

AMENDMENT # 23

OFFERED IN THE SENATE

BY SENATOR MYERS

TO: SCS CSHB 57(FIN)

1 Page 1, line 2, following "**funding;**":

2 Insert "**relating to achievement incentive funding;**"

3

4 Page 1, line 4, following "**Development;**":

5 Insert "**relating to the fund for the improvement of school performance;**"

6

7 Page 2, following line 14:

8 Insert a new bill section to read:

9 **\*\* Sec. 4.** AS 14.07.020(a) is amended to read:

10 (a) The department shall

11 (1) exercise general supervision over the public schools of the state  
12 except the University of Alaska;

13 (2) study the conditions and needs of the public schools of the state,  
14 adopt or recommend plans, [ADMINISTER AND EVALUATE GRANTS TO  
15 IMPROVE SCHOOL PERFORMANCE AWARDED UNDER AS 14.03.125,] and  
16 adopt regulations for the improvement of the public schools; the department may  
17 consult with the University of Alaska to develop secondary education requirements to  
18 improve student achievement in college preparatory courses;

19 (3) provide advisory and consultative services to all public school  
20 governing bodies and personnel;

21 (4) prescribe by regulation a minimum course of study for the public  
22 schools; the regulations must provide that, if a course in American Sign Language is  
23 given, the course shall be given credit as a course in a foreign language;

1           (5) establish, in coordination with the Department of Family and  
2 Community Services, a program for the continuing education of children who are held  
3 in juvenile detention facilities or juvenile treatment facilities, as those terms are  
4 defined in AS 47.12.990, in the state during the period of detention or treatment;

5           (6) accredit those public schools that meet accreditation standards  
6 prescribed by regulation by the department; these regulations shall be adopted by the  
7 department and presented to the legislature during the first 10 days of any regular  
8 session, and become effective 45 days after presentation or at the end of the session,  
9 whichever is earlier, unless disapproved by a resolution concurred in by a majority of  
10 the members of each house;

11           (7) prescribe by regulation, after consultation with the state fire  
12 marshal and the state sanitarian, standards that will ensure healthful and safe  
13 conditions in the public and private schools of the state, including a requirement of  
14 physical examinations and immunizations in pre-elementary schools; the standards for  
15 private schools may not be more stringent than those for public schools;

16           (8) exercise general supervision over early education programs that  
17 receive direct state or federal funding, including early education programs provided by  
18 a school district for students four and five years of age, approve an early education  
19 program provided by a school district that complies with the standards adopted by the  
20 board under AS 14.07.165(a)(5), and revoke approval of an early education program if  
21 the program does not comply with the standards adopted by the board under  
22 AS 14.07.165(a)(5);

23           (9) exercise general supervision over elementary and secondary  
24 correspondence study programs offered by municipal school districts or regional  
25 educational attendance areas; the department may also offer and make available to any  
26 Alaskan through a centralized office a correspondence study program;

27           (10) accredit private schools that request accreditation and that meet  
28 accreditation standards prescribed by regulation by the department; nothing in this  
29 paragraph authorizes the department to require religious or other private schools to be  
30 licensed;

31           (11) review plans for construction of new public elementary and

1 secondary schools and for additions to and major rehabilitation of existing public  
2 elementary and secondary schools and, in accordance with regulations adopted by the  
3 department, determine and approve the extent of eligibility for state aid of a school  
4 construction or major maintenance project; for the purposes of this paragraph, "plans"  
5 include educational specifications, schematic designs, projected energy consumption  
6 and costs, and final contract documents;

7 (12) provide educational opportunities in the areas of vocational  
8 education and training, and basic education to individuals over 16 years of age who  
9 are no longer attending school; the department may consult with businesses and labor  
10 unions to develop a program to prepare students for apprenticeships or internships that  
11 will lead to employment opportunities;

12 (13) administer the grants awarded under AS 14.11;

13 (14) establish, in coordination with the Department of Public Safety, a  
14 school bus driver training course;

15 (15) require the reporting of information relating to school disciplinary  
16 and safety programs under AS 14.33.120 and of incidents of disruptive or violent  
17 behavior;

