

COMMISSIONER BISHOP, in response to a question from Representative Sumner, confirmed that all charter schools in Alaska are public schools.

[10:19:03 AM](#)

COMMISSIONER BISHOP, in response to a question from Representative Tilton, said the Alaska Constitution assures that public schools are open to all Alaska students. She added that anyone can attend a public charter school. In response to a follow-up question regarding income effecting the ability of some students to attend charters schools, she mentioned title

charter schools that are available for students that receive (indisc.) reduced lunch. She said there are many schools that make it possible for students in families with limited financial means to attend charter school.

[10:21:08 AM](#)

COMMISSIONER BISHOP, in response to Representative Allard mentioning Chugach Charter School and inquiring about a statement by charterschools.org that charter schools have served more students of color and from low income communities than have district schools, said she would have to look into the statement to give an answer. Notwithstanding that, she commented that nationwide there is "varied support of all students." Regarding Chugach, she said the school is a special mission school, called Chugach Optional. She offered her understanding that the school is near a school in Representative Fields' [district]. She stated that expanding school choice allows for more access to charters. Presently, the 25 special mission or choice schools in Anchorage have waiting lists; therefore, there is a desire to enter such schools, which could be neighborhood schools, comprehensive high schools, or charters.

[10:23:04 AM](#)

REPRESENTATIVE FIELDS clarified that SB 140 would not increase school choice; it would eliminate local school district accountability for school charters by getting approval directly from the state instead of going through a local school board. There would be less local control. He then pointed out that recently a charter in Anchorage illegally purchased religious curriculum, and this was identified and corrected by the local school board. Referring to Commissioner Bishop's remark that schools can be supported by different degrees, he said that reminded him of the phrase "separate but equal," which he said he thinks, at this point, "has been widely discredited."

COMMISSIONER BISHOP, in response to a question from Representative Allard, stated that it would be against the state constitution for a charter school to promote religious academics.

[10:24:37 AM](#)

COMMISSIONER BISHOP responded to a request from Representative Schrage to address data he mentioned indicating that charter schools do not adequately provide means to those of lower

income, especially transportation, and to discuss whether economic classes are being served equally. She said it is the choice of school districts whether to address the issue [of transportation]; some provide it and some do not. To a follow-up remark suggesting that increasing access would require collaboration that would be supported under the current model of local school districts having connection to the approval and management of charter schools, she noted that Alaska has precedent through legal means that transportation "is actually the benefit of the child's" and has been provided for students outside the school district. That is to underline that state levels can collaborate just as local levels can in terms of transportation issues.

[10:27:29 AM](#)

COMMISSIONER BISHOP, in response to a question from Representative Tilton regarding the connection between outmigration from Alaska and school choice, emphasized this means choice of any school. She said the goal for education is for parents and children to love Alaska's schools. Many areas of the state have "wonderful school choice." She added that another goal of the department is to give students/parents the personal choice regarding attendance and the ability "to do so."

[10:28:51 AM](#)

COMMISSIONER BISHOP, in response to a request from Representative Allard to address Commissioner Bishop's changed stance on the topic of increasing the base student allocation (BSA) funding, shared her mantra is "when you know better, you do better." She said that as an educator of 34 years and superintendent of more than 12 and assistant superintendent of more than 5, she has learned and worked through issues regarding the BSA. She stated that [the BSA funding] does not always "land in the classroom where the value is added in public education." She emphasized that classrooms and school is where value is added in public education, and targeting funds to those areas supports students and families and create better student outcomes.

[10:30:45 AM](#)

The committee took an at-ease from 10:30 a.m. to 10:34 a.m. to address technical difficulties.

[10:34:53 AM](#)

CHAIR C. JOHNSON noted that during the hearing of CSSB 140(FIN) on 1/17/24, Representative Fields had said the proposed legislation would promote a voucher system, and he asked Commissioner Bishop to speak to that.

[10:35:31 AM](#)

COMMISSIONER BISHOP responded that voucher school programs are unconstitutional in Alaska. She emphasized that charter school programs are not voucher programs. In response to a follow-up question regarding Representative Fields' past statement that there would be no oversight under CSSB 140(FIN), she emphasized that all charter schools are authorized by the Alaska State Board of Education & Early Development ("State Board of Education"), and there are high standards for developing charter schools, which have "high oversight." She noted that Mt. Edgecumbe High School has oversight by the State Board of Education, so "this opportunity" is not outside of what the board already does.

[10:37:21 AM](#)

COMMISSIONER BISHOP, in response to a question from Representative Schrage as to whether there would be any local oversight remaining under CSSB 140(FIN), said that at this point in time, without regulations developed, the state would have the oversight. In response to a follow-up request to discuss how the bill could support mental health issues in schools, such as hiring counselors and support staff, she said a charter can be designed with desired features; it is the decision of the charter. The primary function is education, and she emphasized allowing teachers to teach. Issues must be identified, then resources prioritized to those issues. She spoke about competing interests making it difficult to address needs but overcoming that with strong leadership.

REPRESENTATIVE SCHRAGE questioned why not one school district has been able to improve outcomes and suggested that the problem is a lack of resources. He observed that the only element of the proposed legislation that provides an element of support for paraprofessionals and classroom instruction in public schools is the increase to the BSA. He asked if there was something else that would provide that support.

COMMISSIONER BISHOP explained her reason for changing her mind about the BSA and "blanket" investment line up with the reasons

shared by Representative Schrage, that one looks for desired investments and then funds them. She said there is no guarantee that the funds from the BSA will go to the paraprofessionals or counselors. Conversely, she said there has been investment in paraprofessionals through "Growing Your Own." She talked about the aunties and uncles and other relatives in rural communities that care for and teach the young people and said she is highly supportive of paraprofessionals and supporting them to become teachers.

10:45:00 AM

REPRESENTATIVE SCHRAGE stated that charter schools do not have to worry about transportation and "all the high, intensive needs" that local public neighborhood schools are addressing. He said it concerns him that [the state] seems to be adding more resources "to those that are able" while those that are not able are "left with the pickings."

10:46:59 AM

REPRESENTATIVE ALLARD emphasized that both charter schools and local schools are publicly funded and they both deserve the funds. She added correspondence schools to those that deserve funds. She said accountability is required under CSSB 140(FIN). She talked about money being moved from publicly funded charter schools and correspondence schools to a system in "a neighborhood local school that continues to spend money and continues to fail." She asked Commissioner Bishop for her perspective regarding charter schools "falling directly under the ... State Board."

COMMISSIONER BISHOP talked about the focus being on students and their needs. She invited Representative Allard to visit charter schools in rural Alaska. She said the question is why it is not currently part of charter schools to serve lower-income children. She asked, "Are they not being approved? Are people not coming forward to do that?" She said when she visits a charter school, she sees that the focus on their mission is paramount, and that mission is loved by the public school educators that choose to teach there, as well as by the parents. She talked about additional opportunities in regard to charter schools. She noted that charter schools, in general, are designed by teachers. She talked about increasing opportunities being provided and said she thinks the State of Alaska should support any school that is good for learning. She said the

constitution supports "public schools for all children, for their success."

[10:51:29 AM](#)

REPRESENTATIVE FIELDS commented that it would be a big departure from current practice if the state were to step away from the BSA and focus on funding things like paraprofessionals and counselors, nurses, and maintenance staff. He said he would not be able to make those decisions and surmised that neither would some school districts. It would be a change from local control. He then noted that there are zero charter schools in House district 37, only one in House district 38, and one in House district 39. While charters are important to those who are currently served by them, he cautioned not to divert funds from neighborhood schools that are attended by 80 percent of students to schools that serve a small number of kids. He concluded by stating that every kid is important.

[10:52:54 AM](#)

CHAIR C. JOHNSON opened public testimony on SB 140.

[10:55:02 AM](#)

LISA PARADY, PhD, Executive Director, Alaska Council of School Administrators, stated that initially, SB 140 was a straightforward approach to addressing critical broadband needs in Alaska's rural areas. Now, it is a "mishmash" with some misguided policy ideas that "strike at the heart of public education." She stated, "You have a constitutional duty to fund public education. It's a duty that has not been met for a better part of a decade."

DR. PARADY drew attention to a handout in the committee packet, ACSA's joint position statement, to pages 2 and 3. She pointed to Chart 1, on page 2, which shows inflation adjustment to the fiscal year 2012 (FY 12) value; the base student allocation (BSA) of \$560 in FY 24 has an FY 12 value of \$468 when adjusted for inflation. She noted that the red line reflects the governor's veto, which she said the legislature failed to override resulting in the loss of what would have been immediate support to Alaska's students. She said the chart clearly shows the magnitude of the loss of purchasing power, particularly against fixed costs such as energy and transportation. She moved to Chart 2, on page 3, which shows what the BSA would have been if inflation adjusted since 2017. FY 25 would have been a

difference of over fourteen hundred. She said all of the information she pointed to demonstrates that the BSA is "woefully, arguably, unconstitutionally underfunded."

DR. PARADY stated that [ACSA] fully supports charter schools; moving them to the state is "the wrong direction." She said it would betray the conservative principal that "government governs best when closest to the people." Further, it would disrupt the policy framework that has allowed Alaska charter schools to earn their high ranking. She opined that the system is working as-is. She emphasized that ACSA adamantly opposes any "backdoor introduced vouchers." She said, "We share your attorney's concerns regarding equal protection and negotiated agreement." She clarified that the governor's task force, which she served on, said that Alaska needs "competitive salaries and a public pension system that fairly compensates all district staff who devote many years to Alaska's children." She reminded the committee that the vast majority of students attend "brick and mortar" schools; therefore, the focus on those who do not is "a little disproportionate." She emphasized that ACSA supports all public schools, and she reminded the committee that the duty of the legislature is to support all students. She advised that the timing of this legislation is important, and ACSA stands ready to assist the legislature on this issue.

[11:00:16 AM](#)

CAROLE BOOKLESS, representing self, talked about working in schools and the difficulty of contacting administrators, and she indicated that the number of administrators is increasing while the number of students is decreasing. She urged dollars be spent in the classroom. She spoke of charter schools as taking students from mainstream schools who are already doing well and putting them under [care of] the state. She concluded, "So, I don't like this charter school idea at all."

[11:03:47 AM](#)

DAVID FRANCIS, representing self, asked the legislature to give today's students the opportunities that he had. He shared his perspective as student teacher and first-year teacher working under initial certification, including the insecurity of students experiencing loss of staffing. He encouraged a robust BSA, not teacher bonuses. He emphasized the importance of the BSA to maintain the hiring of paraeducators and administrators. He opined that the top priority of society should be to fund education.

