

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

March 29, 2023

3:30 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. 99

"An Act establishing a financial literacy education course for public schools; and providing for an effective date."

- HEARD AND HELD

PRESENTATION: ALASKA NATIVE SCIENCE AND ENGINEERING PROGRAM

- HEARD

PRESENTATION: ALASKA EXCEL

- HEARD

PRESENTATION: CAREER AND TECHNICAL EDUCATION IN THE BERING STRAITS REGION: A NOME-BASED REGIONAL TRAINING CENTER PERSPECTIVE

- HEARD

PRESENTATION: ALASKA TECHNICAL CENTER AND STAR OF THE NW MAGNET SCHOOL

- HEARD

PREVIOUS COMMITTEE ACTION

BILL: SB 99

SHORT TITLE: FINANCIAL LITERACY COURSE IN SCHOOLS

SPONSOR(S): SENATOR(S) WIELECHOWSKI

03/10/23 (S) READ THE FIRST TIME - REFERRALS
03/10/23 (S) EDC
03/29/23 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR BILL WIELECHOWSKI, District K
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Testified as the sponsor of SB 99.

KAILI SPENCER, Staff
Senator Bill Wielechowski
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided the presentation Financial Literacy and the sectional analysis for SB 99.

LEOLA RUTHERFORD, Teacher
Girdwood School
Girdwood, Alaska

POSITION STATEMENT: Testified by invitation on SB 99.

DEBORAH RIDDLE, Operations Manager
Division of Innovation and Education Excellence
Department of Education and Early Development (DEED)
Juneau, Alaska

POSITION STATEMENT: Answered questions on SB 99.

HERB SCHROEDER, Vice Provost
Alaska Native Science and Engineering Program
University of Alaska Anchorage
Anchorage, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Native Science and Engineering Program.

MICHAEL ULROAN, Senior Director
Acceleration Academy
Alaska Native Science and Engineering Program
Anchorage, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Native Science and Engineering Program.

CAROL WILSON, Executive Director
Alaska Excel
Anchorage, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Excel program.

CHRISTA WILSON, Finance Director
Alaska Excel
Anchorage, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Excel program.

BILLIJO MILLS, Deputy Director
Alaska Excel
Anchorage, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Excel program.

DOUG WALRATH, Director
Northwestern Alaska Career and Technical Center
Nome, Alaska

POSITION STATEMENT: Provided a presentation on Career and Technical Education in the Bering Straits Region.

TERRI WALKER, Superintendent
Northwest Arctic Borough School District
Kotzebue, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Technical Center (ATC) and STAR of the Northwest Magnet School.

KARL KOWALSKI, Director
Alaska Technical Center and STAR of the Northwest Magnet School
Kotzebue, Alaska

POSITION STATEMENT: Co-presented a presentation on the Alaska Technical Center (ATC) and STAR of the Northwest Magnet School

ACTION NARRATIVE

[3:30:22 PM](#)

CHAIR LÖKI TOBIN called the Senate Education Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Stevens, Kiehl, Gray-Jackson, and Chair Tobin. Senator Bjorkman arrived shortly thereafter.

SB 99-FINANCIAL LITERACY COURSE IN SCHOOLS

[3:31:49 PM](#)

CHAIR TOBIN announced the consideration of SENATE BILL NO. 99 "An Act establishing a financial literacy education course for public schools; and providing for an effective date."

[3:32:05 PM](#)

SENATOR BILL WIELECHOWSKI, District K, Alaska State Legislature, Juneau, Alaska, provided the following statement as the sponsor of SB 99:

[Original punctuation provided.]

Senate Bill 99
Financial Literacy Curriculum
Sponsor Statement

Senate Bill 99 will give Alaskan students important life skills they will use throughout the rest of their lives by requiring school districts to offer financial literacy curriculum for high school students.

Teaching financial literacy will equip students with the knowledge they need to avoid common financial pitfalls and manage their money successfully. This course will teach the ability to understand and manage personal finances, including topics such as budgeting, investing, managing debt, and avoiding scams and fraud. It will also help students access post-secondary education opportunities in the most costeffective way by teaching about the Alaska Performance Scholarship and how to apply for financial aid.

Giving students a well-rounded financial literacy education will help Alaskans save, avoid debt, and improve the Alaskan economy. It will also help reduce reliance on social programs funded and administered by the state. Increasing consumer debt can significantly harm our overall economy and is associated with lower GDP growth, higher unemployment, and greater likelihood of a future banking crisis.