18 (16) establish by regulation criteria, based on low student performance,  
19 under which the department may intervene in a school district to improve instructional  
20 practices, as described in AS 14.07.030(a)(14) or (15); the regulations must include

21 (A) a notice provision that alerts the district to the deficiencies  
22 and the instructional practice changes proposed by the department;

23 (B) an end date for departmental intervention, as described in  
24 AS 14.07.030(a)(14)(A) and (B) and (15), after the district demonstrates three  
25 consecutive years of improvement consisting of not less than two percent  
26 increases in student proficiency on standards-based assessments in language  
27 arts and mathematics, as provided in AS 14.03.123(f)(1)(A); and

28 (C) a process for districts to petition the department for  
29 continuing or discontinuing the department's intervention;

30 (17) notify the legislative committees having jurisdiction over  
31 education before intervening in a school district under AS 14.07.030(a)(14) or

1           redirecting public school funding under AS 14.07.030(a)(15);

2                       (18) establish a reading program to provide direct support for and  
3           intervention in the reading intervention programs of participating schools as described  
4           in AS 14.30.765 and 14.30.770;

5                       (19) annually convene, either in person or electronically, a panel to  
6           review and comment on the effectiveness of the programs created by the department  
7           and the regulations adopted by the board to implement AS 14.03.410, 14.03.420,  
8           AS 14.30.760 - 14.30.770, and 14.30.800; the panel

9                               (A) shall provide recommendations and guidance to the board,  
10           the department, and the legislature on how to integrate early education and  
11           reading programs created under this title with tribal compacting or programs  
12           focused on cultural education within the department;

13                              (B) shall discuss support for reading in Alaska Native  
14           languages and other non-English languages;

15                              (C) must collectively represent the regions of the state and  
16           include teachers of grades kindergarten through three, school administrators,  
17           parents of students in grades kindergarten through three, stakeholders from  
18           Indigenous language immersion programs, representatives from early  
19           education stakeholder groups, and researchers of best practices for improving  
20           literacy performance, including best practices for instruction of Indigenous  
21           students and students whose first language is not English."

22  
23   Renumber the following bill sections accordingly.

24  
25   Page 4, following line 11:

26           Insert new bill sections to read:

27           "\* **Sec. 6.** AS 14.17.410(b) is amended to read:

28                       (b) Public school funding consists of state aid, a required local contribution,  
29           and eligible federal impact aid determined as follows:

30                              (1) state aid equals basic need minus a required local contribution and  
31           90 percent of eligible federal impact aid for that fiscal year; basic need equals the sum

1 obtained under (D) of this paragraph, multiplied by the base student allocation set out  
2 in AS 14.17.470; district adjusted ADM is calculated as follows:

3 (A) the ADM of each school in the district is calculated by  
4 applying the school size factor to the student count as set out in AS 14.17.450;

5 (B) the number obtained under (A) of this paragraph is  
6 multiplied by the district cost factor described in AS 14.17.460;

7 (C) the ADMs of each school in a district, as adjusted  
8 according to (A) and (B) of this paragraph, are added; the sum is then  
9 multiplied by the special needs factor set out in AS 14.17.420(a)(1), [AND] the  
10 secondary school vocational and technical instruction funding factor set out in  
11 AS 14.17.420(a)(3), and the achievement incentive funding factor  
12 calculated under AS 14.17.422;

13 (D) the number obtained for intensive services under  
14 AS 14.17.420(a)(2) and the number obtained for correspondence study under  
15 AS 14.17.430 are added to the number obtained under (C) of this paragraph or  
16 under (H) and (I) of this paragraph;

17 (E) notwithstanding (A) - (C) of this paragraph, if a school  
18 district's ADM adjusted for school size under (A) of this paragraph decreases  
19 by five percent or more from one fiscal year to the next fiscal year, the school  
20 district may use the last fiscal year before the decrease as a base fiscal year to  
21 offset the decrease, according to the following method:

