

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

March 13, 2023

3:33 p.m.

MEMBERS PRESENT

Senator Löki Tobin, Chair
Senator Gary Stevens, Vice Chair
Senator Jesse Bjorkman
Senator Jesse Kiehl
Senator Elvi Gray-Jackson

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 13

"An Act relating to costs of and charges for textbooks and other course materials required for University of Alaska courses; and providing for an effective date."

- HEARD & HELD

PRESENTATION CONSTITUTIONAL REQUIREMENTS AND LEGAL PRECEDENTS FOR PUBLIC EDUCATION FUNDING IN ALASKA

- HEARD

PRESENTATION PUPIL TRANSPORTATION PROGRAM

- HEARD

SENATE BILL NO. 52

"An Act relating to education; increasing the base student allocation; and providing for an effective date."

- MOVED CSSB 52(EDC) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 13

SHORT TITLE: UNIVERSITY: TEXTBOOKS/MATERIALS COST

SPONSOR(s): SENATOR(s) MYERS

01/18/23 (S) PREFILE RELEASED 1/9/23
01/18/23 (S) READ THE FIRST TIME - REFERRALS
01/18/23 (S) EDC
03/13/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 52

SHORT TITLE: INCREASE BASE STUDENT ALLOCATION
SPONSOR(s): EDUCATION

02/01/23 (S) READ THE FIRST TIME - REFERRALS
02/01/23 (S) EDC, FIN
02/01/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/01/23 (S) Bills Previously Heard/Scheduled
02/03/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/03/23 (S) -- MEETING CANCELED --
02/08/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/08/23 (S) Heard & Held
02/08/23 (S) MINUTE(EDC)
02/10/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/10/23 (S) Scheduled but Not Heard
03/08/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
03/08/23 (S) Heard & Held
03/08/23 (S) MINUTE(EDC)
3/13/23 (S) MOVED OUT OF COMMITTEE

WITNESS REGISTER

SENATOR ROBERT MYERS, District Q
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced SB 13 as the sponsor of the bill.

DAWSON MANN, Staff
Senator Robert Myers
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided the sectional analysis for SB 13.

DENISE RUNGE, Provost
University of Alaska Anchorage
Anchorage, Alaska

POSITION STATEMENT: Answered questions on SB 13.

PAUL LAYER, Vice President
Academics, Students & Research
University of Alaska Anchorage

Anchorage, Alaska

POSITION STATEMENT: Answered questions on SB 13.

HOWARD TRICKEY, Attorney
Schwabe, Williamson & Wyatt
Anchorage, Alaska

POSITION STATEMENT: Provided a presentation on the constitutional requirements and legal precedents for public education funding in Alaska.

ELWIN BLACKWELL, School Finance Manager
Department of Education and Early Development (DEED)
Juneau, Alaska

POSITION STATEMENT: Provided a presentation on the Pupil Transportation Program.

ACTION NARRATIVE

[3:33:06 PM](#)

CHAIR LÖKI TOBIN called the Senate Education Standing Committee meeting to order at 3:33 p.m. Present at the call to order were Senators Gray-Jackson, Bjorkman, Stevens, and Chair Tobin. Senator Kiehl arrived thereafter.

SB 13-UNIVERSITY: TEXTBOOKS/MATERIALS COST

[3:33:51 PM](#)

CHAIR TOBIN announced the consideration of SENATE BILL NO. 13 "An Act relating to costs of and charges for textbooks and other course materials required for University of Alaska courses; and providing for an effective date."

[3:34:52 PM](#)

SENATOR ROBERT MYERS, District Q, Alaska State Legislature, Juneau, Alaska, sponsor of SB 13, introduced the bill speaking to the following sponsor statement:

[Original punctuation provided.]

For decades a major roadblock to the acquisition of higher education in this country has been costs. Students in Alaska and throughout the United States often find themselves in difficult situations attempting to balance the various costs of higher education such a tuition, room and board, and course materials. For many students cost of material can be a deciding factor in the decision to take a course due

to the sometimes-exorbitant prices of required course materials. Students often find themselves as consumers subject to a captive market that has experienced a colossal growth in price over the last several decades. The costly and unique nature of the textbook and course material market has led to many students being forced to "shop around" and attempt to engage the market as informed consumers.