It is easy for young adults to fall into the trap of predatory lending or to agree to interest rates or loan terms they do not understand. Alaska leads the nation in credit card debt at \$8,026 per person. The average US household owes \$17,000 in credit card debt and \$56,000 in student loans. Fifty-five percent of

Americans have less than \$1,000 in a savings account and the median retirement savings is only \$60,000 for all families in America. This bill will arm young Alaskans with the knowledge they need to use credit and other financial tools responsibly before they sign up for a loan or open a new credit card.

SB 99 gives school districts the flexibility to choose how to incorporate the financial literacy course into their elective curriculum requirements. Twenty-two states already have a similar financial literacy requirement, and many more school districts offer similar curriculum. This bill will take effect for the 2024-2025 school year, giving districts over a year to develop a curriculum that meets the needs of their students.

Passing SB 99 will help students become financially responsible adults, leading to greater stability and security in their lives, and improving our state.

[3:34:16 PM](#)

KAILI SPENCER, Staff, Senator Bill Wielechowski, Alaska State Legislature, Juneau, Alaska, and began the presentation by saying financial literacy is making sure individuals have the skills and knowledge to make informed and effective decisions about their finances. She spoke to the following points on slide 2:

[Original punctuation provided.]

What is Financial Literacy?

- Understand how much you earn and spend
- Repay and avoid debt
- Build assets and achieve personal goals
- Achieve financial security later in life

[3:35:49 PM](#)

MS. SPENCER turned to slide 3 and spoke to the following:

Why do we need Financial Literacy?

- Only $\frac{1}{3}$ of Americans can comfortably cover a \$400 emergency
- Average credit card debt in Alaska: \$8,026
- Average student loan debt in Alaska: \$34,024
- F rating for financial literacy education

MS. SPENCER said Alaska is number one in the nation for credit card debt.

[3:36:50 PM](#)

MS. SPENCER turned to slide 4 and provided more details on the following content of SB 99:

[Original punctuation provided.]

SENATE BILL 99

- Adds a 0.5 credit in financial literacy
- Course should cover topics including:
 - Making a budget
 - Avoiding fraud and financial deception
 - Basic principles of retirement accounts
 - Postsecondary financial aid and scholarships

[3:38:01 PM](#)

CHAIR TOBIN asked how much time it would take to complete 0.5 credits.

MS. SPENCER replied that it would be 1-semester credit or half of a school year.

[3:38:19 PM](#)

MS. SPENCER moved to slide 5 and stated there is broad support for SB 99:

[Original punctuation provided.]

Support for Senate Bill 99

- Margo Bellamy, ASD School Board President
- Matt Hunter, Teacher (17 years)
- Leola Rutherford, Concerned Parent, Educator, & 5th Generation Alaskan
- George L Stewart, Parent
- Nava A. Stephenson, Student

- Maria Nafzger, Student
- Harper Landry, Student
- Kelly Lessens, Anchorage School Board Treasurer and Finance Chair
- Nonie Mucha, Student
- Madeleine Ashour, ExcelinEd in Action

[3:38:50 PM](#)

SENATOR KIEHL opined that financial literacy is a needed curriculum. He asked whether the 0.5 credit would be part of the 21 credit hours required statewide for a student to graduate or if SB 99 makes the graduation requirement 21.5 credits.

MS. SPENCER said the state does not have a financial literacy requirement. She stated her belief that SB 99 would make the graduation requirement 21.5 credits. There are school districts that already exceed the 21-credit requirement. For example, the Anchorage School District requires 22.5 credits to graduate, and Haines already offers financial literacy and requires 24.5 credits.

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SENATOR STEVENS stated concern that only 16 percent of students have applied for the Free Application for Federal Student Aid (FAFSA). He opined that every person should apply so they realize there are options available for college and career training. He opined it would be good if the class required students to complete the FAFSA.

[3:40:26 PM](#)

SENATOR GRAY-JACKSON said the statistics were alarming. As a co-sponsor, she looks forward to SB 99 moving forward.

[3:40:51 PM](#)

MS. SPENCER offered the following sectional analysis for SB 99:

[Original punctuation provided.]

