

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

February 12, 2025

3:32 p.m.

MEMBERS PRESENT

Senator Löki Tobin, Chair
Senator Gary Stevens, Vice Chair
Senator Jesse Bjorkman
Senator Jesse Kiehl
Senator Mike Cronk

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Eischeid

COMMITTEE CALENDAR

SENATE BILL NO. 41

"An Act relating to mental health education."

- HEARD & HELD

SENATE BILL NO. 23

"An Act relating to civics education, civics assessments, and secondary school graduation requirements; and providing for an effective date."

- HEARD & HELD

SENATE BILL NO. 22

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

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 41

SHORT TITLE: PUBLIC SCHOOLS: MENTAL HEALTH EDUCATION

SPONSOR(S): SENATOR(S) GRAY-JACKSON

01/17/25 (S) PREFILE RELEASED 1/17/25
01/22/25 (S) READ THE FIRST TIME - REFERRALS
01/22/25 (S) EDC, FIN
02/03/25 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/03/25 (S) -- MEETING CANCELED --
02/12/25 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 22

SHORT TITLE: FINANCIAL LITERACY PROGRAM IN SCHOOLS

SPONSOR(s): SENATOR(s) WIELECHOWSKI

01/10/25 (S) PREFILE RELEASED 1/10/25
01/22/25 (S) READ THE FIRST TIME - REFERRALS
01/22/25 (S) EDC, FIN
02/05/25 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/05/25 (S) -- MEETING CANCELED --
02/12/25 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

BILL: SB 23

SHORT TITLE: CIVICS EDUCATION

SPONSOR(s): SENATOR(s) STEVENS

01/10/25 (S) PREFILE RELEASED 1/10/25
01/22/25 (S) READ THE FIRST TIME - REFERRALS
01/22/25 (S) EDC, FIN
02/05/25 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)
02/05/25 (S) -- MEETING CANCELED --
02/12/25 (S) EDC AT 3:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR ELVI GRAY-JACKSON, District G
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 41.

DEIRDRE GOINS, Staff
Senator Elvi Gray-Jackson
Alaska State Legislature

POSITION STATEMENT: Offered the sectional analysis on SB 41.

ANN RINGSTAD, Executive Director
National Alliance on Mental Illness (NAMI) Alaska
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SB 41.

JEN GRIFFIS, Vice President

Policy and Advocacy
Alaska Children's Trust
Anchorage, Alaska

POSITION STATEMENT: Testified by invitation on SB 41.

KELLY MANNING, Deputy Director
Division of Innovation and Education Excellence
Department of Education and Early Child Development
Juneau, Alaska

POSITION STATEMENT: Reviewed and answered questions on the fiscal note for SB 41.

TIM LAMKIN, Staff,
Senator Gary Stevens
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Paraphrased the sectional analysis for SB 23.

KELLY MANNING, Deputy Director
Division of Innovation and Education Excellence
Department of Education and Early Child Development
Juneau, Alaska

POSITION STATEMENT: Reviewed the fiscal note for SB 23.

LISA BOUDREAU, Director
State Policy
iCivics
Cambridge, Massachusetts

POSITION STATEMENT: Testified by invitation on SB 23.

SENATOR BILL WIELECHOWSKI
District K
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 22.

HUNTER LOTTSFELDT, Staff
Senator Bill Wielechowski
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Offered a presentation and sectional analysis on SB 22.

KELLY MANNING, Deputy Director
Division of Innovation and Education Excellence
Department of Education and Early Child Development

Juneau, Alaska

POSITION STATEMENT: Reviewed the fiscal note for SB 22.

ACTION NARRATIVE

[3:32:12 PM](#)

CHAIR TOBIN called the Senate Education Standing Committee meeting to order at 3:32 p.m. Present at the called to order were Senators Cronk, Bjorkman, Stevens, Kiehl, and Chair Tobin.

SB 41-PUBLIC SCHOOLS: MENTAL HEALTH EDUCATION

[3:33:15 PM](#)

CHAIR TOBIN announced the consideration of SENATE BILL NO. 41 "An Act relating to mental health education."