11:06:07 AM

LON GARRISON, Executive Director, Association of Alaska School Boards (AASB), listed the priorities of AASB as: sufficient and predictable education funding; retention and recruitment of teachers, staff, and administrators,; and students' wellness and safety. He said the U.S. Bureau of Labor statistics state that the necessary BSA increase to account for inflation since 2016 would be \$1,413; the proposed \$300 BSA increase falls significantly short, at just 21 percent of that difference. He said school districts across the state are facing an unprecedented budget shortfall. He said AASB has consistently worked with Alaska's public charter schools and "ferverly opposes enabling the state Board of Education to be a charter school authorizer" because this would blatantly disregard local control and set the stage for an adversarial relationship between a charter school and the district. He added that AASB feels state charter schools may eventually circumvent local control and funding altogether. He related that in a recent interview, previous testifier Commissioner Bishop had noted that the success of Alaska's charter schools are, in great part, due to the strong relationship between school districts and charters. He quoted her as saying, "The teachers and principals are our colleagues, and the students are all our students within the district." Regarding the application of "the special needs factor" to correspondence students, he said the current funding of these students may not fully cover the expense that are often required from special education services for access to CPE courses.

11:08:31 AM

DENNIS ROBINSON, Unalaska City School District, recommended the original language of SB 140 be amended to provide "either 25, 50, or 100" megabytes (mb) of "dedicated" service. He said Unalaska finally has broadband delivered by fiberoptics; the school opted to have only 50 mb per second because at 100 mb, it would lose its broadband assistance grant (BAG). He said he supports an increase in the BSA, as there has been no significant increase since 2012. Specifically, he supports the increase passed by the Senate for over \$1,400. He noted that in the past five years, Unalaska School District has lost over 60 students but the cost of maintaining the school has remained the same. He indicated that "the maximum amount of money" the City of Unalaska has provided correlates with the amount of the BSA. He stated opposition to the portion of SB 140 pertaining to the

charter school issue, saying it would put undue burden on local control. Further, he said he does not support a lump sum payment to teachers without an increase in the BSA.

[11:11:28 AM](#)

BRIDGET SMITH, representing self, testified in support of a \$1,423 increase of the BSA, as recommended by the Association of Alaska School Boards. She offered her understanding that Governor Mike Dunleavy wants Alaska to be family-friendly, and she said she wants the same. She underlined the attraction good schools have in bringing people to the state and, conversely, that poor schools can be a reason people leave Alaska. She recalled that a year ago the director of the Division of Legislative Finance testified to the House Finance Committee that "today the base student allocation is the lowest it's been in 20 years, adjusted for inflation." She emphasized the need for a well-educated workforce to benefit everyone, and only a well-funded school system can guarantee such a workforce; it is an integral part of a "family-friendly state."

[11:13:40 AM](#)

EMILY FERRY, representing self, asked the committee not to fix what is not broken. She said what is not working is the funding [of schools]. She mentioned a graph from the Alaska Commission on Post-Secondary Education showing that only about 34 percent of high school graduates are pursuing two- to four-year degrees. She said one out of nine high school seniors will have a bachelor's degree in six years, and she related that to the needs of the workforce. She talked about investing in the state and hearing parents discuss leaving Alaska because of dissatisfaction with the state of Alaska's schools.

[11:16:10 AM](#)

KATHY TODD, representing self, first noted a good aspect of SB 140 by saying she thinks a school for the deaf as an option is important. Regarding state operated charter schools, she said charter schools are purported to offer choice but in districts the size of the one in Valdez they will do the opposite, she warned, where the current choice in the school between two teachers may be minimized if there were two separate systems. She offered further details.

[11:19:25 AM](#)

SHARON HANSEN, representing self, said she serves on an academic policy committee at her children's charter school. She questioned why charter school oversight is included in SB 140 rather than in other legislation "that will go through the full committee process." She said she appreciates the partnership her charter school has with the Fairbanks School District and the relationship it has with the [Fairbanks] School Board. She emphasized the importance of having people in the school district that can come in to the charter school for "any sort of situation that needs to be addressed." She said she fears state oversight of charter schools has the potential to "seriously affect the diversity, equity, and inclusiveness of our charter school." She noted that 22 percent of the students at that charter school are on individualized education programs and receive special education support. The district helps the charter school in the process of hiring a new special education teacher. She said she supports the raise of the BSA.

[11:22:03 AM](#)

DON GRAY, representing self, spoke as a former teacher about the better status of schools in the '70s through '90s and how funding changed. He said he thinks the governor and the legislature are hurting the future of the state; education must be funded to help the students of Alaska.

[11:25:13 AM](#)

CINDI LAGOUDAKIS, representing self, testified regarding provisions under SB 140, particularly the BSA of \$6,260. She opined that "better allocation is desperately needed." She spoke to the shortfall in education funding of millions of dollars and the resulting risk to children and communities, as well as the difficulty in filling teacher positions. She mentioned the aging population of the state and said the lack of funding would not encourage young families to remain in Alaska. She stated, "I encourage you to support an increased BSA over that in this bill as an investment in our young people" She mentioned provisions under SB 140 which were encouraging, which address: tribal coordination, Internet services, transportation, accommodation of deaf and hard of hearing students; education for students in juvenile detention; vocational education; and early childhood education.

[11:27:32 AM](#)

LUKE HERMAN, Teacher, Kenai Peninsula Borough School District), said he teaches high school, and he offered testimony from the perspective of his students, who are tasked with listing that which is a barrier to their success. That list includes: a decreasing number of opportunities; high classroom sizes; no infrastructure for mental and physical health; and decreasing numbers of paraprofessionals. Resources are needed to address the rapid deterioration of school systems in the state. He expressed that this is inclusive of all types of schools in Alaska, and he mentioned the constitutional mandate to provide education.

[11:29:19 AM](#)

REBECCA CALDWELL, representing self, mentioned charter schools and stated her belief that students and parents deserve the opportunity to choose a program best suited to the child's learning style. She observed that school districts have become too large and "too arrogant" and are unwilling to approve new charter schools, which vary in style. She emphasized her belief in a child's right to be safe while being educated, and she referred to bullying in schools. She indicated that homeschooling provides the opportunity for students who are ostracized in regular schools to learn. She maintained that homeschooling and correspondence school programs follow state laws and regulations.

[11:31:25 AM](#)

LYNNETTA MARCELLUS, representing self, said she has been a teacher and involved with a charter school and supports the provision under SB 140 wherein charter schools would be approved directly by the State of Alaska. She indicated that there have been many times in the last year when charter schools have been denied by the state or closed down. She said she also agrees with "correspondence study funding." She expressed appreciation for Dr. Bishop's statement regarding [charter schools] being authorized by the state. She spoke to the issue of local control and having academic policy committees of parents and school administrators.

[11:34:18 AM](#)

BARB CLARK, representing self, noted that she has been a high school teacher for 24 years and urged passage of "an unencumbered increase in the BSA" that can reverse the damage of many years of underfunding. She indicated that a teacher bonus

may result in teachers taking the money and leaving. She said teachers bargain in good faith with districts for their salaries. She urged the legislature to raise the BSA.

[11:36:35 AM](#)

CHEYENNE CUELLAR, representing self, noted that she is a middle school teacher and described SB 140 as eroding the BSA, which leads to the erosion of support staff. She said she would be in support of the proposed teacher bonus if it were made available to all the paraprofessional staff, including office staff, custodians, nurses, payroll staff, and all staff that help maintain education in Alaska.

[11:38:22 AM](#)

CHRIS HEIDEMANN, representing self, noted that he is a parent, an educator, and president of the Juneau Education Association. He made two key points regarding SB 140. First, he said moving charters from local control would violate a longstanding Alaska tradition of having public education decisions in the hands of locals. Second, he called the teacher bonus misguided and said it would not influence folks to stay in Alaska. He opined that nothing short of creating an adequate and inflation-proofed formula would be sufficient. He highlighted two issues: the lack of funding and the shortage of qualified educators. He said Alaska has the worst public employee retirement system in the country. He emphasized the resiliency of educators and said they would deliver if provided adequate funding.

[11:41:26 AM](#)

TAYLOR BEARD, representing self, stated concern for her own children and others and emphasized the need for the best tool in making sound decisions. She noted that the Dunleavy Administration prioritizes public safety, yet statistics show that poor education systems result in an increase in crime. She indicated that funding education results in fewer people living on public assistance. She advised the committee that the choice to enact real change to rectify public education and [thus] public safety is the legislature's.

[11:44:41 AM](#)

KAYCEE PARADY, representing self, noted she is a freshman at Juneau-Douglas High School testifying regarding the lack of investment in the BSA. She said she feels that the legislature

has forgotten the most important thing in the state: students. Improper funding results in a lack of education and families moving [out of state]. She spoke about the inability of teachers to buy supplies without spending their own money and about crowded classrooms. She asked the committee to "please, think of the students."

[11:46:55 AM](#)

KATIE GREEN, representing self, testified that without an immediate increase in BSA funds, the Juneau School District (JSD) is facing consolidation and school closures. She described highlights of what specific teachers have given to her children in terms of their learning and growth as individuals. She spoke about forced retirement, downsizing, and overcrowding. She urged the committee to "restore and increase the base student allocation" and be mindful of inflation of the last few years since the original BSA.

[11:48:56 AM](#)

BRENDA TAYLOR, representing self, testified to advocate for amendments to SB 140, specifically: to increase the BSA and to not shift control to the State of Alaska. She indicated membership and chair positions with the Alaska Psychiatric Council. She mentioned her daughter's involvement a charter school and the sense of still belonging to the greater community. She commended the local school board. She concluded by stating that she thinks schools should have guidance from the State of Alaska, but that the control should be local.

[11:51:52 AM](#)

SCOTT ARNDT, Mayor, Kodiak Island Borough, opined that one "severe" problem with SB 140 is that it is a "catchall." The original bill has been diluted and is being rushed through, he commented. He said the issue of providing Internet service to school districts should be separated from the rest of the bill and passed. He called the proposed \$300 increase to the BSA "a dereliction of duty of the legislature to fund education." He called the second issue, the lump sum payment to teachers, a "three-year experiment" and questioned what would be done in three years. He said the other issues, such as student transportation, charter schools, boarding, and correspondence school increases need to be debated in separate legislation.