The Textbook Cost Transparency Act provides students with vital information about their textbook and course materials while they are registering for classes, allowing them to make informed choices and financially plan. The goal of this legislation is to provide students with as much information regarding cost as early as possible in the registration process with clearly defined definitions integrated into the University of Alaska's shared online course catalog (UAOnline). By allowing students to see which classes come at "zero-cost" or "low-cost" they will be able to make more informed financial decisions more easily.

While faculty will remain the paramount deciders of class materials, we believe that by providing students this information we will be building towards a more equitable and cost-effective University System for students at the class level.

[3:37:19 PM](#)

DAWSON MANN, Staff, Senator Robert Myers, Alaska State Legislature, Juneau, Alaska, provided the sectional analysis for SB 13, version A:

[Original punctuation provided.]

SB 13 v. A - Sectional Analysis

TEXTBOOK COST TRANSPARENCY ACT

"An Act relating to costs of and charges for textbooks and other course materials required for University of Alaska courses; and providing for an effective date."

Section 1: Page 1, Lines 4-6 This section establishes that this act may be known as the "Textbook Cost Transparency Act".

Section 2: Page 1, Lines 7-14, Page 2, Lines 1-16 This section outlines the information that the University of Alaska must provide in the University systems online course schedule relating to class materials and automatic fees required for the materials. This section provides statute definitions for "course materials", "online course schedule", "zero-cost resources", and "low-cost resources".

This section also directs that the universities online course schedule must include search functions to identify courses with only zero-cost or low-cost materials required.

Section 3: Page 2, Line 17 This section establishes an effective date for the bill of July 1st, 2026.

MR. MANN mentioned that the University of Alaska Anchorage Textbook Affordability co-chairs helped guide the definitions in Section 2, and the verbiage "to the extent practical" was added to page 1, line 13, to ensure ease of compliance for the university.

[3:39:38 PM](#)

SENATOR GRAY-JACKSON asked why SB 13 requires a textbook cost estimate instead of the actual cost.

[3:39:53 PM](#)

SENATOR MYERS replied that although the university possesses the cost information, it is not in control of costs. For example, from spring semester to fall semester a company could change the cost of a textbook. Requiring a cost estimate recognizes the university is subject to third party changes.

[3:40:56 PM](#)

SENATOR STEVENS asked for more information about the textbook affordability group.

[3:41:14 PM](#)

MR. MANN replied that the two co-chairs of the textbook affordability group were part of a Fall 2021 online meeting. Approximately 17 students from the university attended. Following the meeting, the co-chairs submitted recommendations for SB 13. He suggested that representatives from UAA could share more about the group.

[3:42:30 PM](#)

DENISE RUNGE, Provost, University of Alaska Anchorage, Anchorage, Alaska, stated the University of Alaska Anchorage (UAA) has a committee of students that has done a phenomenal job helping students obtain less expensive course materials. The most substantial effort has been increasing the number of free textbooks, also referred to as zero cost or open educational resources, that students can search for as they register for classes.

[3:43:28 PM](#)

SENATOR STEVENS asked if textbook recommendations are for the entire university system or if schools retain control over departments.

[3:43:51 PM](#)

MS. RUNGE replied that each university has faculty that selects materials. In some cases, an entire department may agree on a single item. For example, Writing 111 at UAA is a required class for most students. The department decided to create and use a free textbook which saves students money. However, faculty can select the materials for the courses they teach.

[3:44:43 PM](#)

SENATOR GRAY-JACKSON asked why the three UA campuses have different reactions to the concept of textbook transparency.

[3:45:12 PM](#)

PAUL LAYER, Vice President, Academics, Students & Research, University of Alaska Anchorage, Anchorage, Alaska, replied textbook transparency is a concept that began at the grassroots level at each campus. The three campuses had their own committees and ideas, but the objective of providing zero-cost or low-cost materials to students was the same. He opined that as the University of Alaska revisits its information and Banner system, there will be more standardization and establishment of best practices.

[3:47:12 PM](#)

CHAIR TOBIN asked why SB 13 has a zero fiscal note.

[3:47:21 PM](#)

SENATOR MYERS said the university was requesting funds for its new computer systems when the legislature held the first textbook transparency bill hearing. He opined that the university received capital funding for the new computer systems, which will include a textbook transparency program.

[3:49:00 PM](#)

CHAIR TOBIN held SB 13 in committee.