[3:33:33 PM](#)

SENATOR ELVI GRAY-JACKSON, District G, Alaska State Legislature, Juneau, Alaska, sponsor of SB 41 said she and Senator Claman have been fighting for a mental health education bill for some time. She stated that SB 41 ensures mental health education is included in the K-12 curriculum with equal priority as physical health. She explained that the Board of Education must develop age-appropriate guidelines in collaboration with state and national mental health experts, tribal health organizations, and the Departments of Health and Family Services. She emphasized that the bill protects parental rights by requiring schools to notify parents at least two weeks before delivering any mental health instruction. She urged the committee to support SB 41, describing it as a necessary and critical measure for student well-being.

[3:35:38 PM](#)

DEIRDRE GOINS, Staff, Senator Elvi Gray-Jackson, Alaska State Legislature, Offered the sectional analysis on SB 41:

[Original punctuation provided.]

**SB 41: Mental Health Education
Sectional Analysis - Version A**

Section 1- Adds a new section to 14.03.016(a)

Legislative Intent: It is the intent of the legislature that the board of Education and Early Development develop guidelines for instruction in

mental health in consultation with the Department of Health, the Department of Family and Community Services, regional tribal health organizations, and representatives of national and state mental health organizations.

Section 2- Adds a new subsection to 14.03.016(a)- A parent's right to direct the education of the parent's child.

(7) Provides for notification of parents or guardians no less than two weeks before a class or program may provide mental health instruction a child.

Section 3- Amends AS 14.30.360(a) Health education curriculum; physical activity guidelines.

Amended to add mental health to the K-12 Health education curriculum, putting mental and physical health equal weight.

Section 4- Amends AS 14.30.360(b)- Health education curriculum; physical activity guidelines.

Amended to include board establishment of guidelines for developmentally appropriate instruction in mental health. In developing these developmentally appropriate guidelines the state board shall consult with the Department of Health (DOH), the Department of Family and Community Services (DFCS), regional tribal health organizations, and national and state mental health organizations.

Section 5- Adds a new section to AS 14.30.360(b),

Report to the Legislature: Two years after the effective date of this Act, the state Board of Education and Early Development shall submit a report to the Senate and House and notify the legislature that the report is available. The report must

(1) include a copy of the guidelines for developmentally appropriate instruction in mental health developed by the Board as required under AS 14.30.360(b), as amended by sec. 4 of this Act; and

(2) describe the process the Board used to develop the guidelines.

Section 6- Adds a new section to AS 14.30.360(b),

Transition: The state Board of Education and Early Development shall develop the mental health guidelines required by AS 14.30.360(b), as amended by sec. 4 of this Act, within two years after the effective date of this Act.

[3:38:29 PM](#)

CHAIR TOBIN announced invited testimony on SB 41.

[3:38:35 PM](#)

ANN RINGSTAD, Executive Director, National Alliance on Mental Illness (NAMI) Alaska, Anchorage, Alaska, testified by invitation on SB 41. She stated that NAMI is the nation's largest grassroots mental health organization, with 48 state organizations and over 600 affiliates, including those in Anchorage, Fairbanks, Juneau, and Utqiagvik. She explained that NAMI's mission is to end the stigma of mental illness through advocacy, education, support, and public awareness to help individuals and families build better lives.

MS. RINGSTAD expressed appreciation to Senator Gray-Jackson and the committee for years of support, noting that SB 41 reflects several years of work by combining elements from prior legislation. She clarified that SB 41 offers mental health guidelines—not curriculum—for public schools to help increase awareness and early identification of mental health conditions in students, and it includes a parental notification requirement. She emphasized the link between physical and mental health, citing data that 50 percent of mental health conditions begin by age 14 and 75 percent by age 25.

[3:41:14 PM](#)

MS. RINGSTAD noted that since children spend significant time in school—especially in the post-COVID era—schools need state guidance to recognize and respond to mental health concerns. She highlighted the critical role of teachers and school staff in observing early warning signs and stressed that early identification can change the course of a child's life. She urged the committee to pass SB 41 this session to support youth mental health.

[3:42:25 PM](#)

JEN GRIFFIS, Vice President, Policy and Advocacy, Alaska Children's Trust, Anchorage, Alaska, testified by invitation on

SB 41. She testified in support of SB 41 on behalf of Alaska Children's Trust stating that the bill promotes the health and well-being of Alaska's children and families. She explained that SB 41 allows communities to choose to include mental wellness in their health curriculum, giving students the opportunity to learn how to care for their mental health alongside their physical health.

