

BY BEGICH, B. PHILLIPS, BLODGETT,  
BRADSHAW, BUTROVICH, CHRISTIANSEN  
HAGGLAND, JOSEPHSON, KOSLOSKY,  
MERDES, MILLER, PALMER, POLAND,  
RADER, ZIEGLER AND THOMAS

1 IN THE SENATE

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 229

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for a representative board of  
7 directors for state-operated schools; and providing  
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 14 is amended by adding a new chapter to read:

11 CHAPTER 8. ALASKA STATE-OPERATED SCHOOL SYSTEM.

12 Sec. 14.08.010. PURPOSE. (a) It is the purpose of secs. 10 - 150  
13 of this chapter, in creating the Alaska state-operated school system to  
14 provide for public education in the unorganized borough.

15 (b) Secs. 10 - 150 of this chapter do not prohibit an organized  
16 borough, city, or village, or a settlement in an unorganized area of  
17 the state from becoming part of or being formed into an organized sub-  
18 division authorized by law.

19 Sec. 14.08.020. GENERAL POWERS OF THE SYSTEM. There is created  
20 and established a state corporation to be called the Alaska State-Oper-  
21 ated School System. It may in that name

- 22 (1) sue and be sued;  
23 (2) receive and hold real and personal property;  
24 (3) contract and be contracted with;  
25 (4) adopt, use and alter a corporate seal;  
26 (5) adopt bylaws and administrative rules for the management  
27 and operation of the state-operated schools;

28 (6) accept grants or loans from and contract with the  
29 federal government, the state, or its political subdivisions, and to

1 that end comply with the provisions of federal, state, or local programs  
2 when necessary;

3 (7) do and have done all matters necessary for the purpose  
4 of any function set out in this chapter.

5 Sec. 14.08.030. APPOINTMENT OF THE BOARD. There is created the  
6 Board of Directors for State-Operated Schools consisting of seven  
7 members to be appointed by the governor from the areas served, subject  
8 to confirmation by the legislature, provided that at least four members  
9 shall be appointed from rural school areas outside of military reserva-  
10 tions and organized boroughs.

11 Sec. 14.08.040. TERM OF OFFICE. The term of office of board  
12 members is three years.

13 Sec. 14.08.050. AUTHORITY OF THE BOARD OF DIRECTORS. (a) The  
14 board of directors shall have exclusive management and control of all  
15 state-operated school matters associated with the state's program of  
16 education at the elementary and secondary levels subject to the state  
17 laws and the regulations promulgated by the commissioner of education  
18 and the state Board of Education.

19 (b) The board of directors is responsible for the submission of  
20 applications for federal assistance for the unorganized areas through  
21 the commissioner of education who, after reviewing the applications,  
22 shall transmit them to the appropriate federal agency.

23 (c) Federal funds and assistance allocated to unorganized areas  
24 shall be transmitted to the board of directors or deposited in the  
25 school fund of the board, and may not be transferred to any other fund  
26 unless authorized by the board and state law.

27 Sec. 14.08.060. MEETINGS OF THE BOARD OF DIRECTORS. (a) Regular  
28 meetings of the board of directors will be held monthly, unless other-  
29 wise determined by the board, but

1 (1) a special meeting may be called at the written request of  
2 the majority of the members of the board, at a place in the state  
3 designated in the call for the meeting;

4 (2) written or telegraphic notice of all regular and special  
5 meetings of the board shall be given each member at least 30 days and  
6 10 days, respectively, before the date of the meetings.

7 (b) Four members constitute a quorum but a smaller number may  
8 adjourn from day to day for a period of not exceeding 10 days.

9 (c) A regular meeting of the board of directors may not exceed  
10 15 days, and a special meeting may not exceed five days.

11 Sec. 14.08.070. DISQUALIFICATION FOR VOTING. A board member  
12 having direct or indirect pecuniary interest in a contract for erection  
13 of buildings, heating, ventilation, furnishing, or repairing the  
14 buildings, or in a contract for the furnishing of supplies, shall be  
15 disqualified from voting on any question involving his pecuniary  
16 interest.