[11:53:54 AM](#)

CYNDY MIKA, Superintendent, Kenai Island Bureau School District (KIBSD), testified that she is in favor of increased Internet capacity for schools but posited that that issue should be addressed as a separate bill, as originally written. She said the proposed raising of the BSA to \$680 is not enough, and it is a travesty that in recent days, that amount has been lowered to \$300. Last year, she said, KIBSD faced a \$3 million deficit and cut many positions; this year, with inflation and only a 1 percent raise to employees, the district will face a \$5 million deficit and will need to cut \$3 million in teachers, counselors, classified staff, administrative positions, and activity and travel funds. This will not be enough. She said in order to keep up with inflation, there needs to be a \$1,400 raise to the BSA, which she opined is deserved by all the students. She said she does not approve of the three-year lump sum to teachers; many ancillary teaching staff would not receive this money. She stated that the best way to get money to teachers and all staff is through an increase to the BSA.

[11:56:23 AM](#)

KATHY SIMPLER, representing self, expressed concern regarding the current version of SB 140. She talked about underfunding of schools. She said districts across the state are having to decide between heating the building and hiring teachers. She urged support of education through BSA funding. She said teacher bonuses are not going to solve the crisis in education; however, if that provision were to stay in the bill, she said it should include everyone that works school districts. She said Alaska was recently recognized as having the best charter school system in the nation, and she questioned why that would be changed.

[11:58:46 AM](#)

SUSAN RITTER, representing self, shared that she is a special education teacher, who has taught k-12. She urged the committee to raise the BSA at least back to "the compromise of \$680" but said she would prefer \$1,600. Next, she asked for local control over charter schools. Finally, she opined that the teacher bonuses are great, if expanded to include "all the hard working folks who work in our schools." She asked that expensive programs, such as the Correspondence Study for Funding be examined, and she urged the legislature to strip the legislation of the attempt of the state to take control of school districts and boards. She asked the committee to stand by the

Constitution of the State of Alaska and support all Alaskans, students, educators, and administrators, and to provide necessary funding.

[12:01:12 PM](#)

REBECCA VANO, representing self, as a mother of an Anchorage School District high school student and veteran teacher of 22 years, urged equitable pay for all staff, not just teachers. She characterized SB 140 as "a misguided proposal to provide a wildly inadequate increase to BSA, along with a small bonus" that would not retain the dedicated professionals necessary to the education system.

[12:03:27 PM](#)

JANEL WALTON, representing self, spoke about an e-mail she received along with other teachers telling them to prepare for 36 students per class, and she broke that down into the inadequate time a teacher would have for each student under that scenario. She warned that the legislature is hurting the children who will not get adequate time with their teachers, and she urged the committee to raise the BSA to address this issue.

[12:05:04 PM](#)

MARGARET MCDONAGH, representing self, as a 26-year employee of the Anchorage School District, testified in opposition to the current version of SB 140, noting that she had supported the original version's intent to increase Internet access to school districts in the state. She opined that the BSA needs to be "much, much higher," and she said she opposes the teacher bonus. She indicated that if the legislature wanted to attract and retain teachers, it would increase the BSA and fix the retirement system. Further, she said she is against the provision under SB 140 that would give up local control of charter schools to the state. She said the Anchorage School District has "a wonderful collection" of charter schools and programs available.

[12:06:48 PM](#)

TASHIA AMSTISLAVSKI, representing self, as a parent of two children, emphasized the importance of having the choice for immersion programs in the schools. She spoke in favor of an increase to the BSA of at least over \$700, maintaining that it

is vital to public school infrastructure, the support of families, and the needs of children.

[12:08:22 PM](#)

BEN ELBOW, representing self, called for a higher BSA than the proposed \$300. He illustrated the illogical rationale behind underfunding education by saying that other public services, such as snow removal and public safety, would not go unfunded because they are a necessity. He talked about lack of education adversely affecting the workforce. He said, "To say that our schools are failing because not enough kids are scoring proficient on tests is to ignore the fact that our schools are being asked to more and more with less and less."

[12:11:14 PM](#)

MARGARET HANSON, Member, Northwest Arctic Bureau School District Board of Education, testified that the district needs a BSA of \$1,423. The schools in Alaska are facing a budget crisis resulting from years of flat funding and inflation. She listed the variety of jobs filled by graduates of the Alaska school system. She asked the committee to support the increase to the BSA.

[12:12:54 PM](#)

TERRY WALKER, Superintendent, Northwest Arctic Bureau School District, testified that the proposed legislation is a start in working toward getting Internet to schools in Alaska by increasing broadband from 25 to 100 megabits. She said the proposed \$300 increase to the BSA, although a step in the right direction, is conservative in its impact on school districts, failing to address the lack of funding increases and inflation over the last several years. Without a significant increase to the BSA, the district must make a \$14 million cut to its FY 25 budget. Therefore, she said she cannot support SB 140 in its entirety.

[12:15:25 PM](#)

CRAIG MCCONNELL, representing self, testified in opposition to SB 140, primarily because it would underfund students. He echoed the issue of recent underfunding and increase in costs. He shared his teaching experience in rural Alaska, and that often the district must hire from Outside; 60 percent of the neighboring school district's staff come from Outside, including

other countries. He said, "... we're asking for \$1,400 for kids."

[12:18:04 PM](#)

The committee took an [at-ease] from 12:18 p.m. to 12:34 p.m.

[12:34:03 PM](#)

SUSAN BRANDT-FERGUSON, representing self, noted that she has taught for 20 years. She encouraged timely funding of school districts and a \$1,400 increase to the BSA. She talked about the loss of key positions, programs, and services and the difficulty surrounding teacher recruitment and retention in Sitka schools. She said she opposes the teacher bonus pay because it benefits only teachers and not all support staff. She noted that although not in the proposed bill, she supports providing a defined benefit option to teachers. She encouraged local control of schools as being essential. She added, "Alaska's charter schools are not a problem, so they should be left in the hands of those they impact."

[12:37:10 PM](#)

HARVEY BRANDT, representing self, testified that he is a retired educator from public schools in Kansas, having previously taught in Sitka. He called SB 140 an omnibus bill and opined that it needed to be divided out into separate bills. He voiced his support for "more dollars" for [the BSA], a better retirement system for teachers, and local control for charter schools rather than centralized control. He said, "If there was ever a concept that Republicans opposed for years, it's concentration of power at state or national level."

[12:39:03 PM](#)

KATHLEEN BRANDT, representing self, noted that she is a third-generation teacher. She said she supports a significant increase to BSA funding. Further, expressed that she is particularly interested in there being more consideration given to students with deafness and hearing difficulty.

[12:39:54 PM](#)

BILL BURR, Superintendent, Wrangell City School District, noted that he has been an educator for 20 years. He observed that the proposed legislation, once focused on increased broadband for

schools, has had many other issues attached to it. He emphasized the importance of increasing bandwidth. He pointed to Section 10 and said schools districts are being asked to fit goals into an ever-decreasing budget. He pointed to Section 15 and opined that isolating funding to one area is counterproductive and does not include supplies, curriculum, Alaska Reads Act [requirements], facility maintenance, student opportunities and activities, and support staff. He asked that SB 140 be returned to its original version to address bandwidth only.

[12:41:59 PM](#)

ALEX L. KOPLIN, representing self, as a 35-year teacher testified in opposition to SB 140 in its current form. He stressed that taking charter schools away from local control is a mistake, and that the teacher lump sum would be contentious since there is none for support staff.

[12:44:13 PM](#)

ROBANNE STADING, representing self, testified in opposition to SB 140. She talked about inflation and said the BSA is underfunded. She emphasized the need for state support of education.

[12:46:08 PM](#)

WINTER MARSHALL-ALLEN, representing self, spoke as a 17-year educator transplanted from Oklahoma. She identified a loss in student to teacher ratio, a deficit to services offered, and an inability to meet legal obligations in serving students. She offered an example of attrition. She advised that the issues regarding the Internet and deaf students should be addressed in different bills, as SB 140 would not meet those needs.

[12:48:06 PM](#)

LADAWN DRUCE, President, Kenai Peninsula Educators' Association, explained the make-up of the district and her history in education. She stated that associations, like her own, are requesting a BSA increase of \$1,400. She said she is in favor of the additional Internet funding to schools. She spoke against the teacher lump sum bonus.

[12:51:03 PM](#)

LILY MICHAEL, representing self, suggested that SB 140 should be broken up, as the Internet issue is important, and that the BSA should be addressed separately and increased to \$1,400. She stressed that charter school management needs to be kept local. She described the current conditions of classrooms.

[12:53:00 PM](#)

CHARLENE FISHER, PhD, representing self, expressed support for the parts of SB 140 that would increase megabytes to 100 and transportation funding by \$7.3 million. She shared that she has worked as a single-site principal/teacher, and she opined that the state is failing students and communities by underfunding the BSA. She talked about inflation and concerns regarding infrastructure.

[12:55:21 PM](#)

PATRICE LEE, representing self, testified as a teacher of 25 years in opposition to increased control of schools by the state-appointed school board and the inadequate proposed increase to the BSA. She observed that SB 140 would not supply enough money to make up for shortfalls or any significant boost to charter or public schools. Furthermore, it would not address that special needs students are not in charter schools in representative numbers, "if at all." She emphasized the need for support staff.

[12:58:12 PM](#)

BELA PYARE, representing self, JOCELYN ELFERS, representing self, NAYELI HOOD, representing self, as students of Dzantik'i Heeni Middle School, gave joint testimony on SB 140. Their key points were that the BSA must be raised; schools need more than just the bare minimum; SB 140 will not help get the necessary funding; classes are being discontinued; important one-on-one time between teachers and students is not possible [due to lack of funding]; and children in rural areas need equitable opportunities in learning. The group asked the committee to support all public schools.

[12:59:43 PM](#)

TODD SPIECH, President, Juneau Education Support Staff (JESS), testified to urge members to increase the BSA. He talked about the high cost of living in Juneau, noting that many educators hold two to three jobs to afford the cost of living. He noted

some of the ways that JESS supports after school programs for students.

[1:01:24 PM](#)

LENA MERREL, representing self, asked the committee to raise the BSA - not by \$300, but by the recommended \$1,413 - on an annual basis. She talked about the effects of budget cuts and her correlating increase in involvement with the schools. She emoted that the Juneau School District is examining closing schools; the same is happening across the state. She said gutting school funding does not support families. She begged the committee to trust the systems in place, including publicly elected school boards, superintendents, principals, teachers, paraeducators, and support staff.

[1:03:59 PM](#)

BETH WELDON, Mayor, City & Borough of Juneau, testified in support of increasing the BSA. She reported that the Juneau School District is facing a deficit of \$7.5 million for FY 24, for which she does not blame the legislature but rather bad accounting. That said, she asked the committee to support an increase in the BSA because the cost of funding education has outpaced state investment. She said families will not want to live in a state with a failing school system. Beyond the increase in the BSA, she asked that the legislature work on the topic of education so that schools can thrive.

