

**ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS**

May 4, 2023

6:16 p.m.

MEMBERS PRESENT

Representative Ben Carpenter, Chair
Representative Jamie Allard
Representative Tom McKay
Representative Kevin McCabe
Representative Cathy Tilton
Representative Andrew Gray
Representative Cliff Groh

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 165

"An Act relating to charter schools; relating to correspondence study programs; and providing for an effective date."

- MOVED CSHB 165 (W&M) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 165

SHORT TITLE: CHARTER SCHOOLS; CORRESPONDENCE PROGRAMS

SPONSOR(S): WAYS & MEANS

04/19/23	(H)	READ THE FIRST TIME - REFERRALS
04/19/23	(H)	W&M, EDC, FIN
04/27/23	(H)	W&M AT 6:00 PM DAVIS 106
04/27/23	(H)	Heard & Held
04/27/23	(H)	MINUTE (W&M)
05/04/23	(H)	W&M AT 6:00 PM DAVIS 106

WITNESS REGISTER

KENDRA BROUSSARD, Staff
Representative Ben Carpenter
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided the explanation of changes for HB 165, Version R, on behalf of the sponsor, the House Special Committee on Ways and Means, of which Representative Carpenter serves as chair.

BOB GRIFFIN, Senior Education Research Fellow
Alaska Policy Forum
Anchorage, Alaska

POSITION STATEMENT: Answered questions on HB 165, Version R

DONNA ARDUIN, Staff
Representative Ben Carpenter
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions on HB 165, Version R, on behalf of the sponsor, the House Special Committee on Ways and Means, of which Representative Carpenter serves as chair.

ACTION NARRATIVE

[6:16:58 PM](#)

CHAIR BEN CARPENTER called the House Special Committee on Ways and Means meeting to order at 6:16 p.m. Representatives Allard, McKay, McCabe, Tilton, Gray, Groh, and Carpenter were present at the call to order.

HB 165-CHARTER SCHOOLS; CORRESPONDENCE PROGRAMS

[6:17:44 PM](#)

CHAIR CARPENTER announced that the only order of business would be HOUSE BILL NO. 165, "An Act relating to charter schools; relating to correspondence study programs; and providing for an effective date."

[6:18:02 PM](#)

REPRESENTATIVE MCCABE moved to adopt the proposed committee substitute (CS) to HB 165, 33-LS0620\R, Marx, 5/4/23, as a working document.

[6:18:14 PM](#)

REPRESENTATIVE GRAY objected for the purpose of discussion.

[6:18:36 PM](#)

KENDRA BROUSSARD, Staff, Representative Ben Carpenter, Alaska State Legislature, provided the explanation of changes for HB 165, Version R, on behalf of the sponsor, the House Special Committee on Ways and Means, of which Representative Carpenter serves as chair. She read the explanation of changes [included in the committee packet], which read as follows [original punctuation provided]:

New Title has the following words added, "relating to public school funding,"

The CS deletes Sections 2, 3 from HB 165.

Section 1

Adds language that it is the intent of the legislature that school districts spend the increase in funding for correspondence schools on allotments to parents and not on administering the program.

Section 2

Section 1 from HB 165.

Section 3

Section 4 from HB 165.

Section 4

Section 5 from HB 165, with the addition to subsection (19) that the Department of Education and Early Development provide to any district that offers a correspondence study program the calculation of the amount of funding that is going to the district for that program.

Section 5

Section 6 from HB 165.

Section 6

Section 7 from HB 165 is amended by changing the correspondence school multiplier to 121.5 instead of 150.

Section 7

Section 8 from HB 165 and adds a section that requires each district that offers a correspondence study program to account for the program expenses separately, keep complete financial records of its expenses on the program, and to provide an annual report to the department and to the public of such.

Section 8

Section 9 of HB 165.

Section 9

Section 10 of HB 165.

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REPRESENTATIVE GRAY questioned the change of the multiplier in Section 6.

CHAIR CARPENTER stated that there had been a concern about the high percentage, and, in response, the percentage was lowered in this section.

REPRESENTATIVE GRAY expressed the understanding that, when the average daily membership (ADM) percentage was set at 150 percent, the amount was \$8,900. He asked what the dollar amount would be with the proposed 121.5 multiplier.

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The committee took an at-ease from 6:21 p.m. to 6:23 p.m.

[6:23:45 PM](#)

BOB GRIFFIN, Senior Education Research Fellow, Alaska Policy Forum, responded that 121.5 percent multiplied by the current base student allocation (BSA) of \$5,960 would equal \$7,241.40.

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REPRESENTATIVE GRAY removed his objection. There being no further objection, Version R was before the committee as a working document.

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REPRESENTATIVE GRAY said that during last week's presentation the committee was informed that if 10,500 students signed up for correspondence school, there would be an overall savings in the state of \$30 million. He asked how these savings were calculated.

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MS. BROUSSARD deferred to the Department of Education and Early Development (DEED).