22 (i) for the first fiscal year after the base fiscal year  
23 determined under this subparagraph, the school district's ADM adjusted  
24 for school size determined under (A) of this paragraph is calculated as  
25 the district's ADM adjusted for school size, plus 75 percent of the  
26 difference in the district's ADM adjusted for school size between the  
27 base fiscal year and the first fiscal year after the base fiscal year;

28 (ii) for the second fiscal year after the base fiscal year  
29 determined under this subparagraph, the school district's ADM adjusted  
30 for school size determined under (A) of this paragraph is calculated as  
31 the district's ADM adjusted for school size, plus 50 percent of the

1 difference in the district's ADM adjusted for school size between the  
2 base fiscal year and the second fiscal year after the base fiscal year;

3 (iii) for the third fiscal year after the base fiscal year  
4 determined under this subparagraph, the school district's ADM adjusted  
5 for school size determined under (A) of this paragraph is calculated as  
6 the district's ADM adjusted for school size, plus 25 percent of the  
7 difference in the district's ADM adjusted for school size between the  
8 base fiscal year and the third fiscal year after the base fiscal year;

9 (F) the method established in (E) of this paragraph is available  
10 to a school district for the three fiscal years following the base fiscal year  
11 determined under (E) of this paragraph only if the district's ADM adjusted for  
12 school size determined under (A) of this paragraph for each fiscal year is less  
13 than the district's ADM adjusted for school size in the base fiscal year;

14 (G) the method established in (E) of this paragraph does not  
15 apply to a decrease in the district's ADM adjusted for school size resulting  
16 from a loss of enrollment that occurs as a result of a boundary change under  
17 AS 29;

18 (H) notwithstanding (A) - (C) of this paragraph, if one or more  
19 schools close and consolidate with one or more other schools in the same  
20 community and district and, as a result of the consolidation, basic need  
21 generated by the district's ADM of the consolidated schools as adjusted under  
22 (A) - (C) of this paragraph decreases, the district may use the last fiscal year  
23 before the consolidation as the base fiscal year to offset that decrease for the  
24 first four fiscal years following consolidation according to the following  
25 method:

26 (i) for the first two fiscal years after the base fiscal year,  
27 the district's ADM of the consolidated schools as adjusted under (A) -  
28 (C) of this paragraph is calculated by dividing the sum of the district's  
29 ADM of the consolidated schools as adjusted under (A) - (C) of this  
30 paragraph for the base fiscal year by the sum of the district's ADM of  
31 the consolidated schools for the base fiscal year without adjustment,

1 and subtracting the quotient obtained by dividing the district's ADM of  
2 the consolidated schools for the current fiscal year as adjusted under  
3 (A) - (C) of this paragraph by the sum of the district's ADM of the  
4 consolidated schools for the current fiscal year without adjustment,  
5 multiplying that number by the sum of the district's ADM of the  
6 consolidated schools for the current fiscal year without adjustment, and  
7 adding that number to the sum of the district's ADM of the consolidated  
8 schools for the current fiscal year as adjusted under (A) - (C) of this  
9 paragraph;

10 (ii) for the third fiscal year after the base fiscal year, the  
11 district's ADM of the consolidated schools as adjusted under (A) - (C)  
12 of this paragraph is calculated by dividing the sum of the district's  
13 ADM of the consolidated schools as adjusted under (A) - (C) of this  
14 paragraph for the base fiscal year by the sum of the district's ADM of  
15 the consolidated schools for the base fiscal year without adjustment,  
16 and subtracting the quotient obtained by dividing the sum of the  
17 district's ADM of the consolidated schools for the current fiscal year as  
18 adjusted under (A) - (C) of this paragraph by the sum of the district's  
19 ADM of the consolidated schools for the current fiscal year,  
20 multiplying that number by the sum of the district's ADM of the  
21 consolidated schools for the current fiscal year without adjustment,  
22 multiplying that number by 66 percent, and adding that number to the  
23 sum of the district's ADM of the consolidated schools for the current  
24 fiscal year as adjusted under (A) - (C) of this paragraph;