[1:06:05 PM](#)

MARY MARKS, representing self, said that the BSA needs to be increased. She said she is a former member of the Anchorage School Board, and SB 140 is important to her. She pointed to the section regarding tribal school compacting, on page 5, and described the words "shall discuss support" as a slap. She explained that she would rather have a conversation and collaboration with Alaska's tribal sovereignties. She urged the committee "to bring this back to the table for more deliberation" and to do so with the tribal sovereignties.

[1:08:35 PM](#)

STEVE HUTCHINSON, representing self, spoke on the need for "an inflation-relevant raise to the BSA of \$1,400." He echoed the previous testimony regarding the major deficit in JSD funding, the major reason being the shortfall and degradation of state

funding and said this would lead to difficult decisions regarding the structure of the school district and inevitable layoffs. He warned there would be fewer class offerings, larger class sizes, and a drop in resources and support for teachers and students. He opined that Commissioner Bishop's statement that the provisions under SB 140 would help to recruit and retain teachers and families in Alaska is misguided. Conversely, he predicted that a continuation of inadequate funding would increase the number of teachers and support educators to be laid off and result in more hiring freezes. He expressed his desire to remain in Alaska while noting that as a first-year teacher, he would be one of the first to be laid off. He agreed with former testifiers that the Internet portion of SB 140 is good and said he would support that issue in a separate bill without "all these other poison pills added to it."

[1:11:44 PM](#)

CALLIE CONERTON, representing self, noted she is a teacher at the Montessori School and stated that "raising the BSA by \$300 is like giving someone jumping of Mt. Roberts a cocktail umbrella for safety." She emphasized that the BSA has not kept up with inflation. She talked about class sizes and having fewer paraeducators and stated that teachers are leaving because they have to do more with less. She posited that \$1,400 is the minimum amount necessary for the BSA.

[1:14:15 PM](#)

MORGAN MICHELS, representing self, shared her experience being a second-year teacher with diminished support. She stated that the one-time bonus would not solve the teacher shortage. She listed changes she'd like to see to SB 140: an increase to the BSA of at least \$1,400 to meet inflation; adjustment of "the turnover and hardship of all paraeducators and professionals who work in education"; and allowing review by the Senate Education Standing Committee and further public input.

[1:16:53 PM](#)

MARILYN ROSENE, representing self, as a retired teacher and principal urged members to revert SB 140 to a previous version, and to increase the BSA. She opined about educator housing and cost of living in Dillingham. She said she would provide written testimony.

[1:19:18 PM](#)

SUZANNE SAUERTEIG, representing self, shared her experience in enrolling her children in JSD. She said she works with the district as a paraeducator. She urged the committee to pass elevated funding of the BSA and invest in students and teachers. She indicated that the lack of funding is an ongoing issue.

[1:21:43 PM](#)

JUDY CARSTENS, Vice President, Kodiak Island Bureau School District Board, stated that she does not support state controlled charters; \$1,400 to the BSA is needed, not \$300; and the increased BSA, not a lump sum payment to teachers, is needed. She said her reason for serving on the board is to serve students, staff, and "top education."

[1:23:10 PM](#)

KERRY IRONS, Member, Kodiak Island Bureau School District Board, as board member and retired educator stated support for the successful education of children. She opined that a \$300 increase to the BSA is inadequate and a \$1,400 increase is necessary. She stated that "this ask isn't frivolous" but necessary to support students and recruit and retain teachers. She shared that the Kodiak district is in the middle of budget struggles.

[1:25:18 PM](#)

KATIE BOAT, representing self, as a school bus driver, asked for the Internet part of SB 140 be separated out. She spoke about bus driver pay and what her pay should be to keep up with inflation. She thanked members for directing money to student transportation. She asked for an increase to the BSA.

[1:28:16 PM](#)

The committee took an at-ease from 1:28 p.m. to 1:36 p.m.

[1:36:06 PM](#)

JOSH SMITH, representing self, as a member of the military, spoke about a motto to "do more with less" and the consequences of having to do so for extended periods. He related to the situation in public schools, inflation, and teacher attrition. He claimed that the school system in Alaska is "on life support" and the only way to address this situation is by increasing the

BSA - not by \$300 but by over \$1,400. He said teacher bonuses is "a feel-good Band-Aid that does nothing to address the issues." He then questioned why the state would consider changing charter schools from local to state control when the state's charter schools are currently rated among the highest in the nation. He concluded by reiterating his request for the legislature to raise the BSA.

[1:38:27 PM](#)

MIKE COONS, representing self, stated opposition to any increase in the BSA and said he agreed with Commissioner Bishop regarding "strategic funding." He stated support for charter school accountability. He asked the committee to remove the section of the bill addressing the BSA increase and to hold off on Internet increase, since the issue appears to be not well thought out.

[1:40:47 PM](#)

PAUL KELLY, representing self, highlighted that although he is a member of the City & Bureau of Juneau Assembly, he was testifying on his own behalf. He urged the committee to raise the BSA to a minimum of \$1,400 and stated that he is against state controlled charter schools. He explained that the proposed \$300 increase to the BSA "still amounts to a cut" when considering inflation. He talked about the stiff cuts the school board must make and the choice of families to live in communities where there are strong education systems. He added that local leaders know the needs of their communities better than the state can.

[1:42:59 PM](#)

MICHAELA KOLEROK, representing self, said she is a special education teacher. She posited that the \$300 proposed BSA increase is not enough. She spoke about current class sizes in Anchorage. She stressed that the BSA needs to be increased and that the proposed one-time bonus will not help.

[1:45:29 PM](#)

GENE STONE, Superintendent, Lower Yukon School District, spoke of positions cut as a result of budget shortfalls and said rural Alaska is not receiving what was promised. He stated that he supports the \$1,400 BSA increase and asked members to see the urgency in school funding, and he opined that charter schools should remain in local control.

[1:48:50 PM](#)

ED PEKAR, Lower Kuskokwim School District (LKSD), testified in opposition to the proposed House committee substitute to CSSB 140(FIN). He stated that LKSD supports an increase in broadband speed from 25 Megabit to 100 Megabit and the proposed increase to transportation but stated that the proposed \$300 BSA increase is not enough and needs to be \$1,400 in order to keep up with inflation. Further, LKSD supports local control of charter schools, and the proposed lump payment is not a replacement for retirement.

[1:51:17 PM](#)

VICKI CAMPBELL, representing self, as a retired Anchorage School District teacher urged the committee to support an increase of \$1,400 to the BSA. She mentioned the average class size in Alaska schools, highlighting that smaller class size is optimal.

[1:53:43 PM](#)

SUSANNA LITWINIAK, representing self, shared information about the starting wage of para-educators and the extra work placed upon them when others leave. She explained that, with teachers leaving, students are not getting the best education. She pointed out that the lump sum bonus to teachers would not include special education para-educator funding, and she said the minimal increase to the BSA would not be sufficient.

[1:55:55 PM](#)

ALEXANDRA MCGUAN, representing self, as a teacher and parent said she thinks the proposed \$300 increase to the BSA would result in less funding than what was available last year; an increase of at least \$1,400 is necessary. She talked about inflation, cuts to district funding, and the resulting cuts to programs. She stated that the one-time teacher bonus would do nothing to support teacher retention. She highlighted the importance of paraeducators.

[1:58:34 PM](#)

JESSICA VAUDREUIL, representing self, as a homeschool parent and teacher living in a remote location mentioned an allotment of \$2,700 that students already have "from correspondence school."

She opined about current education funding and stressed that communities need school choice.

[2:02:20 PM](#)

MARILYN PILLIFANT, representing self, as a retired teacher of 28 years testified in support of the original SB 140 and in opposition to the House committee substitute version. She spoke to the constitutional requirement to fund schools and indicated that the issues in the proposed HCS should be dealt with separately and with public testimony.

[2:05:12 PM](#)

KAITLYN WOLFE, representing self, testified that the BSA needs to be increased by \$1,400 and without the increase she would lose her position. She added that she does not need a bonus.

[2:07:26 PM](#)

RACHEL LORD, representing self, testified in opposition to SB 140, in its current form. She called for a \$1,400 BSA increase and highlighted inflation in school costs. She shared that the local district is examining cutting programs. She advised that, without creating a welcoming working environment, teachers will leave the state.

[2:09:41 PM](#)

MOLLY HAYES, representing self, stated that she supports a BSA increase and improvement to Internet access to rural schools, but she opined that SB 140 is "missing the mark." She explained that class sizes need to be smaller and teachers need to be retained to advance reading education. She said that a one-time bonus will not fix the crisis.

[2:12:06 PM](#)

ANNA ELLIOT, representing self, as a mother of a child with a disability advised that class size matters in order to meet the Americans With Disabilities Act (ADA) requirements.

[2:13:34 PM](#)

ALLEN STRAH, representing self, stressed that removing local control from charter schools is not the answer. He said flat-funding education has placed Alaska near the bottom of state

education ratings. He opined about commissioner bishop's position on education and disagreed with the idea of doing more with less. He opined that a \$5,000 bonus is not defined compensation package. He stressed that the BSA must be raised by \$1,400.

[2:15:36 PM](#)

BETH SHORT-RHOADS, representing self, called for a \$1,400 BSA increase. She spoke on the importance of public schools and fully funding them. She highlighted the population decline in Alaska and how school funding is connected.

[2:17:37 PM](#)

MICA VANBUSKIRK, representing self, stated that use of one-time funds instead of an increase in the BSA has critically damaged schools. She spoke about the lack of upper-level teachers, counselors, and support staff in Seward. She emphasized that an increase much higher than the proposed \$300 increase to the BSA is needed to meet the need of the schools.

[2:20:14 PM](#)

ANGELA HEAD, representing self, shared that her kids go to the only intensive needs elementary school in the Kenai Peninsula. Regarding comments made previously that money should go directly to support classrooms and to paraprofessionals and counselors, said she is unsure how that could happen without increasing the BSA much higher than the proposed \$300 per student. She spoke about the value of charter schools and asked members to fund schools.

[2:22:36 PM](#)

SUSAN DUNHAM, representing self, as a 37-year educator, spoke about class sizes. She urged members to raise the BSA to the \$1,400 level. She named issues that are not being addressed, including an increase in class size, work load, mental health needs, and deferred maintenance, all of which she opined should be prioritized and addressed through an increase in the BSA.

[2:24:56 PM](#)

RICHARD SAVILLE, Staff, Governor's Council on Disability and Special Education, testified in favor of Sections 11 and 12 of the proposed House committee substitute for CSSB 140(FIN) am.

He talked about the Deaf Children's Bill of Rights and how the sections would help hard of hearing students.