17 Sec. 14.08.080. ELECTION OF A BOARD CHAIRMAN. The board of  
18 directors shall, during its regular January meeting, elect a chairman.  
19 The chairman or his designee shall preside over all meetings of the  
20 board of directors and perform the duties provided for in secs. 10 - 150  
21 of this chapter.

22 Sec. 14.08.090. POWERS AND DUTIES OF THE BOARD OF DIRECTORS. The  
23 board of directors shall

24 (1) develop a philosophy of education, principles, and goals  
25 for the state-operated school system;

26 (2) select and employ the director of education for state-  
27 operated schools subject to the approval of the governor;

28 (3) approve the employment of the professional administra-  
29 tors, teachers, and nonprofessional administrative personnel necessary

1 to the operation of the state-operated schools;

2 (4) establish the salaries to be paid the director of  
3 education and its regularly employed, certificated staff members  
4 provided the director's salary is subject to the approval of the governor.

5 (5) promulgate rules and regulations covering organization,  
6 policies, and procedures, and have printed copies available to all  
7 personnel;

8 (6) initiate questions of policy for consideration and report  
9 by the director of education, and pass upon the recommendations of the  
10 director in matters of policy, appointment or dismissal of employees,  
11 salary schedules or personnel regulations, and other matters pertaining  
12 to the welfare of the schools;

13 (7) require reports from the director concerning conditions  
14 of efficiency and needs of the schools, and take steps to appraise the  
15 effectiveness with which the schools are achieving the educational  
16 purposes of the school system;

17 (8) submit an annual operational budget to the governor  
18 for inclusion in the regular state budget;

19 (9) before October 1 of each year, cause the school accounts  
20 for the year ending the preceding June to be audited by a certified  
21 accountant, and immediately afterwards file a certified copy of the  
22 audit report with the commissioner;

23 (10) designate the administrative employees authorized to  
24 direct disbursements from the school funds of the board of directors;

25 (11) submit such reports as the commissioner may prescribe  
26 for all school districts;

27 (12) establish, maintain, operate, discontinue, and combine  
28 state-operated schools where it considers necessary;

29 (13) provide for the construction, purchase, rental, mainten-

1           ance, and equipment of the necessary school buildings or classrooms  
2           for the state-operated schools;

3                   (14) pay tuition and boarding or transportation costs of  
4           secondary school students in cases where the establishment of state-  
5           operated secondary schools is unsound for economic or educational reasons.

6           Sec. 14.08.100. SUBMISSION OF PLANS. The board of directors shall  
7           submit all plans relating to the establishment, discontinuance, or com-  
8           bining of schools to the department, and may not execute these plans  
9           until they are approved. The plans shall be considered approved unless  
10          they are disapproved by the department within 120 days of submission.

11          Sec. 14.08.110. SUPPLIES AND EQUIPMENT FOR STATE-OPERATED SCHOOLS.

12          (a) The board of directors may

13                   (1) order, in advance of the school year for which required,  
14          necessary supplies and equipment for the state-operated schools;

15                   (2) obligate the funds required for these purchases in advance  
16          of the fiscal year for which appropriated or authorized.

17          (b) Nothing in this section may be construed to permit the board  
18          of directors to obligate over 50 per cent of the amount requested to  
19          be appropriated or authorized by the legislature.

20          Sec. 14.08.120. STATE PAYMENTS. All funds appropriated by the  
21          legislature for the operation of state-operated schools shall be paid  
22          by the Department of Administration upon requisition by the director of  
23          state-operated schools. These funds shall be made payable to the board  
24          of directors and shall be deposited in the school fund of the board of  
25          directors. The amount received may not be transferred to any other fund  
26          unless authorized by the board of directors and state law.

27          Sec. 14.08.130. COMPENSATION AND EXPENSES OF BOARD MEMBERS. (a)  
28          Each member of the board of directors shall receive traveling expenses  
29          and the same per diem allowed by law to a member of a state commission.

1 (b) Per diem and travel expenses of the members shall be paid  
2 from funds appropriated for the operation of the schools.

3 Sec. 14.08.140. ADMINISTRATION OF STATE-OPERATED SCHOOLS. (a)  
4 The administrative staff of state-operated schools consists of a  
5 director, assistant directors, supervisors, professional and nonprofes-  
6 sional staff.