[3:43:29 PM](#)

MS. GRIFFIS highlighted alarming data: a 59 percent increase over the past decade in students feeling sad or hopeless, suicide as the leading cause of death for Alaskans aged 15 to 24 in 2019, and 21 percent of high school students in 2023 reporting they had planned a suicide attempt in the last year. She cited a Spirit of Youth survey showing that 95 percent of Alaskans believe youth experience mental health issues, 87 percent are concerned, and nearly 90 percent support mental health education in schools.

MS. GRIFFIS concluded that SB 41 would reduce stigma, support families and educators, and improve access to developmentally appropriate mental health knowledge, while preserving local control. She emphasized that supporting students today strengthens future generations.

[3:45:14 PM](#)

SENATOR CRONK asked if SB 41 had a fiscal note.

[3:45:22 PM](#)

SENATOR GRAY-JACKSON replied yes.

[3:45:38 PM](#)

At ease.

[3:46:13 PM](#)

CHAIR TOBIN reconvened the meeting.

[3:46:40 PM](#)

KELLY MANNING, Deputy Director, Division of Innovation and Education Excellence, Department of Education and Early Child Development, Juneau, Alaska, reviewed and answered questions on the fiscal note for SB 41. She explained that the process in SB 41 centers on convening a work group made up of required members identified in the bill to review existing standards and make adjustments aligned with the bill's provisions. She stated that the plan includes two in-person convenings for 30 committee members from various sectors to collaborate, define their tasks,

and later reconvene to finalize the guidelines. She noted that stipends would be provided to compensate members for their time and that a facilitator would be hired to manage the group's work and coordination.

[3:48:18 PM](#)

MS. MANNING added that \$36,000 is allocated for professional services, which includes facilitation and legal costs for regulation adjustments. After the work is completed, the finalized guidelines would be submitted to the State Board for review.

[3:48:45 PM](#)

SENATOR STEVENS acknowledged the state's fiscal challenges and noted the presence of a finance committee member. He stated that any proposal reaching the finance committee will be closely examined for affordability. He questioned whether the associated costs could be reduced, asking if more online meetings could be used or stipends eliminated. MR. S asked whether all the proposed expenses were absolutely necessary.

[3:49:12 PM](#)

MS. MANNING explained that developing K-12 mental health education guidelines requires reviewing existing standards and identifying necessary additions. She emphasized the importance of convening multiple stakeholder groups who may not typically work together and need time to align on the goals of the work. She stated that starting with in-person meetings is critical to grounding participants before transitioning to remote collaboration. She clarified that significant time and effort will be required beyond the two convenings, which justifies the stipends. She concluded that offering compensation helps ensure participation and acknowledges the value of the work involved in developing the guidelines.

SENATOR STEVENS expressed concern about the additional costs associated with implementing SB 41. He suggested looking for ways to reduce costs before the bill reaches the Finance Committee.

[3:50:47 PM](#)

SENATOR GRAY-JACKSON thanked the committee for hearing SB 41 and expressed hope that the bill would be heard again. She specifically thanked Senator Stevens for his question regarding costs, noting that it mirrored a recent question from her chief of staff. She appreciated the question being put on the record.

[3:51:14 PM](#)

CHAIR TOBIN held SB 41 in committee.

[3:51:25 PM](#)

At ease.

SB 23-CIVICS EDUCATION

[3:53:28 PM](#)

CHAIR TOBIN reconvened the meeting and announced the consideration of SENATE BILL NO. 2 "An Act relating to civics education, civics assessments, and secondary school graduation requirements; and providing for an effective date."

[3:53:56 PM](#)

SENATOR GARY STEVENS, speaking as sponsor of SB 23 stated that SB 23 addresses a longstanding lack of civic knowledge in the education system, describing it as a "quiet epidemic" caused by decades of prioritizing core subjects like math and science at the expense of social studies. He explained that the bill establishes a required civics course or exam for graduating seniors, emphasizing that it is not a high-stakes test but a critical learning tool to promote understanding of citizenship.