[2:27:25 PM](#)

COLLEEN THORNTON, representing self, spoke about teacher turnover. She said it is a hard case to make to families to come to Alaska if the schools are not supporting families. She said the BSA needs to be \$1,400.

[2:29:23 PM](#)

MONICA WHITMAN, representing self, stated that schools are failing and members should increase the BSA. She spoke against private school vouchers. She asked the committee to fund the Internet expansion.

[2:30:42 PM](#)

LINDSEY BANNING, PhD, representing self, said she is a psychologist and parent, and she urged members to listen to those who have their "boots on the ground," who are asking members to raise the BSA by the recommended \$1,400.

[2:32:31 PM](#)

MARY GEDDES, representing self, said that schools in Alaska once provided a good education, but due to lower funding, that has decreased. She said that increased Internet speeds for rural schools should be legislated separately; the BSA should be raised by the \$1,400 not the \$300; the proposal to end local control of charter schools should be rejected; the lump sum does not address the issue of providing competitive salaries to attract and retain teachers and staff; and lengthier hearings should be scheduled on the several issues that have been rolled into SB 140.

[2:34:52 PM](#)

DUNCAN FISHER, representing self, called the current version of SB 140 a "cynical approach to education funding and public education in general." He said if this were a business, it would be one run into the ground. He concluded, "You get what you pay for; and we're not paying much."

[2:36:01 PM](#)

DANETTE PETERSON, President, Fairbanks Education Association, as an educator and mother, said she supports the section of SB 140 that supports hard of hearing students. She said that local charter school control is already working, and that such schools have capped class sizes. She said she is opposed to teacher bonuses, as education is a team effort between administrators, teachers, and support staff. She stressed school facility struggles and program cuts. She asked for a retirement "that will retain teachers" and an increased BSA.

[2:38:39 PM](#)

ERICA KLUDT-PAINTER, Superintendent, Petersburg School District, stated that SB 140 has become a "word salad." She said that the proposed \$300 BSA increase is inadequate to counteract inflation. She voiced opposition to state controlled charter schools, as well as to the teacher lump sum bonus.

[2:42:12 PM](#)

DOUG VEIT, representing self, expressed dismay that some legislators do not want to support education "in any significant, meaningful way." He talked about full funding.

[2:44:01 PM](#)

ERICA ARNOLD, representing self, as a teacher in and graduate of the public school system called for a \$1,400 BSA increase and spoke against the proposed state charter school control section of SB 140, positing that the latter would result in opening the door to more unaccountable charters and local correspondence schools outside local school districts.

[2:45:36 PM](#)

CHARLENE BROWN, representing self, noted she is a parent and educator within the Delta Greely Educational Support Professional Association. She shared that the district is being affected by the current lack of education funding. She said she supports "the significant increase" in the BSA and commented on inflation being at an all-time high. She spoke against state charter school control.

[2:47:46 PM](#)

DAVID BOYLE, representing self, stated that there needs to be focus on results, not budgets. He explained the Anchorage

School District budget and the changing student population. He voiced support for state control of charter schools. He stated that districts are blaming inflation but used COVID-19 relief money for payments. He asked members to consider Starlink Internet for schools.

[2:50:14 PM](#)

EARL KRYGIER, representing self, urged members to increase the BSA. He spoke against state controlled charter schools. He advocated for a defined benefits retirement system for teachers.

[2:51:49 PM](#)

TERRIE GOTTSTEIN, representing self, opined on the veto of last year's proposed \$680 BSA increase. She urged members to provide a meaningful increase to the BSA. She spoke against state controlled charter schools.

[2:53:56 PM](#)

CAROLINE STORM, Executive Director, Coalition for Education Equity, asked members to acknowledge today's testimony. She spoke in favor of a BSA increase and explained what the local district is facing with its budget. She advocated against state controlled charter schools. She asked members to consider an earlier version of SB 140.

[2:56:28 PM](#)

LISA VILLANO, representing self, as an educator shared about staffing challenges in the Fairbanks North Star Borough School District. She urged members to consider raising the BSA by at least \$680.

[2:58:41 PM](#)

LUANN MCVEY, representing self, as a retired teacher, testified in opposition to the proposed HCS CSSB 140. She said that without adequate education funding and increase in the BSA of at least \$1,400, teachers and families will have to leave the state. She said she does not support one-time teacher bonuses and said they will not solve the matter.

[3:00:20 PM](#)

ROY GETCHELL, Superintendent, Haines Borough School District, noted that he also serves as the president of the Alaska Superintendent's Association and the Alaska Council of School Administrators. He said there are components of SB 140 that he agrees with while others require further conversation and research. The heart of SB 140 is about providing rural Internet. He said rural students learn in classrooms with Internet speeds comparable to third-world countries. He said he looked forward to working with the legislature on "other important components of this bill in the future."

[3:02:21 PM](#)

SANDRA BARRON, representing self, as a teacher spoke about the need for an increase in the BSA, which is the lowest it has been in two decades. She highlighted job vacancies across the state. She said a one-time teacher bonus would not solve the problem, and she called for an increase of about \$1,400 to the BSA.

[3:04:46 PM](#)

MICHAEL PATTERSON, representing self, as a father of three children in various forms of school systems said SB 140 would undermine education in Alaska. He said he is for fully funding the BSA. He asked members to increase the BSA and provide retirement. He called for matters in the bill to be separated, indicating that the issues of hard of hearing students and lack of Internet are being bludgeoned within SB 140.

[3:07:21 PM](#)

ROD MORRISON, Superintendent, Southeast Island School District, said he is in support of the transportation-related increase and an increase of \$1,413 to the BSA. He said the lump sum payments need to be paid out not just to teachers but also to all support staff and paraeducators. He talked about the lack of support staff in his district and the reduction of positions to part-time due to lack of funds. He shared that his daughter is an educator, who left the state because of the lack of retirement support in Alaska.

[3:09:28 PM](#)

PHYLLIS CLOUGH, representing self, as an Alaska Native and dedicated employee of the Kodiak Island Borough School District emphasized the critical need to raise the BSA. She explained

that the under-funding of education has affected rural education and the future of Alaska children.

[3:11:02 PM](#)

SARAH BREWER, representing self, as a mother and certified substitute teacher testified in opposition to the current version of SB 140 and in favor of a large BSA increase. She said the teacher lump sum payment would not recruit and retain teachers and would leave out paraeducators and many other support staff. She asked the legislature to look for a long-term solution to support students and teachers, noting that districts on the road system are losing 20 percent of their teachers and 10 percent of their administrators annually. She shared figures related to the loss of teachers.

[3:13:26 PM](#)

KYLE SCHNEIDER, representing self, as a 16-year veteran teacher said that while he is in favor of the transportation and Internet portions of the bill, he is appalled at the proposed changes in the House committee substitute. He asked the committee to respect local control of charter schools, restore the BSA increase at or above the \$1,413 increase recommended by the Alaska Association of School Boards. He encouraged the legislature to fund primary, secondary, and post-secondary education in Alaska in perpetuity.

[3:15:10 PM](#)

CHAIR C. JOHNSON, after ascertaining there was no one else who wished to testify, closed public testimony on SB 140.

[3:15:21 PM](#)

The committee took an at-ease from 3:15 p.m. to 3:48 p.m.

[3:48:13 PM](#)

CHAIR C. JOHNSON thanked those who provided public testimony and invited amendments.

[3:48:45 PM](#)

REPRESENTATIVE SUMNER moved to adopt Amendment 1, labeled 33-LS0687\D.4, Marx/Bergerud, 1/17/24, which read:

Page 12, lines 21 - 23:

Delete all material and insert:

"the ADM of the correspondence program by the special needs factor in AS 14.17.420(a)(1) [90 PERCENT]."

CHAIR C. JOHNSON objected for the purpose of discussion.

REPRESENTATIVE SUMNER noted that under the current HCS, funding for correspondence students would be limited under state law to 90 percent of what it would be for non-correspondence students. He explained that Amendment 1 would provide the same amount of funding for correspondence students, thereby providing parity in education funding.

[3:49:31 PM](#)

REPRESENTATIVE ALLARD said Amendment 1 would fund correspondence students at the same level as students attending brick-and-mortar schools. This is fair and timely, she added, because correspondence students are no different if increases in education funding are being supported.

[3:50:42 PM](#)

CHAIR C. JOHNSON removed his objection to Amendment 1. There being no further objection, Amendment 1 was adopted.

[3:50:57 PM](#)

REPRESENTATIVE SUMNER moved to adopt Amendment 2, labeled 33-LS0687\D.6, Bergerud, 1/18/24, which read:

Page 1, following line 12:

Insert a new bill section to read:

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

Sec. 14.03.076. Civics curriculum and assessment requirement. (a) The board shall develop and periodically review a statewide civics education curriculum and assessment that are based on the civics portion of the naturalization examination used by the United States Citizenship and Immigration Services of the Department of Homeland Security and primary source documents. The curriculum and assessment must also include systems of government used by Alaska Natives. A district may use the curriculum to educate students in civics.

(b) A school may not issue a secondary school diploma to a student unless the student

(1) has completed one semester of a civics education course taught using the curriculum developed under (a) of this section;

(2) has achieved a passing score on the civics assessment developed under (a) of this section; or

(3) is a student with a disability and receives a waiver from the governing body.

(c) If a student has achieved a passing score on the civics assessment developed under (a) of this section, the school shall document on the student's transcript that the student achieved a passing score. A student may retake the assessment as needed to achieve a passing score.

(d) In this section, "passing score" means a student correctly answers 70 percent or more of the questions."

Page 2, line 1:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 18, lines 20 - 21:

Delete "secs. 3 and 6"

Insert "secs. 4 and 7"

Page 18, line 24:

Delete "Section 5"

Insert "Section 6"

Page 18, line 26:

Delete "Section 16"

Insert "Section 17"

Page 18, line 27:

Delete "secs. 18 and 19"

Insert "secs. 19 and 20"

CHAIR C. JOHNSON objected for the purpose of discussion.

REPRESENTATIVE SUMNER explained that Amendment 2 would insert the language of the other body's president, thereby providing civics curriculum. He shared his own experience in civics

education and said civics education is important for young folks about to exercise their franchise in voting.

[3:52:30 PM](#)

REPRESENTATIVE SCHRAGE shared his experience in civics education and stated he would not oppose Amendment 2 because he appreciates the value of civics education. He expressed his worry, however, that this adds another state requirement to local schools without providing the funding necessary to carry it out since the increase in BSA outlined in the bill is actually a cut in this year's total education funding as compared to last year's.

[3:54:38 PM](#)

REPRESENTATIVE FIELDS voiced his support of Amendment 2 and civics education. He noted that he would hesitate to support the amendment if education funding were not being increased.