7 (b) The principal offices for the administration of state-operated  
8 schools shall be located in Anchorage, Alaska.

9 Sec. 14.08.150. ADMINISTRATIVE DUTIES. The director is the execu-  
10 tive officer of the board of directors. He shall insure that the  
11 programs and policies of the board of directors are faithfully discharged.

12 \* Sec. 2. AS 14.07.030(1) is amended to read:

13 (1) establish, maintain, govern, [AND] operate, discontinue,  
14 and combine area, regional, and special [STATE-OPERATED] schools;

15 \* Sec. 3. AS 14.07.030 is amended by adding a new paragraph to read:

16 (12) exercise disapproval power under AS 14.08.100.

17 \* Sec. 4. AS 14.07.050 is amended to read:

18 Sec. 14.07.050. SELECTION OF TEXTBOOKS. Lists of textbooks recom-  
19 ended [TEXTBOOKS] for use in the public schools of the state shall be  
20 selected by the State Textbook Commission. A [FOR SCHOOLS OPERATED BY  
21 THE DEPARTMENT AND BY THE SCHOOL BOARD FOR EACH DISTRICT. HOWEVER, A]  
22 district may [ELECT TO] adopt or reject the selections of the commission.

23 \* Sec. 5. AS 14.07.052(1) is amended to read:

24 (1) two representatives from on-base schools, to  
25 be selected by the board of the state-operated schools;

26 \* Sec. 6. AS 14.07.052(2) is amended to read:

27 (2) one elementary and one secondary teacher to repre-  
28 sent state-operated rural schools, to be selected by the board  
29 of the state-operated schools;

1 \* Sec. 7. AS 14.07.160(a) is amended to read:

2 (a) The board may adopt bylaws for the [INTERNAL] manage-  
3 ment of the department [STATE-OPERATED SCHOOLS TO THE SAME EXTENT  
4 THAT A SCHOOL BOARD MAY ADOPT BYLAWS FOR THE MANAGEMENT OF THE  
5 DISTRICT].

6 \* Sec. 8. AS 14.12.020(a) is amended to read:

7 (a) Operation of the state-operated school district is under  
8 the management and control of the board of the state-operated  
9 schools [DEPARTMENT].

10 \* Sec. 9. AS 14.12.020(c) is amended to read:

11 (c) The legislature [DEPARTMENT] shall provide the state  
12 money necessary to maintain and operate the state-operated school  
13 district. The borough assembly for a borough school district, and  
14 the city council for a city school district, shall provide the  
15 money which must be raised from local sources to maintain and  
16 operate the district.

17 \* Sec. 10. AS 14.14.170(a) is amended to read:

18 (a) There is established an advisory school board in each  
19 community served by a school and operated by the state [DEPART-  
20 MENT]. If the state-operated school has an average daily  
21 enrollment of less than 251 pupils, the advisory school board  
22 consists of three members. If the average daily enrollment  
23 is more than 250 pupils, the advisory school board consists of  
24 five members.

25 \* Sec. 11. AS 14.14.200 is amended to read:

26 Sec. 14.14.200. DUTIES. An advisory school board shall advise  
27 and assist the Board of Directors for the State-Operated Schools [DE-  
28 PARTMENT] through the local official administering the school, and shall  
29 do so in the manner the board of directors [DEPARTMENT] prescribes

1 by regulation.

2 \* Sec. 12. AS 14.20.120 is amended to read:

3 Sec. 14.20.120. STATEMENT OF QUALIFICATIONS. A statement of the  
4 qualifications of each teacher and superintendent employed by the  
5 state [DEPARTMENT] or a school district shall be filed with the commis-  
6 sioner. The statement shall contain the credits earned in college,  
7 normal school, or university, and the number of years of teaching  
8 experience both in the state and elsewhere in the form and manner  
9 prescribed by the commissioner.