Senate Bill 99
Sectional Analysis

Section 1. AS 14.30 relating to public schools, adds a new section

- a. directing school districts to establish and provide a half credit financial literacy education course for students in grades nine through 12 that will be approved by

the Department of Education & Early Development.

- b. provides a list of topics to be covered in the course.

Section 2. Provides an applicability date for the first graduating class that will need to meet this requirement.

Section 3. Provides an effective date for the bill of July 1, 2025.

CHAIR TOBIN stated that from discussions about SB 99 she suggests the following:

- SB 99 should require discussion on Alaska Native Corporations dividends and shares, as well as other entities.
- Expand account discussions to include credit union accounts.
- Include discussions on predatory lending practices, a topic that receives a lot of attention and advocacy currently.

[3:42:30 PM](#)

SENATOR BJORKMAN joined the meeting.

[3:42:39 PM](#)

MS. SPENCER stated that Ms. Rutherford is a Girdwood teacher certified to teach the Next Gen Personal Finance (NGPF) curriculum to other teachers.

[3:43:20 PM](#)

LEOLA RUTHERFORD, Teacher, Girdwood School, Girdwood, Alaska, said she is a concerned parent, 6th-grade teacher, and 5th Generation Alaskan. She stated that financial literacy is an equity access issue. It is commendable that Anchorage, Glenallen, and Haines teach financial literacy, but the opportunity must be available to all Alaskan students. Alaska ranks 46th in the nation for financial literacy. Eighty-eight percent of parents and 76 percent of high school students agree that financial literacy education is needed. However, less than 2 percent of high schools offer it as guaranteed access for graduation. She said she supports SB 99 because it is rigorous and meets the national jumpstart standards for financial literacy. Through SB 99, the financial literacy curriculum would

prepare students to take an optional nationally recognized certification test called Wise Financial Literacy. Students could put this certification on resumes and college applications. SB 99 also offers flexibility in how 0.5 credit is acquired. School districts could embed the curriculum in social studies, math, or as an elective. She noted that ensuring the course is not a barrier to graduation is important. SB 99 allows flexibility by allowing schools to decide how financial literacy fits into their curriculum. She named a few free online curriculums and professional development courses that schools can utilize. The financial literacy credit is also available through AK Grad, a self-paced credit recovery and advancement program. There is a \$75 course fee, but grants and scholarships are available.

[3:47:52 PM](#)

SENATOR BJORKMAN said several options were mentioned by which students could achieve the new requirement that would not add additional funding to school districts' budgets. He said that in the school where he taught, students earn three social study credits by taking Alaska History (0.5 credits), World History (1.0 credits), U.S. History (1.0 credits), and U.S. Government (0.5 credits). He asked which class students should not take so they can take financial literacy.

MS. RUTHERFORD replied that it is not an either-or choice, making SB 99 ideal legislation. School districts could add financial literacy to student's elective or math requirements for graduation. School districts can maintain the rigor of other curriculums and still implement financial literacy.

[3:48:59 PM](#)

SENATOR BJORKMAN asked whether any entity had assessed the additional cost to school districts to offer an additional 0.5 credit course as a math or other elective.

[3:49:21 PM](#)

MS. SPENCER stated that a portion of the fiscal note attached to SB 99 addresses giving stipends to teachers that instruct other teachers on how to teach the curriculum. DEED has not assessed the impact on individual school districts.

[3:49:42 PM](#)

MS. RUTHERFORD said there are programs that districts can purchase; however, increasing financial literacy is a nationwide grassroots, bi-partisan effort, so free support and curriculums

are available, such as Junior Achievement or Next Gen Personal Finance.

3:50:05 PM

SENATOR WIELECHOWSKI said the Anchorage School District supports teaching financial literacy. He opined that there would be tremendous benefit to teaching financial literacy within applied math for real-world exposure. It would make learning the subject more enjoyable for students.

3:50:43 PM

SENATOR KIEHL said he thought the fiscal note supported the development of a rubric to approve courses rather than curriculum purchasing. He asked whether free and district-developed or purchased courses would meet the rubric's requirements.

3:51:33 PM

DEBORAH RIDDLE, Operations Manager, Division of Innovation and Education Excellence, Department of Education and Early Development (DEED), Juneau, Alaska, said the fiscal note states 20 educators would create a rubric to help school districts by evaluating available courses and curriculums that the department gathers. The rubric is developed based on content and availability of free resources and hybrid programs to meet the needs and wants of school districts. The rubric sets the tone for curriculum content since no standards exist. Each school district chooses its curriculum.