[3:55:35 PM](#)

CHAIR C. JOHNSON said he supports Amendment 2 because it is good policy and because he believes in what it does. He removed his objection to the amendment. There being no further objection, Amendment 2 was adopted.

[3:56:16 PM](#)

REPRESENTATIVE SCHRAGE moved to adopt Amendment 3, labeled 33-LS0687\D.14, Marx/Bergerud, 1/19/24, which read:

Page 1, lines 3 - 4:

Delete "**relating to charter schools;**"

Page 2, line 27, through page 3, line 3:

Delete all material.

Renumber the following bill sections accordingly.

Page 8, line 27, through page 10, line 1:

Delete all material.

Renumber the following bill sections accordingly.

Page 18, lines 17 - 22:

Delete all material.

Renumber the following bill sections accordingly.

Page 18, line 24:

Delete "Section 5"

Insert "Section 4"

Page 18, line 26:

Delete all material.

Renumber the following bill section accordingly.

Page 18, line 27:

Delete "secs. 18 and 19"

Insert "sec. 15"

CHAIR C. JOHNSON objected for the purpose of discussion.

REPRESENTATIVE SCHRAGE explained that Amendment 3 deals with the state control of charter schools and removes the following: the charter school language in the bill title; Section 3, which includes language giving the State Board of Education authority to approve charter schools and establish regulations to do so; language requiring local school boards to operate charter schools approved by the board; Section 6, which includes language requiring the State Board of Education to establish regulations regarding implementation and approval of charter schools; Section 16, which establishes transition language for the State Board of Education to establish and adopt regulations necessary to implement the changes in Section 3 and Section 6; and the effective date of Section 16.

REPRESENTATIVE SCHRAGE continued his explanation of Amendment 3. He said the bill would have the state take over the authorization of charter schools, thereby taking away local control and putting control into the hands of a board that is not elected and that serves at the sole discretion of the governor. Government functions best when the government is most closely aligned with the people, he opined, especially given the diversity of needs in Alaska's expansive geographic regions. He offered his understanding that charter schools are neither required to provide transportation to their students nor to take special education students. He expressed concern that removing local input would make the entire system less responsive to the needs of the people in local communities.

[3:59:38 PM](#)

REPRESENTATIVE FIELDS voiced his support of Amendment 3. He said Alaska has public school choice right now, which a study cited by the governor has lauded as highly effective. The only question in this bill, he continued, was whether accountability is had only at the state level or at both the local and state level. Alaska's status quo of accountability at the local level and state level, he opined, is the better model. As an example of accountability at the local level, he related the actions taken by the Anchorage School Board regarding Family Partnership, a local charter school.

[4:01:09 PM](#)

COMMISSIONER BISHOP spoke to Amendment 3. She noted that Family Partnership is no longer a charter school because [the local school board] removed the charter. She referred to the public testimony of a witness earlier in the hearing and said the state board presently doesn't have insight into how many parents and educators at the local level have come forward with ideas that were not heard. The evidence is through statewide charters, she stated, and this supports a state authorization. Presently there is a state authorization, she continued, and this would expand it.

[4:03:13 PM](#)

REPRESENTATIVE SCHRAGE said public testimony brought up that it is unknown how many charter applications are being denied by local school boards. He offered his understanding that this is part of the rationale for removing all local control and putting it into the hands of the governor. He asked why, rather than taking such a heavy-handed approach, it could not instead be mandated that local school boards notify DEED when a charter application is denied and appeal that decision.

COMMISSIONER BISHOP responded that the bill does not take away local control, rather it adds another avenue to what the state already has by providing for appeal at a higher level. There aren't many charter schools, she said, because Alaska's high standards make doing the paperwork for creating a charter school difficult. Those high standards were set by the State Board of Education and are in legislation, she added.

REPRESENTATIVE SCHRAGE stated he is unsure how school boards still have local control if the bill passes as currently

written. He asked about assurances that DEED would be able to adequately approve and manage charter schools.

COMMISSIONER BISHOP replied that the districts would continue to approve charter schools because that provision would not be removed. She said it would be another streamlined avenue to have a charter school with the same rules. She related that the State Board of Education operates Mt. Edgecumbe, which has its own operations board, which is overseen by the State Board of Education. That same provision is written into the law for charter schools, she continued, and she sees the State Board of Education doing that because there are already people in the department doing that for charter schools now.

[4:08:53 PM](#)

REPRESENTATIVE ALLARD requested clarification regarding local government control of charter schools.

COMMISSIONER BISHOP clarified that a local school district can add information when a charter is being written, but the application must meet State of Alaska law. She explained that while charters turn in their budgets to the local school districts, the Academic Policy Committee runs them. Bringing forward charter schools at the local level would still exist, she continued, and the bill just would add another streamlined approach.

REPRESENTATIVE ALLARD offered her understanding that Dr. Bishop was saying that local taxpayer funded charter schools would be able to request help in doing charters from their local school boards, and therefore the public's concerns that local school districts would be undermined by the state board are inaccurate. Currently there is not an appeal process in Alaska for charter schools, she continued, as is illustrated by a letter she received from DEED last year which said that Family Partnership in Anchorage could not appeal the process and the charter school was shut down. The reason for interfering with charter schools, Representative Allard said, is because the largest charter school in Alaska was shut down. She related that Article VII of the Alaska State Constitution assigns the legislature the responsibility of maintaining a system of public education. Therefore, she maintained, opposing the state board's potential new role in addition to the local school districts is misguided. [The bill] would allow charter schools to come straight up to DEED, she said, giving incentive to local school districts to

work with the charter schools and the parents of the public charter schools.

4:13:40 PM

REPRESENTATIVE FIELDS read aloud from a news article to support his statement about Family Partnership, its shutdown, and the following of state law.

4:14:22 PM

REPRESENTATIVE SCHRAGE requested clarification on whether there is or is not currently an appeal process in law.

COMMISSIONER BISHOP offered her belief that two different appeal processes have been discussed. She pointed out that there is an appeal process for the local level if one is turned down, but there is not an appeal process when the local school district takes away a charter. She said the question was whether Family Partnership was a charter school in Alaska. It is no longer a charter school in Alaska, she continued, it is a correspondence school in the Anchorage School District. A charter, she explained, is a separate contract with a state or local board that allows for the flexibility of up to 50 percent of the curriculum, hiring, or leadership. Alaska statutes call for certified teachers, she noted.

REPRESENTATIVE SCHRAGE maintained that this is a very big policy change. He asked whether Family Partnership Charter School was in violation of either state or local laws with respect to the administration of education and the expenditure of funds.

COMMISSIONER BISHOP replied that during her tenure at the Anchorage School District, she did not find the school to be so. There is now a court case, she noted, that will determine this question.

REPRESENTATIVE SCHRAGE agreed a court case is underway and said there is concern over Family Partnership's expenditures.

COMMISSIONER BISHOP concurred that this is true. Other charter schools and other district schools, she shared, have had almost identical policies as this, so this is a larger issue than a charter school issue.

REPRESENTATIVE SCHRAGE asked whether the local municipality or school district would be obligated or mandated to fund a charter

school should SB 140 pass as proposed and DEED were to approve charter schools without local input.

COMMISSIONER BISHOP responded that she doesn't have an answer right now because that would probably be demonstrated through some type of regulation. She said that presently when a student resides in one district but goes to a public school in another district, that student's residential district doesn't contribute to that child's education in the other school district.

REPRESENTATIVE SCHRAGE posed a scenario in which a student attends a charter school in the same district as that student's neighborhood public school. He asked whether the local school district would be obligated to fund the student's attendance at the charter school.

COMMISSIONER BISHOP replied that she doesn't know right now because the bill hasn't passed.

REPRESENTATIVE SCHRAGE asserted that knowing the answer is important because financial ramifications on school districts could be severe.

[4:19:28 PM](#)

REPRESENTATIVE FIELDS related that in Arizona, 75 percent of the students in programs [like this proposal of state approved charter schools] were previously enrolled in private school. It's a private school suddenly getting public money, he argued, which it appears this is designed to do, and which results in a state agency forcing a local government to spend more money. This unresolved question, he said, could have huge ramifications for local taxpayers and could affect the resources for actual public school students.

COMMISSIONER BISHOP responded that local taxpayers support their own children, so that decision would be made at the local level.

CHAIR C. JOHNSON cautioned that the legislature's job is to pass legislation if something is wrong and not to adjudicate legislation. To do something because it might be adjudicated, he said, is beyond the purview of what the legislature should be doing.

[4:22:10 PM](#)

REPRESENTATIVE SCHRAGE maintained that legislators have an obligation to research the work that is before them and think through the financial consequences of legislation. He offered his understanding that charter schools have exceptionally high rates of students opting out of state testing and proficiency testing. He expressed his concern that there isn't enough data in this regard and that the data is incomplete.

COMMISSIONER BISHOP answered that DEED collects data on test participation, which she will send to the committee, but in her experience charter schools haven't been "opter outers." Other schools may have a percentage of students opting out, especially at the upper grade levels, she related, but opting out of taking an assessment is allowable by law.

REPRESENTATIVE SCHRAGE said he would appreciate receiving the data. He stated he wouldn't want to see the legislature substantially increase funding and opportunities for charter schools without seeing the same level of accountability that is expected from Alaska's traditional public schools.

[4:26:09 PM](#)

REPRESENTATIVE ALLARD asked why the leadership within the school districts or government officials hate public charter schools.

CHAIR C. JOHNSON ruled the question out of order.

CHAIR C. JOHNSON removed his objection to Amendment 3.

[REPRESENTATIVE TILTON objected to Amendment 3.]

[4:27:07 PM](#)

A roll call vote was taken. Representatives Fields and Schrage voted in favor of Amendment 3. Representatives Allard, Sumner, Shaw, Tilton, and C. Johnson voted against it. Therefore, Amendment 3 failed by a vote of 2-5.

[4:28:06 PM](#)

The committee took a brief at-ease.

[4:28:34 PM](#)

REPRESENTATIVE SCHRAGE moved to adopt Amendment 4, labeled 33-LS0687\D.18, Bergerud, 1/19/24, which read:

Page 12, line 25:
Delete "\$6,260"
Insert "\$7,373"

CHAIR C. JOHNSON objected for the purpose of discussion.

REPRESENTATIVE SCHRAGE explained that Amendment 4 would change the BSA increase included in the proposed HCS to the amount requested by the Anchorage School District and the Association of School Boards, which is an increase of \$1,413 per student. He expressed his concern about the decline in state support [over the years] and pointed out that the Alaska State Constitution mandates maintaining a system of education that provides opportunities to every student. He said the \$300 increase currently proposed under the bill is an increase to the BSA, but in aggregate it is a 5 percent cut in public education funds, coming after years of inflation.