25 (iii) for the fourth fiscal year after the base fiscal year,  
26 the district's ADM of the consolidated schools as adjusted under (A) -  
27 (C) of this paragraph is calculated by dividing the sum of the district's  
28 ADM of the consolidated schools as adjusted under (A) - (C) of this  
29 paragraph for the base fiscal year by the sum of the district's ADM of  
30 the consolidated schools for the base fiscal year without adjustment,  
31 and subtracting the quotient obtained by dividing the sum of the

1 district's ADM of the consolidated schools for the current fiscal year as  
 2 adjusted under (A) - (C) of this paragraph by the sum of the district's  
 3 ADM of the consolidated schools for the current fiscal year,  
 4 multiplying that number by the sum of the district's ADM of the  
 5 consolidated schools for the current fiscal year without adjustment,  
 6 multiplying that number by 33 percent, and adding that number to the  
 7 sum of the district's ADM of the consolidated schools for the current  
 8 fiscal year as adjusted under (A) - (C) of this paragraph;

9 (iv) to calculate the district's basic need for each fiscal  
 10 year, the number obtained through the calculation in (i), (ii), or (iii) of  
 11 this subparagraph is added to the number obtained under (C) of this  
 12 paragraph for the remainder of the district;

13 (I) if the basic need calculated under (H)(i) - (iii) of this  
 14 paragraph for one of the first four fiscal years after consolidation is less than  
 15 the basic need calculated under (A) - (C) of this paragraph for that fiscal year,  
 16 the basic need may not be adjusted under (H) of this paragraph for that fiscal  
 17 year;

18 (J) a district may not offset a decrease under (H) of this  
 19 paragraph if

20 (i) a new facility is constructed in the district for the  
 21 consolidation; or

22 (ii) the district offset a decrease under (E) of this  
 23 paragraph in the same fiscal year;

24 (K) a district that offsets a decrease under (H) of this paragraph  
 25 may not reopen a school that was closed for consolidation in the district until

26 (i) seven or more years have passed since the school  
 27 closure; and

28 (ii) the district provides evidence satisfactory to the  
 29 department that the schools affected by the consolidation are over  
 30 capacity;

31 (L) a district may not reopen and reconsolidate a school that

1 was consolidated in the district more than once every seven years for purposes  
2 of the calculations made under (H) of this paragraph;

3 (M) a district offsetting a decrease under (H) of this paragraph  
4 shall provide the department with the list of schools participating in the  
5 consolidation and the corresponding ADM;

6 (2) the required local contribution of a city or borough school district is  
7 the equivalent of a 2.65 mill tax levy on the full and true value of the taxable real and  
8 personal property in the district as of January 1 of the second preceding fiscal year, as  
9 determined by the Department of Commerce, Community, and Economic  
10 Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a  
11 district's basic need for the preceding fiscal year as determined under (1) of this  
12 subsection.

13 \* **Sec. 7.** AS 14.17 is amended by adding a new section to read:

14 **Sec. 14.17.422. Achievement incentive funding.** (a) As a component of  
15 public school funding, a district or state boarding school is eligible to receive  
16 achievement incentive funding based on an achievement incentive funding factor  
17 calculated as described in (b) of this section and applied as described in  
18 AS 14.17.410(b)(1) and 14.17.440(a)(2).

19 (b) The achievement funding factor may not exceed 1.2 and is calculated by  
20 adding 1.0 to the sum of the following components:

21 (1) math proficiency; the math proficiency component is calculated by  
22 multiplying .017 by the percentage of students in the district enrolled in kindergarten  
23 through grade 10 who, in the previous school year, scored proficient or above on the  
24 spring math assessment;

25 (2) math proficiency growth; the math proficiency growth component  
26 is calculated by multiplying .033 by the percentage of students in the district enrolled  
27 in kindergarten through grade 10 who, in the previous school year, showed growth  
28 between the math assessments taken in the fall and the spring;

29 (3) reading proficiency; the reading proficiency component is  
30 calculated by multiplying .017 by the percentage of students in the district enrolled in  
31 kindergarten through grade 10 who, in the previous school year, scored proficient or

1 above on the spring reading assessment;