3:53:06 PM

SENATOR BJORKMAN stated that the issue was not about selecting a curriculum or finding materials but rather about utilizing staff resources that schools already use to teach other courses. He pointed out that adding a new mandatory course for graduation essentially created a zero-sum game, where schools must sacrifice existing activities to accommodate the new requirement. Based on his experience as a teacher for 14 years, he argued that it is not feasible for teachers to take on additional responsibilities continuously.

He acknowledged the importance of financial literacy but suggested that school districts should offer it as an elective rather than a requirement. He highlighted that making it a requirement would significantly impact a school's budget and affect the availability of other elective programs such as art, band, or drafting. He cautioned against adding more requirements and mandates, particularly when Alaska faces significant

education funding shortfalls amidst inflation, with no foreseeable plans to address the gap.

[3:55:02 PM](#)

SENATOR KIEHL opined that the applicability section is a relatively quick implementation. Students finishing their freshmen year in 2023 must complete a financial literacy course by the time they graduate high school. He asked about the timing and stated that some students plan their coursework before entering high school.

MS. SPENCER replied that the department selected the dates without thinking the deadline would be considered rushed.

SENATOR WIELECHOWSKI said it was a policy call. America is a capitalist society, and people must understand how to manage money, so they do not live destitute. He opined that people in the US are on the precipice of a cliff, with excessive debt and limited savings. Children need to learn about managing finances. He understands Senator Bjorkman's point regarding incorporating financial literacy into the classroom, but SB 99 allows schools to handle the requirement in a way most suited to their programmatic schedule.

[3:57:35 PM](#)

SENATOR STEVENS said financial literacy is crucial. He perused the list of topics the financial literacy course would cover and agreed that students must be aware of the financial issues they will encounter, so he supports SB 99.

[3:58:19 PM](#)

CHAIR TOBIN said the committee would discuss the fiscal notes for SB 99.

[3:58:34 PM](#)

MS. RIDDLE said the fiscal note for SB 99 contains three one-time expenses totaling \$71,000:

[Original punctuation provided.]

- 1) \$30.0 for stipends (\$1.5 each) for 20 educators and community stakeholders for participation in the development of a rubric to evaluate courses, and to complete the review based on the developed rubric;
- 2) \$35.0 to contract an education expert to facilitate the development of a rubric and evaluation of courses;

and, 3) \$6.0 for legal fees to implement the necessary regulation changes.

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CHAIR TOBIN held SB 99 in committee.

[3:59:53 PM](#)

At ease.

PRESENTATION:

ALASKA NATIVE SCIENCE and ENGINEERING PROGRAM

[4:01:40 PM](#)

CHAIR TOBIN reconvened the meeting and announced the presentation Alaska Native Science and Engineering Program.

[4:02:11 PM](#)

HERB SCHROEDER, Vice Provost, Alaska Native Science and Engineering Program (ANSEP), University of Alaska Anchorage, Anchorage, Alaska, said he was also the founder of ANSEP. He described various handouts that he provided to the committee. He introduced Mr. Ulroan, an ANSEP alumni.

MR. SCHROEDER stated that prior to the start of ANSEP in 1995, he did rural sanitation research in Alaska for Senator Ted Stevens. There were 104 honey bucket villages in Alaska, increasing the likelihood of diseases and death. One of the findings from the research was poor communication between public health service officials, who were not Native or Alaskan, and community members. He stated that as an engineering professor at the University of Alaska (UA), he could solve part of the problem by teaching Native students to be engineers. He asked the oil and gas industry for donations and devised a scholarship program. His boss was angry and told him to return the money because the university was not going to dumb down its program for Natives. He stated the administration was apathetic. Angered by the situation, he steeled his resolve to ensure that students who wanted to attend the university did not face discrimination. In the ensuing 30 years, ANSEP has developed an effective model that dramatically cuts governmental education costs. He wants to see the program available throughout Alaska because every student deserves an excellent education and an opportunity for a life with unlimited possibilities.

[4:05:22 PM](#)

MR. SCHROEDER turned to slide 2 and said ANSEP students go from 8th grade to a bachelor's degree in science, technology,

engineering, or math (STEM) in 5 years. ANSEP has expanded to include other degree programs offered at UA.