[4:32:56 PM](#)

REPRESENTATIVE FIELDS stated that everyone is now living in a global market for labor, goods, and services, and public schools are the number one influence on whether families come to Alaska. He opined that Alaska cannot grow if it isn't retaining working age families or developing its workforce which starts with schools. He outlined some of the proposed cuts in the Anchorage School District and said they will further increase class size in the district and further reduce materials for students, such as laptops. Under the funding offered in the [proposed HCS], he charged, class size would grow and Alaska would fall even further from meeting its constitutional mandate. He voiced his support for Amendment 3 and his hope for a higher BSA on the floor.

[4:39:54 PM](#)

CHAIR C. JOHNSON specified that the previous \$680 increase was one-time funding, while the proposed increase of \$300 in the HCS is permanent. It has been one-time money for the last six years, he said, so this is the first substantive increase in permanent money that the schools know they will have each year, which has value. He withdrew his objection to Amendment 4.

[AN UNIDENTIFIED COMMITTEE MEMBER] objected to Amendment 4.

[4:42:04 PM](#)

A roll call vote was taken. Representatives Fields and Schrage voted in favor of Amendment 4. Representatives Tilton, Allard, Sumner, Shaw, and C. Johnson voted against it. Therefore, Amendment 4 failed by a vote of 2-5.

[4:42:56 PM](#)

CHAIR C. JOHNSON moved to adopt Amendment 5, labeled 33-LS0687\D.19, Bergerud, 1/19/14, which read:

Page 1, line 10, following "**incentives;**":
Insert "**relating to reports regarding education;**"

Page 6, line 11, following "**AS 14.03.120(m)**":
Insert "**i**
(21) conduct a financial audit on at least four randomly selected school districts each fiscal year"

Page 8, line 26, following "**AS 14.03.120(m)**":
Insert "**i**
(19) conduct a financial audit on at least four randomly selected school districts each fiscal year"

Page 18, following line 16:
Insert a new bill section to read:
"*** Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to read:
REPORT TO LEGISLATURE. Before the first day of the First Regular Session of the Thirty-Fourth Alaska State Legislature, the senate and house education committees shall jointly prepare a report, deliver a copy of the report to the senate secretary and the chief clerk of the house of representatives, and notify the legislature that the report is available. The report shall contain
(1) recommendations for any change to public school foundation funding the department supports;
(2) a survey of each school district's curriculum, programs, and services and an explanation of whether there is any duplication of the curriculum, programs, and services within the district;

(3) a definition of "accountability" as that term applies to measuring school and student performance; and

(4) recommended metrics for determining school and student performance other than the standardized testing that is currently used."

Renumber the following bill sections accordingly.

Page 18, line 26:

Delete "Section 16"

Insert "Section 17"

Page 18, line 27:

Delete "secs. 18 and 19"

Insert "secs. 19 and 20"

REPRESENTATIVE ALLARD objected to Amendment 5.

[4:43:16 PM](#)

TOM WRIGHT, Staff, Representative Craig Johnson, Alaska State Legislature, on behalf of Representative C. Johnson, explained that Amendment 5 would require DEED to conduct a financial audit of at least four randomly selected school districts each year. He stated that Amendment 5 would help resolve the accounting problems that some schools have had recently if those problems are caught early enough. The second part of [Amendment 5], he continued, would require that the [Senate] and House Standing Education Committees jointly prepare and deliver a report to the respective presiding officers and chief clerk. The report, he specified, shall contain recommendations for any changes to public school funding that DEED may support; a survey of each school district's curriculum, programs, and services; and an explanation of whether there is duplication of the curriculum, programs, and services within the district. He further specified that the report would contain a definition of accountability as the term applies to measuring school and student performance and would contain recommended metrics for determining school and student performance other than the currently used standardized testing.

[4:44:38 PM](#)

REPRESENTATIVE SCHRAGE asked why Amendment 5 is necessary on top of the annual financial statements and mandated audit procedures that municipalities and school boards must already prepare.

MR. WRIGHT answered that incidents of inaccurate accounting have occurred, so Amendment 5 would help ensure that it is known what school districts are spending and receiving. He deferred to Commissioner Bishop to explain further.

[4:45:50 PM](#)

COMMISSIONER BISHOP recounted that last year it was a surprise when a school district with over \$300 million in fund balance was broke, so legislation was passed for a fund balance request. She pointed out that a fund balance is one moment in time, yet the numbers are dynamic because school districts vary in when they provide funds to their schools. This [proposed] audit procedure, she stated, would allow [the legislature's] questions to be better answered because there is already the legislation for fund balance as of December 1. [Under this proposal], she continued, [legislators] would get the schools' prior submitted budgets on July 1, and then legislators would also have the actual budgets of districts that are their audited numbers as well as their corrected budgets. The random selection of school districts, she added, would identify which school districts are struggling with funds and which are more fluid, and would give the insight that was intended with [the passage of] last year's fund balance request.

REPRESENTATIVE SCHRAGE asked whether Commissioner Bishop is saying that duplicative audits are needed so the legislature can get updated fund balances at a different timing.

COMMISSIONER BISHOP responded no. She re-explained that the information being sought at an individual point in time might not provide [legislators] with the needed information. For example, she said, it was brought up that a school district had all those things yet there was an issue with accounting. She offered her belief that the proposed process would not be a duplicative process, but rather a comprehensive process of a complex issue of school funding.

REPRESENTATIVE SCHRAGE offered his understanding that the above-referenced school district found the financial issues through its own audit, which was then reported to the public and the State of Alaska.

COMMISSIONER BISHOP replied yes, the Juneau School District. She clarified, however, that she was speaking to the broader sense of an additional reason. She recounted that last year

when the funding was passed, a report was due to provide additional information to legislators about school districts and their funding, and this would assist with that.

[4:49:51 PM](#)

REPRESENTATIVE ALLARD asked whether Commissioner Bishop believes that had these [proposed] audit checks and balances previously been in place, that could have prevented some of the issues that have arisen, such as those with the Juneau School District.

COMMISSIONER BISHOP responded that she isn't definite that something could have been prevented, rather she would say that collectively a broader sense of insight could be given to answer the questions that the legislature asks school districts and how the districts are run. Transparency is a good thing to demonstrate need, she stated.

[4:50:48 PM](#)

REPRESENTATIVE SCHRAGE noted that audits are costly and work intensive for those administering the audit as well as those under audit. He further noted that those conducting such audits use a risk driven approach and that audits don't always catch financial misstatements. He requested the commissioner's thoughts on whether more than four school districts should be randomly selected. He further asked whether it is correct that this same situation could occur even with audits.

COMMISSIONER BISHOP agreed that that is correct but specified that it could happen within a single point in time and hence a secondary or broader look over time would be beneficial and would help everyone in understanding where input should be.

[4:53:14 PM](#)

MR. WRIGHT pointed out that the amendment's language specifies "at least four randomly selected school districts" and that it would be subject to appropriation by the legislature as to the number of schools that would be audited.

REPRESENTATIVE SCHRAGE asked about the rationale in choosing a costly audit as a solution for fund balance and financial information from school districts versus statutorily requiring more regular reporting. He further questioned choosing only four school districts versus every district to ensure that everything is on the up-and-up.

CHAIR C. JOHNSON offered his belief that the threat of possibly being audited by the Internal Revenue Service (IRS) keeps many people in line. He said he doesn't want to go through costly annual audits of every school because [with random selection] a school is going to get audited at some point and that will cause the schools to look closely at their work and do the right thing. An audit, he continued, can show whether there are deficiencies, thereby providing a clearer path towards funding and ensuring that the schools are performing properly and doing what they say they are doing.

[4:57:57 PM](#)

REPRESENTATIVE FIELDS stated that the intent is good to help legislators and citizens understand flow balances throughout the year. He said that when [a school district] has uncertain funding it must hold more money in reserves; therefore, he agrees with Chair C. Johnson's earlier comment about the importance of a permanent increase so that districts can hold less in reserves. He related that people in Anchorage tell him they want more money in the classroom relative to administration. He said he therefore opposes Amendment 5 because he is concerned it would create more staff work. He expressed his hope that a different way of information sharing can be found without increasing the "administrative head count at the districts."

[4:59:21 PM](#)

REPRESENTATIVE SCHRAGE argued that the school districts are already required to do audits yearly, so the threat of someone coming "to count the beads" already exists, making this proposal a duplicative expense that could burden school districts. Highlighting Section 16 of Amendment 5, he asked about the mechanism and enforceability involved with the requirement for future Senate and House Education Standing Committees to jointly prepare annual reports.

CHAIR C. JOHNSON answered that no legislature can encumber another one, so anything done by [this legislature] could be removed in statute. The purpose of Amendment 5, he explained, is to establish financial accountability to the districts. It sets up a framework, he continued, that could also look at student accountability. He said enforceability would be up to those who want to have the information.

REPRESENTATIVE SCHRAGE suggested that it would be appropriate for DEED to take this on rather than having the House and Senate Education Standing Committees prepare a joint report and recommendations.

CHAIR C. JOHNSON replied that when the legislature is trying to find out things, it is best if the legislature does that itself. The legislature is the policymaker, he continued, and policy should be based on information gathered by the legislature using other sources and then putting the legislature's stamp on it.

REPRESENTATIVE SCHRAGE commented that the public has a lot of doubt on whether the legislature is best to handle that.

CHAIR C. JOHNSON responded that his goal is to be transparent in the hope that trust can be renewed.

MR. WRIGHT noted that originally DEED did do these duties but after consulting with the co-chairs of the House Education Standing Committee, [the co-chairs] felt it would be better if [the committee] undertook that test itself.

[5:04:53 PM](#)

REPRESENTATIVE ALLARD commented that her district is excited about her being co-chair of the House Education Standing Committee and excited about Amendment 5. If future legislators decide to change that statute, she continued, then that would be on them.

CHAIR C. JOHNSON removed his objection. [Representative Allard originally objected to Amendment 5.]

[REPRESENTATIVE SCHRAGE objected to Amendment 5.]

[5:05:23 PM](#)

A roll call vote was taken. Representatives Tilton, Allard, Sumner, Shaw, and C. Johnson voted in favor of Amendment 5. Representatives Fields and Schrage voted against it. Therefore Amendment 5 was adopted by a vote of 5-2.

CHAIR C. JOHNSON announced that Amendment 6 would not be offered.

CHAIR C. JOHNSON requested DEED to explain the bill's fiscal notes.