10 \* Sec. 13. AS 14.20.175(a) is amended to read:

11 (a) A teacher who has not acquired tenure rights is subject to  
12 nonretention for the school year following the expiration of his  
13 contract for any cause which the employer determines to be adequate.  
14 However, at his request, the teacher is entitled to a written statement  
15 of the cause for his nonretention. The board of directors [DEPARTMENT]  
16 for state schools, and the districts for district schools, shall pro-  
17 vide by regulation or bylaw a procedure under which a nonretained  
18 teacher may, at his request, be heard informally by a panel consisting  
19 of the commissioner and two or more board members in the case of state  
20 schools, and by the local school board in the case of a district  
21 school.

22 \* Sec. 14. AS 14.20.180(b) is amended to read:

23 (b) The tenure teacher may, within 15 days immediately following  
24 [OF] receipt of the notification, notify the employer in writing that  
25 he requests a hearing before the school board, or if the tenure teacher  
26 is employed by the state [DEPARTMENT], before an appeal panel consisting  
27 of the director [COMMISSIONER] and two members of the board. The  
28 tenure teacher may require in the notification that

29 (1) the hearing be either public or private,

- 1 (2) the hearing be under oath or affirmation,
- 2 (3) he have the right of cross-examination,
- 3 (4) he be represented by counsel,
- 4 (5) he have the right to subpoena a person who has made
- 5 allegations which are used as a basis for the decision of the employer.

6 \* Sec. 15. AS 14.20.207(2) is amended to read:

7 (2) "employer" means the school board or superintendent  
8 which appoints the teacher or, in the case of a teacher in the state-  
9 operated schools, the Board of Directors for the State-Operated Schools  
10 [DEPARTMENT];

11 \* Sec. 16. AS 14.20.220(d) is amended to read:

12 (d) The board of the state-operated schools [DEPARTMENT, AS THE  
13 OPERATING AGENCY OF SCHOOLS OUTSIDE SCHOOL DISTRICTS,] shall pay a  
14 regularly qualified teacher employed by the state a salary of not less  
15 than \$1,100 above the salary established by (a), (b), (c), (f) or (g)  
16 of this section, with an increment of \$300 for a bachelor's degree plus  
17 18 hours training, and an equal increment of \$300 for a master's degree  
18 plus 18 hours training. However, in the state-operated schools, for  
19 teachers with bachelor's degrees or higher instead of augmenting the  
20 base salary by .04, each salary shall be augmented by .05 times the  
21 base for each year of public school experience in the state up to and  
22 including eight years for teachers with a bachelor's degree, 10 years  
23 for teachers with a bachelor's degree plus 18 hours of training, 12  
24 years for teachers with a master's degree, and 14 years for teachers  
25 with a master's degree plus 18 hours of training. The base salary  
26 used in this subsection is the actual beginning salary, for a teacher  
27 with a bachelor's degree and no experience, in the area where the  
28 teacher will teach.

29 \* Sec. 17. AS 14.20.230 is amended to read:

1           Sec. 14.20.230. SUPERINTENDENTS' SALARIES. The school boards of  
2 school districts and the board of the state-operated schools [DEPART-  
3 MENT AS THE OPERATING AGENCY FOR SCHOOLS OUTSIDE SCHOOL DISTRICTS] shall  
4 pay a regularly qualified superintendent a salary not less than the  
5 allowable base for his position on the teacher's scale provided in  
6 sec. 220(a) - (g) of this chapter, plus

7           (1) 20 per cent of the base for a superintendent of a  
8 district or state school with an average daily membership of less than  
9 500;

10           (2) 25 per cent of the base for a superintendent of a dis-  
11 trict or state school with an average daily membership of 500 or more.

12 \* Sec. 18. AS 14.20.240 is amended to read:

13           Sec. 14.20.240. SALARIES OF PRINCIPALS AND VICE PRINCIPALS. The  
14 school boards of school districts and the board of the state-operated  
15 schools [DEPARTMENT AS THE OPERATING AGENCY FOR SCHOOLS OUTSIDE  
16 DISTRICTS] shall pay each regularly qualified principal and vice  
17 principal a salary not less than the allowable base for his position  
18 on the teachers' scale provided in sec. 220(a) - (g) of this chapter,  
19 plus

20           (1) 15 per cent of the base for a principal;

21           (2) 10 per cent of the base for a vice principal.