[4:05:40 PM](#)

MR. SCHROEDER turned to slide 3 and said the Urban Institute created a logic diagram for ANSEP which shows the theory behind the program's work.

[4:05:57 PM](#)

MR. SCHROEDER turned to slide 4 and said the following components comprise ANSEP:

[Original punctuation provided.]

K- 5 Academy
K, 1st, 2nd, 3rd, 4th and 5th grade

Middle School Academy
5th, 6th, 7th and 8th grade

STEM Career Explorations
Returning Middle School Students

Acceleration Academy
9th–12th Grade

Summer Bridge
Incoming 1st year University Students

University Success
Undergraduate & Graduate Students

Alaska Grown PhD Graduates
Earn PhDs & Return as Faculty

[4:06:24 PM](#)

MR. SCHROEDER turned to slide 5 and said the photo was of ANSEP students in front of a new building the day it opened. The building was given to ANSEP by partners to provide space for student learning; it is one of the program's four buildings.

[4:06:54 PM](#)

MR. SCHROEDER turned to slides 6 - 7 and said ANSEP began its K-5 Academy during the Covid pandemic. The picture shows a girl looking through a microscope and wearing a forget-me-not earring. It represents the sense of wonder that ANSEP wants students to have.

[4:07:08 PM](#)

MR. SCHROEDER turned to slides 7 - 10 and said that after completing the K-5 Academy students can enter the Middle School Academy. Students live on the ANSEP campus for seven days. He stated there would be 600 new middle school students joining the academy. Students build a top-end personal computer that they can take home. In exchange, students agree to finish Algebra I before they graduate 8th grade.

[4:07:22 PM](#)

MR. SCHROEDER turned to slides 10 - 11 and said the students do other hands-on activities, such as building bridges.

[4:08:19 PM](#)

MR. SCHROEDER turned to slides 11 - 14 and said ANSEP wanted to keep touching base with the middle school students, so it developed STEM Career Explorations. Students select one subject and focus on it for the week, such as structural engineering, geology, or health science. In one class, students built drones and devised ways to pick up and move objects. In other courses, students learned about shear walls and fishing.

[4:09:05 PM](#)

MR. SCHROEDER turned to slides 14 - 21 and said Urban Institute data reported that 77 percent of ANSEP middle school students finish Algebra I or higher compared to the national average of 26 percent. After middle school, students enter Acceleration Academy. The four academies are in Anchorage, Palmer, Bethel, and Kotzebue. ANSEP started a residential school last fall in Anchorage. Work done in middle school prepares students to be American College Test (ACT) ready in 9th grade. Students take college writing and algebra in 9th grade. This track makes it possible for students to have a bachelor's degree five years later. Everything students do is intense. Students work in teams and do hands-on science and engineering activities.

[4:10:39 PM](#)

MR. SCHROEDER turned to slides 22 - 29 and stated students attend Summer Bridge after Acceleration Academy. Through ANSEP, students work an internship with a partner organization, such as oil and gas corporations and federal agencies. At the end of summer, student interns gather with sponsors and give presentations on their work. The internship is a student's first professional experience. Ninety-five percent of Summer Bridge students successfully transition to engineering or science bachelor's degree programs.

[4:11:52 PM](#)

MR. SCHROEDER turned to slides 30 - 35 and said students then attend ANSEP's University Success component, offered in Fairbanks and Anchorage. It continues the collaboration model established in kindergarten. Students must do the following to receive financial support:

- Complete the summer internship
- Give an internship presentation
- Attend weekly Friday meetings
- Maintain 2.5 GPA
- Attend group study sessions

Since 2010, 75 percent of ANSEP students have graduated or are enrolled in college.

[4:12:59 PM](#)

MR. SCHROEDER turned to slides 36 - 38 and said the final component of ANSEP is Grow Our Own PhD. He said he recognized that Native Alaskans needed to be on the faculty of UA for change to become permanent. Dr. Michelle Yatchmeneff from King Cove is the only Alaska Native with a Ph.D. in Engineering Education. Dr. Matt Calhoun from Takotna is the only Alaska Native with a Ph.D. in Civil Engineering. He noted that three other ANSEP students are currently working towards doctorates.