2 (4) reading proficiency growth; the reading proficiency growth  
3 component is calculated by multiplying .033 by the percentage of students in the  
4 district enrolled in kindergarten through grade 10 who, in the previous school year,  
5 showed growth between the reading assessments taken in the fall and the spring;

6 (5) graduation rate; if the graduation rate for the previous school year  
7 is

8 (A) at least 70 percent but less than 80 percent, the component  
9 is .017;

10 (B) at least 80 percent but less than 90 percent, the component  
11 is .033;

12 (C) 90 percent or higher, the component is .05; and

13 (6) postgraduation achievement rate; if the postgraduation achievement  
14 rate for the previous school year is

15 (A) at least 70 percent but less than 80 percent, the component  
16 is .017;

17 (B) at least 80 percent but less than 90 percent, the component  
18 is .033;

19 (C) 90 percent or higher, the component is .05.

20 (c) The department shall select the math assessments and reading assessments  
21 used for the purposes of calculating a component under (b) of this section.

22 (d) The department shall annually prepare a report containing information  
23 relating to the components and achievement incentive funding factor applied for each  
24 district and state boarding school in the previous school year, including the data  
25 relating to each component and factor. The department shall, not later than the seventh  
26 day of each regular legislative session, submit the report to the senate secretary and the  
27 chief clerk of the house of representatives and notify the legislature that the report is  
28 available.

29 (e) In this section,

30 (1) "graduation rate" has the meaning given by the department by  
31 regulation;

1 (2) "math assessment" means a national, norm-referenced assessment  
2 that measures student performance in math;

3 (3) "postgraduation achievement rate" means a quotient, expressed as a  
4 percentage, obtained by dividing the number of students who, within six months after  
5 graduating from a high school in the district, were accepted into a postsecondary  
6 educational institution or an apprenticeship program, enlisted in the military service of  
7 a state or the United States, or accepted full-time employment, by the number of  
8 students who graduated from high schools in the district;

9 (4) "postsecondary educational institution" has the meaning given in  
10 AS 14.48.210;

11 (5) "reading assessment" means a national, norm-referenced  
12 assessment that measures student performance in reading;

13 (6) "state boarding school" means a state boarding school established  
14 under AS 14.16.010.

15 \* **Sec. 8.** AS 14.17.430 is amended to read:

16 **Sec. 14.17.430. State funding for correspondence study.** Except as provided  
17 in AS 14.17.400(b), funding for the state centralized correspondence study program or  
18 a district correspondence program, including a district that offers a statewide  
19 correspondence study program, includes an allocation from the public education fund  
20 in an amount calculated by

21 **(1) multiplying the ADM of the correspondence program by 90**  
22 **percent;**

23 **(2) multiplying the ADM of the correspondence program by the**  
24 **sum of the district's achievement incentive funding factor components under**  
25 **AS 14.17.422(b)(1) - (6); and**

26 **(3) adding the number obtained in (1) of this section to the number**  
27 **obtained in (2) of this section.**

28 \* **Sec. 9.** AS 14.17.440(a) is amended to read:

29 (a) Except as provided in AS 14.17.400(b), funding for state boarding schools  
30 established under AS 14.16.010 includes an allocation from the public education fund  
31 in an amount calculated by

1 (1) determining the ADM of state boarding schools by applying the  
2 school size factor to the student count as described in AS 14.17.450;

3 (2) multiplying the number obtained under (1) of this subsection by the  
4 special needs factor in AS 14.17.420(a)(1), [AND] the secondary school vocational  
5 and technical instruction funding factor set out in AS 14.17.420(a)(3), **and the**  
6 **achievement incentive funding factor for each state boarding school calculated**  
7 **under AS 14.17.422**, and multiplying that product by the base student allocation; and

8 (3) multiplying the product determined under (2) of this subsection by  
9 the district cost factor that is applicable to calculation of the state aid for the adjacent  
10 school district under AS 14.17.460."

11

12 Renumber the following bill sections accordingly.

13

14 Page 5, following line 26:

15 Insert a new bill section to read:

16 **"\* Sec. 13. AS 14.03.125 and AS 14.07.165(a)(2) are repealed."**

17

18 Renumber the following bill sections accordingly.