[6:25:31 PM](#)

DONNA ARDUIN, Staff, Representative Ben Carpenter, Alaska State Legislature, on behalf of the sponsor, the House Special Committee on Ways and Means, of which Representative Carpenter serves as chair, answered that the state currently saves \$162 million because of the students receiving the Correspondence School Allotment Program (CSAP) funding. She said that if an additional 29,000 students participated, there would be net savings of \$35 million. She projected that when the breakeven point with the increase in funding is reached, every new student would add to the savings.

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REPRESENTATIVE GRAY asked for further clarification about the \$162 million in savings.

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MR. GRIFFIN explained that there would be a \$1,800 increase cost per the 21,000 students already in CSAP, and for every student who leaves the program there would be a \$6,000 decrease. He said that beyond the 6,000 students, the state would save about \$4,200 per student. He said that a concurrence with the House Finance Standing Committee would best solve the answer, as the figures provided are based on information given at the Policy Forum's recent presentation to this committee. He said the data has been updated to show the breakeven point may be earlier, and the overall cost savings would be about \$35 million if enrollment returned to pre-pandemic levels.

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REPRESENTATIVE GRAY asked if the change from 150 percent to 121.5 percent of BSA would change the level of savings.

MR. GRIFFIN answered yes.

REPRESENTATIVE GRAY inquired why the state would provide CSAP students more than BSA.

MR. GRIFFIN explained that 121.5 percent would bring correspondence students up to par with students in brick-and-mortar schools, and this would be accounting for the 1.2 percent factor for non-intensive, special-needs students and the 1.5 percent factor for career technical education (CTE) students.

REPRESENTATIVE GRAY observed the assumption that a certain number of correspondence students would meet the criteria. He expressed the understanding that not all would meet the criteria.

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MS. ARDUIN explained that the education funding formula begins with BSA, and then the multipliers are applied. She said the first multiplier, containing special-needs and gifted and talented students, goes to every student in public schools and is a 1.2 multiplier toward the district's funding. She added that there is also a 1.5 multiplier for CTE students, and there are additional multipliers which go to public schools which have school size and cost factors. She explained that the proposed legislation would give CSAP funding for the first two factors, which already follow every child in public schools; therefore, it should follow the children in CSAP as well.

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REPRESENTATIVE MCCABE commented that the proposed legislation would open CTE funding to support parents who are homeschooling children. He said that the bill brings CSAP students up to parity with the students in the school districts.

MS. ARDUIN expressed uncertainty concerning the parity, as the funds following students to public schools are \$18,000 to \$21,000 per student.

REPRESENTATIVE MCCABE expressed the opinion that it is a fraction of the parity, and it would be a raise for parents who retain the choice of CSAP.

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REPRESENTATIVE GRAY, using the new multiplier for a family with three homeschooled children, hypothesized that the family would receive \$21,000 in total. Furthermore, he stated that he would not be opposed to a cost of \$5,000, if the children were sent to a welding program; however, he stressed accountability on funding going to the parents, as the money should only be used toward the education of the child.

MS. ARDUIN explained that the proposed legislation would require DEED to tell school districts how much money is going to the districts for correspondence students; it also requires the

district to separately account for all of the expenses for the programs and publicly report this to DEED.

REPRESENTATIVE GRAY pointed out that the proposed legislation would direct the money to go to the parents and not to the administration. He suggested that there might be an administrative burden because the district must report how the money is being spent by all the families.

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CHAIR CARPENTER shared that he is a parent of a child in CSAP. He stated that he does not have cart blanche access to the money, and the money is specifically used only for things the program allows.

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REPRESENTATIVE ALLARD offered her understanding that, if a parent does not use all the funding provided in a correspondence program, the money rolls over and can be put towards college.

MS. ARDUIN responded in the affirmative.

REPRESENTATIVE ALLARD expressed the importance because schools need to be held accountable. She expressed the opinion that CSAPs are good, as the funds can roll over for years, even when the student is in college. Furthermore, if one child decides not to go to college, another child in the family can use the funds towards college.

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The committee took an at-ease from 6:40 p.m. to 6:41 p.m.

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REPRESENTATIVE GRAY, in regard to using the money towards college, expressed agreement with this; however, he suggested that Alaskans should be informed that public education money can be used for higher education. He added that paying toward a religious school would be a different subject.

CHAIR CARPENTER, as a parent with two children in CSAP, advised that religious curriculum is paid for out of pocket. He said that, under Version R, correspondence students would be allowed

under dual enrollment, however when a student is in university only, this would no longer be CSAP.

REPRESENTATIVE GRAY hypothesized that a family with three children received \$21,000. After one of the children graduated, the family had \$5,000 left over from the program. He questioned whether these funds could be used towards college.

CHAIR CARPENTER, relating his own experience, stated that once his two children graduated from correspondence school, they did not have access to funds afterwards. He offered his understanding that the correspondence program would collect the remainder of the funds.