[4:13:41 PM](#)

MR. SCHROEDER said the real thrust of what ANSEP is doing shows in the expected cost to the government per University of Alaska, Anchorage Baccalaureate degree. In Fall 2013, the University Cohort cost was \$289,000. In comparison, the ANSEP accelerated high school model cost was \$92,333.

[4:14:16 PM](#)

MICHAEL ULROAN, Senior Director, Acceleration Academy, Alaska Native Science and Engineering Program, Anchorage, Alaska, said he grew up in Chevak and is an ANSEP alumni. He took advanced English and Pre-Calculus in high school. After graduating at the top of his class, he had many scholarship offers and felt prepared for college. However, when he took placement exams for math and English, he placed in the lowest courses offered. He thought this was normal because friends from other villages scored the same. He received a bachelor's degree in civil engineering eight years later. The number of classes he failed amounted to three years of school. He stopped failing courses

when he became involved in ANSEP. Students now graduate from 8th grade and have a bachelor's degree in five years; ANSEP wants this available to students statewide.

[4:16:26 PM](#)

SENATOR STEVENS asked whether ANSEP receives funding from federal Indian education programs.

[4:16:48 PM](#)

MR. SCHROEDER replied that ANSEP's budget is \$13 million a year. Of the \$13 million, \$3 million comes from the university system, and he raises the remaining \$10 million every year. The savings are massive. ANSEP is an investment. He opined that the savings would be huge if ANSEP could serve a quarter of Alaska's students. ANSEP would eliminate remediation, increase university enrollment, and move students through the education system faster.

[4:17:52 PM](#)

At ease.

PRESENTATION
ALASKA EXCEL

[4:19:40 PM](#) CHAIR TOBIN reconvened the meeting and announced the presentation Alaska Excel.

[4:20:10 PM](#)

CAROL WILSON, Executive Director, Alaska Excel, Anchorage, Alaska, introduced herself, had coworkers introduce themselves and began the Alaska Excel presentation. She said Alaska Excel is a 501(c)(3) nonprofit organization located at Alaska Pacific University in Anchorage. The program brings students from rural areas of Alaska to participate in program sessions where they learn career development, employability skills, navigating urban life, and life skills. In 2014 Alaska Excel served two school districts in the Kuskokwim region; it now serves 11 in all regions of Alaska but Southeast. Nine hundred students will go through the Alaska Excel program in 2023.

[4:23:08 PM](#)

BILLIJO MILLS, Deputy Director, Alaska Excel, Anchorage, Alaska, said Alaska Excel has 3 major components: foundations, specialty sessions, and an internship transition program. She said Alaska Excel is a unique program. Students can begin the program in 7th grade. They visit for 4 days, learn to be away from home and build skills. They begin learning leadership skills and advance

to career development. They also learn independent living skills. Students are encouraged to ask questions and teachers fill their needs. For example, if a student says they need a bank account that is what they are taught. To enter a specialty session a student must attend either a grade 10 or 11 foundation session for vetting purposes. Since specialty sessions are taught by partners, partners need to know that students are responsible. She then showed a video of students sharing what they learned in foundation sessions such as how to apply for a job, acquiring a driver's license, and skills for getting along with others.

[4:27:49 PM](#)

MS. MILLS said the second video shows what students learn at specialty sessions. The students said they learn about careers, internships, college, and skills for independent living.

[4:32:16 PM](#)

CHRISTA WILSON, Finance Director, Alaska Excel, Anchorage, Alaska, said Alaska Excel partners with industries and postsecondary education to deliver the curriculum for specialty sessions. She provided the names of entities that Alaska Excel partners with and the training they provide. Students earn high school credit for foundation and specialty sessions. She shared a video on the internship component of Alaska Excel. The video spoke to the opportunities and skills students learn while serving an internship.

[4:36:34 PM](#)

At ease.

PRESENTATION

CAREER and TECHNICAL EDUCATION IN THE BERING STRAITS REGION: A NOME-BASED REGIONAL TRAINING CENTER PERSPECTIVE

[4:37:02 PM](#)

CHAIR TOBIN announced a presentation by the Northwestern Alaska Career and Technical Center (NACTEC).

[4:37:30 PM](#)

DOUG WALRATH, Director, Northwestern Alaska Career and Technical Center, Nome, Alaska, said NACTEC is a regional training center based in Nome. It is a partnership between the Bering Strait School District and Nome Public Schools. It has been operating for 20 years. The Department of Education and Early Development (DEED) and the Department of Labor (DOL) provide funding to NACTEC.