5:07:41 PM

LAUREL SHOOP, Legislative Liaison & Special Assistant to the Commissioner, Office of the Commissioner, Department of Education and Early Development, reviewed DEED's fiscal note for the Broadband Assistance Grants (BAG) Program Allocation [OMB Component Number 3004], one of DEED's seven fiscal notes for SB 140. She noted that SB 140 would amend AS 14.03.127, which provides authority to DEED to provide state funded grants to schools for the purpose of increasing their Internet download speeds to 25 megabits per second. She explained that the BAG Program was created by the Alaska State Legislature in 2014 to provide additional state assistance to the federal funding that helped schools to increase their Internet download speed to a maximum of 10 megabits per second. In 2020, she continued, the legislature amended the statute to a maximum of 25 megabits per second under the BAG Program. She specified that SB 140 would amend the maximum download speed allowable under the BAG Program to 100 megabits per second.

MS. SHOOP related that the legislature appropriated \$6.6 million to the BAG Program for FY 23 to provide state funded grants to 151 eligible schools to apply to the program to reach that maximum download speed of 25 megabits per second, and for FY 24 the legislature appropriated \$6.7 million to provide state funded grants to 136 eligible schools to reach Internet download speeds of 25 megabits per second. She said DEED sought input regarding total projected funding needs for schools to increase their Internet download speeds from 25 megabits to 100 megabits per second, but the information received by DEED was limited. She further said that it is unknown how many newly eligible schools will apply for the BAG Program if the funding cap is increased to allow download speeds of up to 100 megabits per second. The \$39.4 million fiscal note, she continued, reflects DEED's understanding of the potential impact to the department should the maximum download speed be raised to 100 megabits per second when more newly eligible schools apply for the BAG Program. Additionally, she said, DEED would require 1.5 percent for indirect rate adjustment for administration of the program, which would continue to be used to process grant applications and award funding to schools.

5:11:30 PM

HEIDI TESHNER, Policy Advisor, Office of Management and Budget (OMB), Office of the Governor, reviewed six of DEED's seven

fiscal notes for SB 140. She stated that the fiscal note for the Foundation Program Allocation, OMB Component Number 141, addresses both the correspondence program funding and the BSA increase. Changes to the Correspondence Program funding are in Section 9 of the bill, she stated, and applying the special needs factor of 1.20 to the 90 percent multiplier for the program's average daily membership increases projected state aid by \$23.5 million in FY 25. Section 10 of the bill, she said, increases the BSA by \$300 from \$5,960 to \$6,260. She specified that, combined with the special needs increase, state aid is projected to increase in FY 25 by \$78.2 million. The total combined for the Foundation Program for these two changes, Ms. Teshner continued, is \$101.7 million. She explained that the fiscal note is \$0 because the funding mechanism is a general fund transfer to the Public Education Fund (PEF), so a separate fiscal note shows the capitalization of the PEF.

MS. TESHNER drew attention to the fiscal note for the Pupil Transportation Allocation, OMB Component Number 144, and related that Section 7 of the bill increases the per student amounts under AS 14.09.010. She explained that DEED used the FY 25 projected brick and mortar average daily membership multiplied by the per student increases proposed in the bill, resulting in a projected increase of \$77.8 million for FY 25. She conveyed that this fiscal note is also zero because it is a general fund transfer to the PEF.

MS. TESHNER discussed the fiscal note for capitalizing the Public Education Fund Allocation, OMB Component Number 2804. She brought attention to page 3 of the fiscal note showing the increases for both the pupil transportation and the foundation programs by district.

MS. TESHNER reviewed the fiscal note for the Mt. Edgecumbe High School Allocation, OMB Component Number 1060. She pointed out that Mt. Edgecumbe is a division of DEED and therefore the high school's funding for the Foundation Program is considered interagency receipt authority. The increase to the BSA requires a budgeted increase of \$218,000 to Mt. Edgecumbe's interagency receipts, she explained, so the fiscal note reflects that increase in budgeted interagency receipts.

MS. TESHNER specified that the fiscal note for Residential Schools Program Allocation, OMB Component Number 148, addresses the increases to the regional per student monthly stipend amounts as outlined in Section 8 of the bill. She said the current projected FY 25 residential school funding would

increase from \$8.4 million to about \$12.4 million for the five regions in Alaska. She noted that there are nine residential school programs within Alaska's eight school districts.

MS. TESHNER spoke to the fiscal note for the Student and School Achievement Allocation, OMB Component Number 2796, which addresses the School for the Deaf and Hard of Hearing, the Teacher/Educator Lump Sum Grants, the State Board of Education (SBOE) Charter School Establishment Authority, and the Post-High School Data Dashboard and Collaboration with the Department of Labor and Workforce Development (DLWD). She outlined the cost details for each of these programs as written on pages 2-3 of the fiscal note.

MS. TESHNER concluded her review of DEED's fiscal notes by stating that the total for all seven fiscal notes for FY 25 is projected to be a cost of \$211 million.

[5:19:39 PM](#)

REPRESENTATIVE SCHRAGE asked which fiscal notes have been scrutinized by either the House or Senate Finance Committees.

MS. TESHNER offered her belief that most have gone through some kind of committee process.

REPRESENTATIVE SCHRAGE noted that several proposals and amendments have been entered into [CSSB 140(FIN)] through the committee substitute process. He inquired about the extent to which the new fiscal notes have been scrutinized by either body's finance committees.

[5:20:55 PM](#)

The committee took an at-ease 5:20 p.m. to 5:26 p.m.

[5:26:54 PM](#)

CHAIR C. JOHNSON reiterated Representative Schrage's question. He stated that it is more standard process to pass the bill without scrutiny of the finance committee.

MS. TESHNER responded that a bill regarding the charter school application and state board establishment is before the House Special Committee on Ways & Means, and therefore that [fiscal note] has not yet gone through [the House Finance Committee]. Responding further to Representative Schrage, she said the

fiscal notes that have not gone through a finance committee are the charter school provision under the Student and School Achievement [Allocation], OMB Component Number 2796; the BSA increase of \$300 under the Public Education Fund Allocation, OMB Component Number 2804, which capitalizes the PEF; and the teacher educator lump sum under the Student and School Achievement Allocation, OMB Component Number 2796. The fiscal notes for all other pieces of the bill, she continued, have gone through a finance committee.

REPRESENTATIVE SCHRAGE opined that he has a duty to his constituents to ensure that legislation moved forward by the legislature is properly vetted and the financial consequences understood. He allowed that bills are commonly passed on the floor that have had amendments for which no fiscal notes were produced but said those amendments are typically smaller in scope. The reason for the prohibition on amending entire bills into another bill on the floor, he stated, is because oftentimes those can have huge fiscal impacts. He pointed out that since SB 140 is a Senate bill, there is no further opportunity for the Senate Finance Committee to scrutinize any changes made in the House, and since the House Rules Standing Committee is the final stop before the floor, there will be no opportunity for the House Finance Committee to scrutinize these numbers either. Therefore, he continued, this is probably the only opportunity to ensure an understanding of these financial consequences.

[5:30:51 PM](#)

REPRESENTATIVE SCHRAGE inquired as to how the fiscal note for the Broadband Assistance Grants (BAG) Program Allocation, [OMB Component Number 3004], was calculated.

MS. SHOOP answered that about \$6.7 million was appropriated by the legislature in 2024. [This] fiscal note, she said, reflects the original fiscal note submitted by DEED to the Senate Finance Committee, but it was not accepted. The department cannot prognosticate precisely how many schools will apply and be eligible for the grant program should the current cap of 25 megabits be increased to 100 megabits per second, she stated, but DEED's calculation was based on potentially bringing on a lot more schools. The feedback DEED received from Internet service providers, she further stated, was that there was not sufficient information to make a precise fiscal determination. She advised that OMB director Lacey Sanders helped develop this fiscal note during the last legislative session and DEED continues to be confident in those approximate numbers.

REPRESENTATIVE SCHRAGE asked whether there is a fiscal note in the current bill version for administration of the charter school component.

MS. TESHNER replied that that is within the fiscal note for Student and School Achievement Allocation, OMB Component Number 2796, which includes four aspects of the bill. She pointed out that DEED is projecting a one-time legal service cost of \$6,000 to develop the regulations.

[5:33:56 PM](#)

CHAIR C. JOHNSON urged Representative Schrage to ask his own questions rather than using his electronic device to ask questions from other places.

REPRESENTATIVE SCHRAGE responded that these fiscal notes have not been vetted and the typical process is that these would come before a finance committee and stakeholders from the community would be invited. Responding further to the chair, he expressed his hope that there be uniform rules across all committees moving forward such that outside input is not allowed into the committee process.

CHAIR C. JOHNSON stated he can only speak about his committee.

REPRESENTATIVE SCHRAGE inquired about the financial impacts of requiring at least four audits per year of randomly selected school districts, given that audits are expensive for both those administering the audits and those under audit.

[5:35:46 PM](#)

MS. TESHNER responded that since the amendments were just discussed today, neither DEED nor OMB have had a chance to determine what that would be.

CHAIR C. JOHNSON stated he will do his best to have that fiscal note to Representative Schrage before the bill gets to the House Floor. He further stated that it is unreasonable to suggest that anyone would have a fiscal note on any of the amendments adopted today.

[5:36:43 PM](#)

REPRESENTATIVE SCHRAGE, in closing, stated that he strongly supports education and would like the bill to be moved expeditiously but is concerned about the bill's substance as currently written and that the standard legislative process was not followed, such as scrutiny by a finance committee. He submitted that the bill would create redundancy, grow government, reduce local control, and neglect the obligation of legislators to their constituents for understanding the costs and any unintended consequences before moving a bill forward. He stated he will support moving the bill forward, but that his vote does not necessitate his support for the bill. He said he will indicate that he would like to see the bill amended for the reasons he previously stated.

[5:39:15 PM](#)

REPRESENTATIVE FIELDS, in closing, stated he supports getting the bill to the floor, especially early enough to provide school districts predictability by the time they are in their budget cycle. He said he disagrees with some of the bill's elements but appreciates the pace of bringing it to the floor.

[5:40:07 PM](#)

REPRESENTATIVE SUMNER stated in closing that while he didn't support the amendment to remove all the charter language, some important points were raised on the obligations, or lack thereof, or where it would stand on the local districts' requirements for funding of charters, and that could be in an amendment in full consideration of the House. He said he will support moving the bill out of committee.

[5:41:18 PM](#)

REPRESENTATIVE TILTON moved to report HCS CSSB 140, Version 33-LS0687\D, Bergerud, 1/15/24, as amended, from committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCS CSSB 140(RLS) was reported from the House Rules Standing Committee.

[5:42:25 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Rules Standing Committee meeting was adjourned at 5:42 p.m.