REPRESENTATIVE GRAY asked whether the proposed 121.5 percent would be given to the parents upfront, or whether the correspondence program holds the funding, and the parents would have to request money with receipts.

CHAIR CARPENTER, from personal experience, expressed the understanding that the program would hold the money and a family would use a reimbursement process.

REPRESENTATIVE GRAY, regarding the hypothetical situation with three children, he questioned what would happen if only \$7,000 out of the \$21,000 was used. He questioned whether the correspondence school would keep the remaining \$14,000.

CHAIR CARPENTER expressed uncertainty concerning what a correspondence program would do with any funds which were not spent at the end of the year. He recalled a personal conversation with a CSAP representative who said if there was a need above the allotment there may be some additional funds at the end of the school year.

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MS. ARDUIN said the document sent to members after the last meeting shows the laws which allow rollovers on the accounts. She reminded members that the proposed legislation would require an explanation of how all funds are spent.

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REPRESENTATIVE ALLARD expressed the opinion that there is no such thing as a "blank check," and parents would need to submit spending requests with receipts for educational materials.

CHAIR CARPENTER added that course work would need to be regularly submitted in order to demonstrate progress.

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MS. ARDUIN added that families are assigned a certified teacher from the program to oversee the plans, lessons, and results.

CHAIR CARPENTER confirmed that there is a contact teacher assigned to every student to help them learn.

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REPRESENTATIVE GRAY advised that there could be bad actors, especially if the homeschooling parent has a broad definition of "field trip." He questioned the definition of "field trip" in correspondence programs.

REPRESENTATIVE ALLARD stated that during the COVID-19 pandemic she had transferred her children out of the Anchorage School District and into the Florida Virtual School. Regarding field trips, she said that receipts must be submitted, as well as a report of the educational accomplishments.

REPRESENTATIVE GRAY recounted the committee's previous discussion on student testing and how it does not matter because in public schools, 80 percent of students are tested versus 15 percent of the total students in correspondence programs. He said that the comparison is not "apples to apples" because the state does not have the standardized test data for correspondence students.

REPRESENTATIVE ALLARD explained the testing system used by Florida Virtual School and expressed the opinion that the Performance Evaluation for Alaska's Schools (PEAKS) is not of any worth.

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CHAIR CARPENTER commented that testing requirements in correspondence programs are the same as in brick-and-mortar schools; furthermore, the ability of parents to opt children out of the standardized test exists in both environments. He said a standardized test is a bureaucratic way to assess a large number of students in a short period of time.

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REPRESENTATIVE GRAY said that, in his experience, most teachers do not care for standardized testing. He explained that administrators want to see results, reward teachers whose students are doing well, and help the teachers who are not doing well. He expressed curiosity as to the large discrepancy between the 80 percent of public education students and the few students in correspondence programs who take the test.

CHAIR CARPENTER expressed the opinion that a standardized test is not the solution. He said that CSAPs across the nation are becoming more readily accepted and sought after as an alternative way for parents to educate children. He said numbers suggest that if the state's school system switched to correspondence, the state would see cost savings, with better outcomes than the traditional school settings. He said the intent of the legislation is to increase the quality of education and decrease the cost.

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REPRESENTATIVE GRAY asked whether correspondence schools are a good fit for households with working parents.

CHAIR CARPENTER responded that some families use CSAP funds to hire a teacher during the day; therefore, a single parent would have the possibility of finding such a program.

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REPRESENTATIVE ALLARD added that she knows of five families which hire teachers in this way. She expressed the opinion that standardized tests are taken because of federal funding.

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REPRESENTATIVE GRAY asked how the teacher would be paid using the allotment from CSAP.

CHAIR CARPENTER, speaking to his personal experience, said the relationship is only between the parents and the teacher, not the program, and the reimbursement process is through CSAP.

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REPRESENTATIVE MCCABE advised that this is a voluntary program. He shared the positive experience his daughter has had while homeschooling her child.

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The committee took an at-ease from 7:01 p.m. to 7:02 p.m.

[7:02:19 PM](#)

CHAIR CARPENTER opened public testimony on HB 165. After ascertaining that there was no one who wished to testify, he closed public testimony.

[7:03:01 PM](#)

REPRESENTATIVE MCCABE moved to report CSHB 165, 33-LS0620\R, Marx, 5/4/23, out of committee with individual recommendations and the accompanying fiscal notes.

[7:03:17 PM](#)

REPRESENTATIVE GRAY objected.

A roll call vote was taken. Representatives Allard, McCabe, McKay, Tilton, and Carpenter voted in favor of reporting CSHB 165, 33-LS0620\R, Marx, 5/4/23, out of committee. Representatives Groh and Gray voted against it. Therefore, CSHB 165(W&M) was reported out of the House Special Committee on Ways and Means by a vote of 5-2.

[7:04:18 PM](#)

The committee took a brief at-ease.

[7:04:35 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Ways and Means meeting was adjourned at 7:04 p.m.