SENATOR STEVENS shared his personal experience taking the civics test, noting that it reinforced the idea that learning is a process. He stated that SB 23 directs the State Board of Education and Early Development to develop civics curriculum and assist districts in aligning instruction with civic standards. He expressed hope that the bill would help renew a sense of civic responsibility, including voting and community engagement, which he said aligns with the original purpose of public education as envisioned by the Founding Fathers.

SENATOR STEVENS added that he recently met with representatives from the Alaska Federation of Natives (AFN), who expressed concern about declining voter turnout. He told them that SB 23 offers a solution by educating young people on the importance of civic participation and understanding how government functions

[3:56:40 PM](#)

TIM LAMKIN, Staff, Senator Gary Stevens, Alaska State Legislature, Juneau, Alaska, stated that he would be reviewing the Sectional Analysis for SB 23, version I, and the fiscal note from the Department of Education and Early Development (DEED), which is currently marked as indeterminate. He mentioned that

committee members should have a sample of the civics exam, which many had already taken at Senator Stevens' request, along with examples of online civics resources. He noted that the packet did not include DEED's recently adopted December 2024 Alaska Social Studies Standards, which provide detailed focus on civics. He described the new standards as encouraging and a positive development for advancing the goals of SB 23.

[3:57:31 PM](#)

MR. LAMKIN paraphrased the sectional analysis for SB 23:

[Original punctuation provided.]

SENATE BILL 23

Civics Education in Alaska Schools

SECTIONAL ANALYSIS

(Version I)

Sec. 1: AS 14.03.076, relating to public schools, adds a new section directing:

- a. The State Board of Education & Early Development (SBOE) to develop curriculum, an assessment, and a project-based assessment relating to comparative government and civics, to include:
 - i. an assessment that is based on the civics portion of the naturalization examination administered by the U.S. Department of Homeland Security for immigrants seeking U.S. citizenship;
 - ii. the curriculum developed by SBOE may be used by school districts in educating students in comparative government and civics.

- b. The curriculum developed by SBOE must include instruction on a wide variety of the fundamental U.S. principles of government, to include study of:
 - i. the founding history the U.S., the U.S. and AK Constitutions, the responsibilities of the executive, legislative, and judicial branches; the rights and responsibilities of U.S. citizenship, civil rights and liberties, political parties and interest groups, campaigns and elections, foreign and domestic policy, and comparative systems of

government used globally and by Alaska Natives.

- c. In order to receive a high school diploma, a student must either:
 - i. complete a semester course covering topics described in (b) above;
 - ii. pass the written assessment described under (a) above;
 - iii. present evidence of having passed an assessment similar to that described in (a) above within the previous 5 years;
 - iv. achieve a passing score on a project-based assessment described under (a) above;
 - v. present evidence of having passed a project-based assessment similar to that described in (a) above while in high school; or
 - vi. is exempted as a student with a disability who receives a waiver.

[3:58:47 PM](#)

MR. LAMKIN continued the sectional analysis for SB 23:

[Original punctuation provided.]

- d. Provides exemptions for students transferring into a school district from within the state as a junior or senior, or if from another state and has completed a state history course while in that state.
- e. Schools are to document on student transcripts when a student has passed the assessment, with the option for the student to retake the assessment repeatedly.
- f. The AK Dept. of Education and Early Development (DEED) is directed to adopt regulations recognizing students who achieve an excellent level of proficiency in civics knowledge and skill by affixing a seal of civic readiness on the student's diploma or transcript.
- g. A student may satisfy the civics studies graduation requirement (c) by completing any of the options described above, that being the written assessment (a), or a project-based assessment (b).

h. Specifies a passing score is a minimum satisfactory score of 70 percent.

Sec. 2: Transition language, making the graduation requirement for civics effective for students entering grade 9 on or after July 1, 2026

Sec. 3: Establishes an effective date of July 1, 2026.

MR. LAMKIN said other states, such as New York, have adopted civics legislation. SB 23 is modeled after legislation in Kentucky.

[3:59:54 PM](#)

CHAIR TOBIN asked for a review of the fiscal note for SB 23.