PRESENTATION
CONSTITUTIONAL REQUIREMENTS AND LEGAL PRECEDENTS
FOR PUBLIC EDUCATION FUNDING IN ALASKA

[3:49:13 PM](#)

CHAIR TOBIN announced the consideration of a presentation on the constitutional requirements and legal precedents for public education funding in Alaska.

[3:49:58 PM](#)

HOWARD TRICKEY, Attorney, Schwabe, Williamson & Wyatt, Anchorage, Alaska, said he has practiced law in Alaska for 47 years and has represented school districts in Alaska for most of his career. However, he is not representing anyone at this hearing.

CHAIR TOBIN asked what consequences the state might experience if the legislature does not fund small schools as required by the consent decree.

[3:51:25 PM](#)

MR. TRICKEY stated he has not consulted with his clients but opined that it would violate the Kasayulie consent decree if the legislature or the executive branch refused to fund the obligations of the settlement agreement. The Kasayulie case arose from a long-standing practice of the state automatically funding the debt reimbursement program for city and borough school districts which have taxing authority but not funding Regional Education Attendance Area (REAA) construction projects. For over a decade, the legislature was unwilling to fund the Construction Improvement Program (CIP) because the top 10 - 15 projects on the list were all in REAAs. The dual system of funding new school construction and major maintenance was at the core of the Kasayulie case. Rural schools were substandard and overcrowded. The case lasted several years and was resolved through a consent decree. The key aspect of the consent decree that made the settlement possible was the legislature's willingness to pass Senate Bill 237, codified as AS 14.11.025 and .030. The law provided that the state would deposit money into the rural construction fund under the terms of the consent decree. Funding for the rural construction fund would continue as long as the debt reimbursement program received funds. A prospect of the consent decree was that funding would be regular to satisfy what the court ruled was the state's duty under art.

VII, sec. 1, Constitution of the State of Alaska, which says the state must establish and maintain a system of schools open to all children. He said there is an affirmative duty to fund schools and school projects so that students can learn in an environment where they can be successful. He opined that the state's failure to continue to fund the rural school construction fund would violate the intent and terms of the Kasayulie consent decree.

[3:56:06 PM](#)

SENATOR STEVENS asked what the legislature's track record is for funding rural and urban schools.

[3:56:27 PM](#)

MR. TRICKEY replied that the legislature's track record since 2014 is spotty at best and precariously close on an annual basis to violating the terms of the consent decree.

[3:58:26 PM](#)

CHAIR TOBIN asked if the Moore lawsuit created a template for how Alaska should meet its constitutional obligations to establish and maintain a system of public schools.

[3:58:46 PM](#)

MR. TRICKEY replied that it did more than create a template. The state's constitutional duty, under the education clause, to establish and maintain a system of education was the central issue of the Moore case. The case primarily focused on a decade of flat funding, the terrible achievement and performance gaps between urban and rural schools, and the ability to generate funds beyond the state basic need formula. In 2007, Judge Gleason found that the education clause imposed a framework of four requirements on the state for meeting its obligation to provide a basic education for students:

- The state must adopt standards that define expected learning. The standards must meet or exceed a constitutional floor of an adequate knowledge base.
- There must be an adequate method of assessing learning.
- There must be adequate funding for schools to provide instruction in the standards.
- The state must have adequate accountability and oversight of local school districts to ensure districts can fill the state's constitutional responsibility.

Judge Gleason also found that students are entitled to the following corresponding rights:

- Meaningful opportunities to become proficient in the areas covered by the state's basic assessment, such as reading, writing, and math.
- Meaningful access to the areas covered by the state's content standards, such as geography, government, and art.

[4:03:22 PM](#)

SENATOR STEVENS asked how the achievement gap was determined.

[4:03:35 PM](#)

MR. TRICKEY reiterated that his response was not on behalf of a client. Nationwide there have been about 30 educational funding adequacy cases. In general, the case evidence presented was educational inputs and outputs. He provided funding, curriculum, and teacher training as examples of inputs and state-adopted standardized test results as an example of an output.

[4:05:47 PM](#)

CHAIR TOBIN stated the committee has been receiving testimony and insight into local contribution and the Ketchikan case. She asked Mr. Trickey if he had any case insights that would help the committee adequately fund public education.