[4:38:04 PM](#)

MR. WALRATH began the presentation on slide 2 and spoke to the following:

[Original punctuation provided.]

Workforce Development Mission:

- NACTEC delivers variable term (2-4 week intensive formats) residential CTE programs aligning with priority industries: Healthcare, Transportation, Construction, Hospitality & Tourism, Seafood Harvesting & Processing, Natural Resource Development.
- DMV Approved Driver Education School/ 3rd Party Examiner
- AVTEC Maritime: USCG certified training (certifications)
- UAF-CTC: FAA approval Aviation Maintenance (dual credit)
- Healthcare: HLTH 105 to PCA/CNA/Health Aide

[4:39:32 PM](#)

MR. WALRATH moved to slide 3 and said NACTEC aligns career and technical education (CTE) training with the region's workforce needs and prepares students for employment opportunities. Congress has appropriated two large regional projects. In five years, a \$600 million deep draft port in Nome will generate approximately 800 jobs. The second project is Graphite Creek, a mine located near Nome.

[4:40:12 PM](#)

MR. WALRATH turned to slide 4 and discussed the training that NACTEC offers to prepare students for jobs available in the region. The slide shows pictures of students learning to drive and operating heavy equipment. NACTEC purchased simulators with funding from industry partnerships through the Alaska Education Tax Credit Program.

[4:41:08 PM](#)

MR. WALRATH moved to slide 5 and spoke about the training students receive for the fisheries, seafood, and maritime industries. The slide showed pictures of students in the Nome swimming pool learning diving and survival skills and outside learning to seine.

[4:41:53 PM](#)

MR. WALRATH turned to slide 6 and spoke to the following challenges and issues NACTEC faces:

[Original punctuation provided.]

- Nome Housing shortage/Utilities
 - Heating Fuel \$7.20/gallon
- Certified Teachers - shortage
- DEED Residential Stipends
 - Flat funded since FY15
- Alaska Education Tax Credit

[4:42:49 PM](#)

MR. WALRATH turned to slide 7 and said NACTEC had used the Alaska Education Tax Credit (ETC) law heavily for the past 13 years. Unfortunately, changes in the legislation in 2013 made it less friendly for industries and businesses to contribute to programs. He noted that from FY 2016 to 2019, contributions were consistently around 30 percent. However, from FY 2020 - 2022, contributions fell to 16 percent and 7 percent due to the change. NACTEC supports reverting to the old law.

[4:44:12 PM](#)

MR. WALRATH turned to slide 8 and compared graphs showing NACTEC Annual Enrollment from FY 2004 - 2019 and Bering Straits School District's (BSSD) graduation rates from FY 2004 - 2018. As enrollment increased at NACTEC, graduation rates also increased. In NACTEC's first four years of operation, the graduation rate averaged 38 percent. From FY 2016 - 2019, the average graduation rate was 81 percent. He said FY 2010 - 2018 data revealed that of the 1,100 BSSD students, 822 graduated, and 276 students dropped out. Eighty-three percent of the dropouts did not attend a NACTEC high school program. In 2018, 54 percent of SBSD's graduating class participated in an average of 3.5 NACTEC sessions throughout high school.

[4:45:58 PM](#)

MR. WALRATH turned to slide 9 and said the blue bar represents BSSD's graduation rate. The red bar represents NACTEC's "graduation rate," if it had one. It is the percentage of all students that attended NACTEC and graduated from SBSD. Ten years of data shows that students who attend NACTEC graduate at a rate 22 percent higher than the overall student population of SBSD.

[4:46:21 PM](#)

MR. WALRATH turned to slide 10 and said the Alaska Native Engineering Education Development Project is a four-year, \$4 million grant from the Office of Indian Education. NACTEC hired four teachers to instruct students in STEM subjects starting in PreK. Early elementary school students learn to code, while older students learn to build computers.

[4:47:44 PM](#)

MR. WALRATH turned to slide 11 and said NACTEC shut down for 24 months due to the Covid pandemic. During that time, NACTEC created a virtual classroom of its tech center for students to explore online. It allows teachers and students to become familiar with NACTEC before arriving. Career and technical education coursework was digitized. Using Oculus headsets, students can disassemble and find faults with a small engine.