[4:00:37 PM](#)

KELLY MANNING, Deputy Director, Division of Innovation and Education Excellence, Department of Education and Early Child Development, Juneau, Alaska, reviewed the fiscal note for SB 23. She explained that the Department of Education and Early Development (DEED) submitted an indeterminate fiscal note due to uncertainty around the actual costs of curriculum and assessment development for SB 23. She stated that past estimates were based on similar projects but lacked precision, prompting concern about their accuracy. She said DEED intends to issue a request for information from vendors to better determine the costs of each component. She clarified that DEED would need to partner with an external organization to support the development of the civics curriculum and assessments required by the bill.

[4:01:39 PM](#)

SENATOR KIEHL stated that he had not yet seen the newly adopted social studies standards. He noted that he did not expect a crosswalk comparing the bill's requirements with the standards to be readily available. However, he asked for a general sense of how much of the civics education required by SB 23 is already addressed within the recently adopted standards.

[4:02:05 PM](#)

MS. MANNING stated that the updated social studies standards were approved by the State Board of Education in December and were developed with awareness of ongoing state-level conversations about civics education. She explained that previous legislative discussions informed the content included in the new civics standards. She acknowledged that DEED has not completed a crosswalk comparing SB 23 with the updated

standards. However, she emphasized that prior legislative intent and feedback were considered during the development process.

[4:02:52 PM](#)

SENATOR KIEHL asked whether it would be fair to say that the updated social studies standards have made progress toward the goals of SB 23, but that the bill goes a bit further in its requirements.

[4:03:03 PM](#)

MS. MANNING stated that a key piece of SB 23 is the development of the curriculum and assessments. She explained that standards establish what students must know upon completing coursework, curriculum outlines how that content is delivered, and assessments measure student understanding of the standards. She added that the bill's components and the standards would guide curriculum and assessment development. She emphasized that this process would require additional components to align both the curriculum and assessments.

[4:03:42 PM](#)

SENATOR STEVENS stated that some districts, such as Anchorage, the commissioner's former district, have already implemented successful models. He suggested that rather than recreating the system, the state could use one that already exists and works. He noted that the bill is largely modeled on initiatives from Kentucky and New York, recommending a review of those states for potential guidance. He expressed concern about costs, especially in a difficult budget year, and asked DEED to consider ways to save money and accomplish the objectives of SB 23.

MS. MANNING stated that the intent behind issuing an indeterminate bill and a Request for Information (RFI) is to ensure the proposal reflects the actual costs of implementation. She emphasized that the process would include reviewing what other states have done and the programs or processes they have used. She noted that this review would help determine how to implement a statewide program in the most cost-effective way possible.

SENATOR STEVENS expressed appreciation for the response and emphasized the importance of considering not only other states but also successful districts within Alaska.

[4:05:36 PM](#)

CHAIR TOBIN announced invited testimony on SB 23.

[4:05:56 PM](#)

LISA BOUDREAU, Director, State Policy, iCivics, Cambridge, Massachusetts, testified by invitation on SB 23, paraphrasing the following written statement:

[Original punctuation provided.]

**Senate Committee on Education Hearing on SB 23 - Civic
Education
State of Alaska
February 12, 2025**

**Testimony of Lisa Boudeau
Director of State Policy, iCivics and CivxNow
Coalition**

Good afternoon, I'd like to thank Madame Chair, Senator Tobin and Vice Chair Stevens and the other honorable members of the Committee for allowing me to testify. I am happy to be here.

My name is Lisa Boudreau, and I serve as Director of State Policy for the CivxNow Coalition, a project of iCivics. We were founded in 2009 by late Supreme Court Justice Sandra Day O'Connor. And it is in her legacy that iCivics is a nonpartisan organization dedicated to advancing civic learning by providing educators and students with the knowledge, skills, and resources needed to embrace and engage in our civic life together. We empower educators and lead the movement to make civic education a nationwide priority so all young people have the confidence to shape the world around them and believe in our country's future.

[4:06:46 PM](#)

MS. BOUDREAU continued her testimony on SB 23:

[Original punctuation provided.]

Civics has been neglected over the past 50 years. Instructional time has decreased, only 47 percent of U.S. adults could name all three branches of government, NAEP scores show that only 22 percent of 8th graders tested proficient or above in understanding how this country's constitutional

democracy is supposed to work and how to apply that knowledge.