[4:06:23 PM](#)

MR. TRICKEY said the Alaska Supreme Court heard the Ketchikan case. The Ketchikan Gateway Borough School District advanced several claims that local contribution was unconstitutional. The court rejected the arguments and determined it was constitutional for local governments to contribute to the cost of local education. He stated there is no constitutional limit or prohibition on the legislature considering a local contribution as part of a funding formula.

[4:07:40 PM](#)

SENATOR BJORKMAN asked what recourse is available to people if the legislature does not align with consent decrees and court decisions. He noted that the court does not control how the legislature spends money.

[4:08:39 PM](#)

MR. TRICKEY replied that the court cases that were mentioned took years to settle because the judiciary cannot order the

legislature to appropriate specific amounts of money. The judiciary respects that the legislature is a separate branch of government with the final say in appropriating state funds. Conversely, the legislature should respect and recognize the authority of the court to interpret the law. Legislators take an oath to uphold the Constitution. When the judiciary rules that the legislature is violating constitutional rights, the legislature should take action to correct the violation. In an extreme case, the Kansas judiciary ordered the education system to shut down until the legislature achieved constitutional compliance by fixing funding deficiencies.

[4:12:36 PM](#)

CHAIR TOBIN thanked the presenter.

PRESENTATION
PUPIL TRANSPORTATION PROGRAM

[4:13:12 PM](#)

CHAIR TOBIN announced the consideration of a presentation titled Pupil Transportation Program.

[4:13:33 PM](#)

ELWIN BLACKWELL, School Finance Manager, Department of Education and Early Development (DEED), Juneau, Alaska, began the presentation on slides 2-4:

[Original punctuation provided.]

Mission, Vision, and Purpose

Mission

An excellent education for every student every day.

Vision

All students will succeed in their education and work, shape worthwhile and satisfying lives for themselves, exemplify the best values of society, and be effective in improving the character and quality of the world about them.

Purpose

DEED exists to provide information, resources, and leadership to support an excellent education for every student every day.

- Alaska Statute 14.03.015

**Strategic Priorities:
Alaska's Education Challenge**

Five Shared Priorities:

1. Support all students to read at grade level by the end of third grade.
2. Increase career, technical, and culturally relevant education to meet student and workforce needs.
3. Close the achievement gap by ensuring equitable educational rigor and resources.
4. Prepare, attract, and retain effective education professionals.
5. Improve the safety and well-being of students through school partnerships with families, communities, and tribes.

Agenda

- Pupil Transportation Program History
- Pupil Transportation Program
- Department Responsibilities for the Pupil Transportation Program

[4:14:56 PM](#)

MR. BLACKWELL moved to slide 5:

[Original punctuation provided.]

Pupil Transportation Program History

- Prior to FY2004, the program was a reimbursement program.
- In FY2004, the program moved to a formula program using a per student amount unique to each district multiplied by the brick and mortar Average Daily Membership (ADM).
- The per student amount for FY2004 was derived by taking the actual school transportation cost in FY2003 divided by the brick and mortar ADM.
- In 2012, SB 182 (Chapter 19, SLA 2012) recalibrated the per student amount for FY2012 and FY2013. In 2013, SB 57 (Chapter 69, SLA 2013) provided for

consumer price index (CPI) adjustments for FY2014 to FY2016.

CHAIR TOBIN asked why the state moved from a reimbursement to a formula-based program.

[4:17:05 PM](#)

MR. BLACKWELL replied it was an attempt to encourage districts to contain costs by looking for less expensive opportunities. Before 2004 DEED saw costs in the transportation program quickly increasing. Therefore, the department removed regulations and gave school districts ownership through a transportation block grant program. DEED tasked the districts with running economical transportation programs.

[4:17:55 PM](#)

CHAIR TOBIN asked if the formula-based program helped districts contain costs or if school districts used other funding to offset increased transportation costs since 2016.

[4:18:02 PM](#)

MR. BLACKWELL said DEED has seen costs continue to increase. Most districts transfer money from other funds to cover the shortfall in the transportation program.

[4:18:27 PM](#)

MR. BLACKWELL turned to slide 6 and spoke to the following points:

Pupil Transportation Grant Program

- The Department of Education and Early Development distributes the Pupil Transportation grants in three payments.
- Payments are distributed in August, December, and March.
- The March payment balances the grant so districts only receive the per student cost times the actual brick and mortar Average Daily Membership (ADM) for the year.