22 \* Sec. 19. AS 14.20.245 is amended to read:

23           Sec. 14.20.245. SALARIES OF OTHER ADMINISTRATORS. The school  
24 boards of school districts and the board of state-operated schools  
25 [DEPARTMENT AS THE OPERATING AGENCY FOR SCHOOLS OUTSIDE DISTRICTS]  
26 shall pay a regularly qualified administrator for whom certification  
27 is required, other than a superintendent, assistant superintendent,  
28 principal, or vice principal, a salary not less than the allowable base  
29 for his position on the teachers' scale provided in sec. 220(a) - (g)

1 of this chapter plus 15 per cent of the base.

2 \* Sec. 20. AS 14.20.320 is amended to read:

3 Sec. 14.20.320. RESPONSIBILITY OF TEACHER. Upon the return of  
4 a teacher to his teaching position, the teacher shall make a report  
5 to the governing body concerning his educational accomplishments. A  
6 teacher who does not serve for at least a full year after his return  
7 shall refund to the district, if the sabbatical leave was at district  
8 expense, or to the board of state-operated schools [DEPARTMENT], if the  
9 sabbatical leave was state-supported, money paid to him under sec. 310  
10 of this chapter unless his failure to serve a full year after return  
11 is attributable to sickness, injury or death.

12 \* Sec. 21. AS 14.25.220(4) is amended to read:

13 (4) "employer" means a borough school district, a city  
14 school district, incorporated school district, independent school  
15 district, state-operated school district, the Board of Regents of the  
16 University of Alaska, or the Department of Education;

17 \* Sec. 22. AS 14.30.186(b) is amended to read:

18 (b) The board of state-operated schools [DEPARTMENT] shall provide  
19 for special services in a school in the state-operated school district  
20 for each classification of exceptional children represented by not less  
21 than five children residing in the area served by the school.

22 \* Sec. 23. AS 14.30.260 is amended to read:

23 Sec. 14.30.260. EXCEPTION TO QUALIFICATIONS. The school board  
24 for a district, or the board of directors [DEPARTMENT] for a school in  
25 the state-operated school district in which special services are  
26 provided for, may waive part of the qualifications for teachers as set  
27 forth in sec. 250 of this chapter, if necessary, during the first  
28 school year special services are offered in the district or in the  
29 school in the state-operated school district.

1 \* Sec. 24. AS 14.30.295(b) is amended to read:

2 (b) If a school district or the state director [COMMISSIONER], if  
3 a state-operated school, approves the enrollment of an exceptional  
4 child in an out-of-state institution approved by the commissioner, and  
5 the child is enrolled in the institution, the child's education ex-  
6 penses shall be paid as follows:

7 (1) the school district or the board of the state-operated  
8 schools [DEPARTMENT OF EDUCATION], if a state-operated school, shall  
9 pay an amount equal to the local contribution toward the cost of educa-  
10 tion per pupil;

11 (2) the board of the state-operated schools [DEPARTMENT OF  
12 EDUCATION] shall pay whichever of the following amounts is less, but  
13 not to exceed \$3,000:

14 (A) 75 per cent of the annual cost of the child's  
15 education; or

16 (B) an amount which, when added to the contribution in  
17 (b)(1) of this section, equals the total cost of the child's  
18 education;

19 (3) the parent or guardian shall pay the remainder of the  
20 cost unless the school board or the state director [COMMISSIONER], if  
21 a state-operated school, determines upon the basis of standards set  
22 by the commissioner of education in cooperation with the Department of  
23 Health and Welfare, that the parent or guardian is unable to pay all or  
24 part of the remainder of the cost. The school district or the board of  
25 the state-operated schools [DEPARTMENT OF EDUCATION], if a state-operated  
26 school, shall pay the remainder of the cost which the parent or guardian  
27 is unable to pay.

28 \* Sec. 25. AS 14.33.010 is amended to read:

29 Sec. 14.33.010. REQUIREMENTS FOR SCHOOL SAFETY PATROLS. The

1 board of the state-operated schools [DEPARTMENT], for the benefit of  
2 schools in the state-operated school district, or the school board of  
3 a borough or city school district, or a private or denominational school  
4 may require that school safety patrols be established to assist pupils  
5 to cross streets and highways adjacent to schools in safety.