These results are predictable as civics consists of only a one-semester course in high school for most K-12 students across the nation.

- Just 5 states require a stand-alone civics course in middle school, and elementary schools spend less than 30 minutes per day on social studies.
- Students from rural areas, native students, and students from low-income families often encounter fewer civic learning opportunities in their schools.
- Only about 30 percent states have a recognition program.

[4:07:34 PM](#)

MS. BOUREAU continued her testimony on SB 23:

[Original punctuation provided.]

So we're all here, because it's fair to question the extent to which Alaskans are prepared for informed, effective, and lifelong civic engagement. And we must also question extent to which our school districts are offering civics universally to every student in the classroom.

With that in mind, our CivxNow coalition has developed research-based nonpartisan policies that have attracted bipartisan support across states. Since 2021, 25 states have adopted 38 policies aligning with CivxNow's policy recommendations. To name of few: strengthening civic course requirements, Increasing funding for civic learning; improving professional development for educators; aligning state standards with best practices; project-based assessments, and more.

This year I'm tracking 99 different bills across 34 states related to civic education. 70 percent of them are directly aligned directly with at least one of those bi-partisan policy recommendations that I just listed.

Indeed, many parts of SB 23 sponsored by Senator Stevens also align with our recommendations, more required time on civics in high school, an assessment, and civic seal program.

This is a really good bill and we've been supporting it for three sessions now, helping to craft the language, improve it by providing feedback to the author from stakeholders including legislators, teachers, administrators and cultural institutions.

Often the first question I hear from committee members is, well what are other states doing.

[4:09:17 PM](#)

MS. BOUREAU continued her testimony on SB 23:

[Original punctuation provided.]

I can share a few quick examples now:

Last session in Kentucky the legislature passed House Bill 535, and students can now choose between civics test and taking a credit class in civic education.

Also last session, Indiana passed SB211, that created a new "Excellence in Civic Engagement" designation for graduating high school students.

Two sessions ago, Missouri's General Assembly passed HB 2002, which included \$500K for educator professional development in "civics and patriotism."

New Mexico Governor Michelle Lujan Grisham (D) signed HB 171 into law, updating high school graduation requirements to include an additional semester of social studies and civics.

I commend the Alaska's Department of Education for their rigorous development of new social studies standards just released in December 2024. As a quick refresher; standards outline the minimum standards that students in Alaska should learn in each grade band.

Senator Steven's bill takes this work to the next level by requiring more dedicated time on civics in the classroom in high school, accountability for

schools and students through an assessment, and a recognition program.

In closing, I'll just share that were doing this work because too many young people are losing faith in our country. The best way to strengthen our democracy is to teach it.

Building young people's faith in our country starts with teaching them how to participate in it—developing the knowledge, skills, and dispositions needed to effectively share their ideas with others and contribute to their communities. When young people see they can shape our country, they believe in its future.

[4:11:16 PM](#)

MS. BOUREAU continued her testimony on SB 23:

[Original punctuation provided.]

iCivics and CivxNow support SB23 and I urge you to work with the author to shape a bill that can be passed this session.

Thank you so much for your time and attention, I welcome any questions that you may have.

Thank you.

[4:11:42 PM](#)

SENATOR STEVENS thanked Ms. Boudreau for her assistance.

[4:12:02 PM](#)

CHAIR TOBIN held SB 23 in committee.

[4:12:19 PM](#)

At ease.

SB 22-FINANCIAL LITERACY PROGRAM IN SCHOOLS

[4:13:40 PM](#)

CHAIR TOBIN reconvened the meeting and announced the consideration of SENATE BILL NO. 22 "An Act establishing a financial literacy education program for public schools; and providing for an effective date."

[4:14:03 PM](#)

SENATOR BILL WIELECHOWSKI, District K, Alaska State Legislature, Juneau, Alaska, Sponsor of SB 22. He stated that SB 22 was introduced in the previous session, passed the committee, but failed to advance due to late timing. He explained that the bill's core goal is to ensure high school students receive financial literacy education, including skills like balancing a checkbook, setting up a retirement plan, and applying for financial aid. He noted that Alaska has the lowest financial aid application rate in the country and emphasized the importance of equipping students with foundational financial knowledge. He described how initial proposals for a standalone course were revised, based on feedback from school districts and the committee, to integrate financial literacy into existing subjects like math and economics. He acknowledged concerns from educators about added mandates but argued that this is a minimal requirement with broad flexibility, similar in importance to civics.