[4:19:37 PM](#)

SENATOR GRAY-JACKSON asked what the per-student transportation cost is in Anchorage.

[4:19:58 PM](#)

MR. BLACKWELL replied he did know the cost but would provide it to the committee.

[4:20:18 PM](#)

SENATOR STEVENS asked for a schedule of district transportation funding.

MR. BLACKWELL replied he would provide the information to the committee.

[4:20:44 PM](#)

CHAIR TOBIN said she would like to know how much drivers earn on average.

MR. BLACKWELL said he does not know how much drivers earn and would have to poll the school districts. However, statute requires drivers be paid at least double the minimum wage. He stated his belief that most districts pay more than double the minimum wage.

[4:21:41 PM](#)

MR. BLACKWELL turned to slide 7:

[Original punctuation provided.]

Responsibilities for Pupil Transportation

- Pursuant to AS 14.09.030(b) the department is responsible for the following items:
 1. The department must establish school bus equipment standards used to transport students to and from school. (4 AAC 27.110)
 2. Provide for the inspection of every school bus at least twice per year.
 3. Must maintain a record of accidents involving a school bus or other vehicle owned or provided under contract to a school district. (4 AAC 27.056(3))
- The department works with the Alaska Vocational and Technical Education Center (AVTEC) to train school bus driver trainers. These trainers are responsible to train the bus drivers that transport Alaska school children each day. (4 AAC 27.210)

[4:23:43 PM](#)

SENATOR KIEHL joined the meeting.

[4:24:36 PM](#)

SENATOR GRAY-JACKSON asked if school districts are responsible for school bus costs mentioned in statute, such as inspections every two years.

[4:24:44 PM](#)

MR. BLACKWELL replied that it is the responsibility of DEED, not the school districts. The school finance budget provides money to issue the contracts and pay the contractors.

[4:25:22 PM](#)

SENATOR BJORKMAN asked whether the department has considered distributing pupil transportation money based on how far buses must travel to transport students instead of basing distribution on a district's student population.

MR. BLACKWELL opined that it would be better to revert to a reimbursement program if districts used a calculation based on distance. The department would receive specific information from districts, such as the number of miles traveled and students transported, to determine the reimbursement amount. The idea behind the per-student amount was the department would determine the cost of a standard route and the distance traveled at a specific point in time for each district. As student population fluctuated, districts would receive an adequate amount to fund their transportation program. An argued fault of the system is the cost of running a specific route is the same regardless of the number of students on the bus. The legislature decided to operate this way in 2004 to bring efficiency to the transportation program. In 2014 the legislature passed a bill to encourage the department to work with districts in bringing more national bus contractors to the state by aligning contracts so more buses were available during the contracting period. Increasing contractor competition appeared to be working until one main provider bought out another.

[4:28:33 PM](#)

CHAIR TOBIN said the department's current system does not lend itself to innovation, such as electric, smaller, or more efficient buses. She asked how the department could support the ability to innovate.

MR. BLACKWELL said he was not qualified to answer the question. He stated one contractor in the Tok area operates an electric bus, and other districts have discussed getting electric buses.

He said the Environmental Protection Agency (EPA) has a clean bus program encouraging school districts to use electric buses through a subsidy program.

[4:29:41 PM](#)

MR. BLACKWELL turned to slide 8 and provided his contact information.

[4:29:54 PM](#)

CHAIR TOBIN thanked Mr. Blackwell for the presentation.

SB 52-INCREASE BASE STUDENT ALLOCATION

[4:30:18 PM](#)

CHAIR TOBIN announced the consideration of SENATE BILL NO. 52 "An Act relating to education; increasing the base student allocation; and providing for an effective date."

CHAIR TOBIN said the committee previously heard extensive testimony and a review of the fiscal notes for SB 52.

[4:30:34 PM](#)

CHAIR TOBIN found no further questions or comments on SB 52 and solicited a motion.

[4:30:52 PM](#)

SENATOR STEVENS moved to report SB 52, work order 33-LS0369\S, from committee with individual recommendations and attached fiscal note(s).

[4:31:02 PM](#)

CHAIR TOBIN found no objection and CSSB 52(EDC) was reported from the Senate Education Standing Committee.

[4:32:05 PM](#)

There being no further business to come before the committee, Chair Tobin adjourned the Senate Education Standing Committee meeting at 4:32 p.m.