6 \* Sec. 26. AS 14.33.020(a) is amended to read:

7 (a) If the state director [DEPARTMENT], a school board, or a  
8 private or denominational school determines that a safety patrol should  
9 be established for a school, the principal of the school shall appoint  
10 pupils in the school to serve as members of the patrol.

11 \* Sec. 27. AS 14.60.010(5) is amended to read:

12 (5) "governing body" means the school board of a borough or  
13 city school district or the board of directors [DEPARTMENT] for the  
14 state-operated school district;

15 \* Sec. 28. AS 14.60.010(6) is amended to read:

16 (6) "school board" means the school board of a borough or  
17 city school district or the Board of Directors of the State-Operated  
18 School District.

19 \* Sec. 29. AS 14.60.010 is amended by adding new paragraphs to read:

20 (7) "board of directors" means the Board of Directors for  
21 State-Operated Schools;

22 (8) "director" or "state director" means the director of  
23 education for state-operated schools.

24 \* Sec. 30. AS 39.05.060 is amended to read:

25 Sec. 39.05.060. APPOINTMENT, QUALIFICATIONS, AND TERMS OF OFFICE  
26 OF MEMBERS OF DEPARTMENTAL BOARDS, COUNCILS, OR COMMISSIONS. Each  
27 member of the Local Boundary Commission, Alcoholic Beverage Control  
28 Board, Employment Security Advisory Council, Alaska State Housing  
29 Authority, Board of Fish and Game, Board of Tourism, [AND THE]

1 Commission for Northern Operations of Rail Transportation and Highways  
2 and the Board of Directors for State-Operated Schools, shall be a  
3 citizen of the United States. The governor shall appoint each member  
4 on the basis of interest in public affairs, good judgment, knowledge  
5 and ability in the field of action of the department for which ap-  
6 pointed, and with a view to providing diversity of interest and points  
7 of view in the membership. Appointments are subject to confirmation by  
8 a majority of the members of the legislature in joint session. Initial  
9 appointments of members are as follows: (1) in the case of three-  
10 member boards, for one, two and three years; (2) in the case of five-  
11 member boards, for one, two, three, four and five years; (3) in the  
12 case of six-member boards, two members serve for one year, two for two  
13 years, and two for three years; (4) and in the case of eight-member  
14 boards, two members serve for one year, two for two years, two for  
15 three years, and two for four years; (5) and in the case of 10-member  
16 boards, two members serve for one year, two for two years, two for three  
17 years, two for four years and two for five years. Initial terms date  
18 from February 1 before appointment. A vacancy occurring during a term  
19 of office is filled in the same manner as the original appointment is  
20 made and for the balance of the unexpired term. Each member holds office  
21 at the pleasure of the governor notwithstanding the member's term.

22 \* Sec. 31. AS 39.25.110(8) is amended to read:

23 (8) certificated teachers employed by the state to teach in  
24 schools operated by the state [DEPARTMENT OF EDUCATION];

25 \* Sec. 32. The status of the noncertificated employees of state-operated  
26 schools is not changed by the provisions of this Act, and they shall continue  
27 to be subject to the State Personnel Act.

28 \* Sec. 33. The ownership of land and buildings used in relation to state-  
29 operated schools shall remain vested in the state, and use permits shall be

1 given to the Alaska State-Operated School System. Construction required by  
2 the Alaska State-Operated School System shall be performed by the Department  
3 of Public Works.

4 \* Sec. 34. AS 14.07.030(2)-(4), 14.07.040 and 14.07.160 are repealed.

5 \* Sec. 35. AS 14.20.220(d) is repealed effective July 1, 1971.

6 \* Sec. 36. Sec. 30 of this Act, and the following parts of sec. 1 of  
7 this Act take effect July 1, 1970: AS 14.08.030, 14.08.040, 14.08.060-  
8 14.08.080, 14.08.130, and 14.08.150.

9 \* Sec. 37. Secs. 2 - 29 and 31 - 33 of this Act and the following parts  
10 of sec. 1 of this Act take effect July 1, 1971: AS 14.08.010, 14.08.020,  
11 14.08.050, 14.08.090 - 14.08.110, and 14.08.140.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29