[4:16:43 PM](#)

HUNTER LOTTSFELDT, Staff, Senator Bill Wielechowski, Alaska State Legislature, Juneau, Alaska, Offered a presentation and sectional analysis on SB 22. He moved to slide 2 and paraphrased What is Financial Literacy, adding that it is also important for Alaska's students to know how to apply for financial aid:

[Original punctuation provided.]

What is Financial Literacy

- Understanding how much you earn and spend
- Responsibly managing and paying off debt
- Building assets to achieve personal goals
- Preparing for financial security later in life

[4:17:20 PM](#)

MR. LOTTSFELDT moved to slide 3, Why Do We Need Financial Literacy, and shared the following points:

[Original punctuation provided.]

Why Do We Need Financial Literacy?

- Only third of Americans can comfortably cover a \$400 emergency
- Average credit card debt in Alaska: \$8,026
- Average student loan debt in Alaska: \$35,821 (2k increase)
- Alaska received an "F" grade in teaching financial literacy

[4:18:01 PM](#)

MR. LOTTSELDT moved to slide 4, SB 22:

[Original punctuation provided.]

Senate Bill 22

- 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 4

[4:18:22 PM](#)

MR. LOTTSELDT moved to slide 5, List of Topics, and said essential SB 22 is trying to build a base for personal finance as students graduate from public school:

[Original punctuation provided.]

List of Topics

- (1) different types of financial institutions and opening and managing an account with a financial institution;
- (2) making a budget;
- (3) basic principles of money management, including spending, credit, credit scores, and; managing retail debt, credit card debt, and other types of debt
- (4) basic principles of completing a loan application;

- (5) basic principles of personal insurance policies;
- (6) basic computation of federal income taxes;
- (7) avoiding fraud, financial deception, and predatory lending practices;
- (8) simple contracts;
- (9) contesting an incorrect billing statement;
- (10) computing interest rates by various mechanisms; (11) types of savings and investments;
- (12) basic principles of retirement accounts;
- (13) receiving an inheritance and related financial implications;
- (14) postsecondary financial aid and scholarships; and
- (15) financial implications of being a member or a beneficiary of a Native corporation established under 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act) or a similar entity, including payment of dividends and issuance of shares.

[4:18:40 PM](#)

MR. LOTTSFELDT provided the sectional analysis for SB 22:

[Original punctuation provided.]

SB 22
Sectional Analysis

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

- a. Directing school districts to establish and provide a financial literacy education program, equivalent to a half credit, for students in grades nine through 12 that will be approved by the Department of Education & Early Development. And topics covered therein.
- b. Creates an exemption to this graduation requirement for transfer students who cannot reasonably complete the course work.
- c. Provides definitions.

Section 2. Provides an applicability date of January 1, 2027, for the first graduating class that will need to meet this requirement.

Section 3. Provides an effective date for the bill of July 1, 2026.

MR. LOTTSFELDT said that if a student transfers from out-of-state to a school in Alaska after 10th grade the student does not need to fulfill the half credit requirement.

[4:19:34 PM](#)

SENATOR STEVENS asked whether the Free Application for Federal Student Aid (FAFSA) is included in SB 22, noting that many students appear lost when trying to complete the form, which is required for scholarship eligibility.

[4:19:55 PM](#)

MR. LOTTSFELDT stated that SB 22 addresses both FAFSA and the Alaska Performance Scholarship. He shared his concern over Alaska's FAFSA completion rate, noting it dropped from 16 percent last year to 13.7 percent as of January 31. He added that the rate was as low as 11.9 percent just two weeks earlier and expressed hope it would improve by the end of the school year. He emphasized that the consistently low rates remain a significant concern.

[4:20:36 PM](#)

SENATOR CRONK stated support for SB 22 but sought clarification, asking whether it mandates that every student must complete financial literacy education as a graduation requirement beginning after 2027.

[4:20:49 PM](#)

SENATOR WIELECHOWSKI replied that SB 22 does mandate students complete financial literacy education.