PRESENTATION
ALASKA TECHNICAL CENTER AND
STAR OF THE NW MAGNET SCHOOL

[4:49:33 PM](#)

CHAIR TOBIN announced the presentation Alaska Technical Center and STAR of the Northwest Magnet School.

[4:49:59 PM](#)

TERRI WALKER, Superintendent, Northwest Arctic Borough School District, Kotzebue, Alaska, stated that the Alaska Technical Center (ATC) is owned and operated by the Northwest Arctic Borough School District. It serves adults and high school students.

[4:50:31 PM](#)

KARL KOWALSKI, Director, Alaska Technical Center and STAR of the Northwest Magnet School, Kotzebue, Alaska, began the presentation at slide 2 and spoke to the following points:

[Original punctuation provided.]

Facility

- 37,000 sq. ft modern facility
 - Industry labs, healthcare, state of the art instructional kitchen, computer labs, instructional classrooms and community meeting space
 - 40 Bed Adult Dormitory & 44 Bed High School Dormitory

Programs

- Core industry-standard, partner-developed programs
 - Construction Trades, Process Tech, Culinary Arts, Millwright, CNA
- Employer-driven short courses
 - CDL, Heavy Equip't Operator, HAZWOPER, EMT I, II, Rural Wastewater, Toyo Stove Repair, Boiler Repair & Maintenance
- STAR High School Residential Program & ReadiSTAR Vocational intensives

Partnerships

- 20+ partnerships across industry, healthcare, tribal government, and education

Successes

- Many trainees with successful careers
- Expanded vocational opportunities for high school students

Challenges

- Post-pandemic recovery is slow
- Changing student demographics
- School life balance
- Staffing

Priorities & Opportunities

- Family Housing & Childcare Facility
- Community Partnership and program expansion

[4:53:23 PM](#)

MR. KOWALSKI turned to slide 3 and said ATC is also the Alaska Adult Education and General Education Development (GED) center for Northwest Alaska.

[4:53:35 PM](#)

MR. KOWALSKI turned to slide 4 and said vocational education believes that when "your hands are on, your mind is on." Vocational training is not an alternative to academics; it goes hand in hand with academics. Students who tend to take vocational classes do better in school. He stated his belief that the practical application of knowledge helps prepare secondary and postsecondary trainees to deal with real-world applications and be ready for jobs upon entering the workforce.

[4:54:20 PM](#)

MR. KOWALSKI turned to slide 5 and highlighted a successful partnership between the Northwest Arctic Native Association (NANA) Regional Corporation and the Maniilaq Association. Rural villages need heating technicians. A cohort of 24 shareholders trained in Toyo stove and boiler repair and maintenance. He opined that the reason the program was successful with a 100 percent completion rate was because of the wrap-around services provided by NANA and Maniilaq, which included the following:

- Tuition
- Travel
- Housing
- Weekly stipends
- Tools
- Employment opportunities
- Traditional foods

[4:56:04 PM](#)

Mr. KOWALSKI turned to slide 6 and said ATC tries hard to apply training to real-world applications. The construction trades class is building an espresso stand within the technical center. Northwest Electric agreed to teach students how to run electrical wiring and plumbing for the cafe stand. The culinary arts program will use the cafe to operate a small business enterprise where students can sell the goods produced in the cafeteria.

[4:57:04 PM](#)

MR. KOWALSKI turned to slide 7 and spoke about the following points of the STAR of the Northwest Magnet School located in Kotzebue:

[Original punctuation provided.]

STAR

- Full-time residential High School Program
- Traditional Academic and Vocational offerings
- Partnership with UAF Chukchi Campus, ANSEP and the NWABSD
- Graduate workforce ready

ReadiSTAR

- Vocational Intensives
- 2-week residential experience
- CTE Credit in High School

[4:57:50 PM](#)

MR. KOWALSKI turned to slides 8 and 9 and spoke to the following challenges the programs face:

Worker shortage

Kotzebue housing shortage

Teacher shortage

Flat funding for residential high school program

Post pandemic recovery

He said STAR is working to develop a computer program with NANA Corporation that received a \$68 million tribal broadband grant to run fiber optic cable to villages throughout the region. This grant will provide the area with educational and job opportunities.

[5:02:07 PM](#)

There being no further business to come before the committee, Chair Tobin adjourned the Senate Education Standing Committee meeting at 5:02 p.m.