SENATOR STEVENS addressed concern about the use of the term unfunded mandates and said the state provides over a billion dollars to education. He asserted that certain priorities, like financial literacy, must be addressed. He maintained that districts should be able to allocate time and resources within existing funding to teach this content.

[4:21:25 PM](#)

CHAIR TOBIN asked for clarification on language in SB 22, page two, lines three and four, specifically the phrase "the program

must include, to the maximum extent practicable, discussion of or instruction on..." She requested an explanation of what that language might mean in practical terms for a school, especially in the context of concerns about unfunded mandates.

SENATOR WIELECHOWSKI explained that the phrase "to the maximum extent practicable" was language added by the committee last year to provide flexibility. He stated that if a school district—such as one in a rural area—cannot reasonably implement the requirement, then meeting the standard of practicability would relieve them of the obligation. He emphasized that the bill requires the Department of Education and Early Development to make a list of approved open educational resources available to districts, as noted on page one, lines eight and nine. He added that many credible online financial literacy curricula exist, and some districts, like Anchorage, have already successfully integrated them. He noted that the provision serves as a pressure relief valve for districts unable to meet the requirement.

[4:23:16 PM](#)

CHAIR TOBIN stated that changes intended to simplify the Free Application for Federal Student Aid (FAFSA) process have instead contributed to low completion rates. She expressed hope that those rates will improve. She shared her experience attending the State Higher Education Executive Organization's annual convening, where the Alaska Commission on Postsecondary Education (ACPE) and others emphasized the importance of financial literacy in high school. She noted that students are often taking on significant debt without fully understanding the long-term financial impact and that parents may be unable to guide them. She expressed support for the legislation, highlighting the state's responsibility to prepare students for financial success.

[4:24:17 PM](#)

SENATOR KIEHL emphasized that students cannot complete the FAFSA on their own because they need their parents' tax information.

[4:24:37 PM](#)

SENATOR WIELECHOWSKI confirmed Senator Kiehl's statement.

[4:25:13 PM](#)

KELLY MANNING, Deputy Director, Division of Innovation and Education Excellence, Department of Education and Early Child Development, Juneau, Alaska, reviewed the fiscal note for SB 22. She stated that the fiscal note for SB 22 was based on the requirement that DEED maintain a list of approved open

educational resources that align with the bill. She explained that the department would convene a committee of 20 educators, compensated through stipends, to develop a rubric for evaluating these resources. The committee would align the bill's requirements with existing education standards and use the rubric to assess and compile a vetted list of materials. She added that the fiscal note also includes funding for a financial literacy expert to support the process and covers fees related to necessary regulation changes.

SENATOR STEVENS SENATOR STEVENS asked for an explanation of "existing open resources."

[4:26:56 PM](#)

MS. MANNING explained that while some financial literacy curricula come with costs and must be purchased by districts, others are free open educational resources. These free resources are often developed through federally funded grants or by educational nonprofit organizations and are publicly available for use. She stated that the department would typically issue a Request for Information (RFI) to identify potential partners offering relevant materials. The department would then research what is currently available and in use by other states or districts, and compile those resources for evaluation based on quality and alignment with educational standards.

[4:27:59 PM](#)

SENATOR CRONK asked whether using a stipend is a common past practice. He also inquired about the amount of the stipend per person and the expected timeframe for the educators' work.

[4:28:17 PM](#)

MS. MANNING explained that the stipend is intended for Alaska educators who participate in the committee process. She stated that each educator would receive \$1,500, based on the estimated time required to review standards, develop a rubric, and evaluate materials. She noted that the work would take place over several months and emphasized that since these educators are already balancing district responsibilities, the stipend both encourages participation and recognizes the additional commitment and work involved.

[4:29:38 PM](#)

SENATOR WIELECHOWSKI stated that SB 22 has broad support from various organizations, including the Alaska Chamber of Commerce, the Anchorage School District, the Rural Alaska Community Action Program Inc. (RurAL CAP), Alaska Credit Union League, and

others. He thanked the committee for their time and consideration.

[4:30:01 PM](#)

CHAIR TOBIN held SB 22 in committee.

[4:31:00 PM](#)

There being no further business to come before the committee, Chair Tobin adjourned the Senate Education Standing Committee meeting at 4:31 p.m.