

# COMMITTEE REPORT

## SENATE

FURTHER:

3/7/86

Date

4/14/86

Mr. President

The Committee on FINANCE considered SB 319

special education cooperative service unit.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass

do pass with attached amendment(s)

replace with/or adopt CS for SB 319 (Fin)

new title

~~same title~~ and recommends "DO PASS"

and attached a "LETTER OF INTENT"

reports it back without recommendation

recommends referral to \_\_\_\_\_ Committee

NEW FISCAL NOTES  
2: 70.9 & 4.7 = DOG  
TRSMatch Comm  
off

### MEMBERS SIGNING

DO PASS

*Phil...*  
*...*  
*Rick Halford*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### MEMBERS HAVING

OTHER RECOMMENDATIONS

*John...* No Rec  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*C.* - *John...*  
Chairman

*Do Pass*  
Chairman recommendation

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

<p>REQUEST</p> <p>Bill/Resolution No.: <u>CSSB 319 (Fin)</u></p> <p>Title: <u>"An Act creating the special education service agency."</u></p> <p>Sponsor: <u>HESS</u></p> <p>Requestor: <u>Faiks</u></p> <p>Date of Request: <u>4/2/86</u></p>	<p>FISCAL DETAIL</p> <p>Agency Affected: <u>Education</u></p> <p>BRU: <u>TPS State Match</u></p> <p>Components: <u>TPS State Match</u></p>
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EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES						
RTMNT & BNFTS				-		
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
TRS MATCH		70.9	76.6	82.7	89.3	96.5
TOTAL OPERATING	-0-	70.9	76.6	82.7	89.3	96.5
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		70.9	76.6	82.7	89.3	96.5
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	70.9	76.6	82.7	89.3	96.5

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

See attached

Prepared By: J.K. Humphreys, Director Phone: 465-4470  
 Division: Retirement & Benefits Date: 4/2/86  
 Approved by Commissioner Eleanor Andrews Date: 4/3/86  
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

CS Senate Bill 319 (HESS)  
Fiscal Note Analysis  
Prepared by Division of Retirement & Benefits  
Department of Administration

ANALYSIS:

Passage of this bill would create a new special education service agency, with 21 professional employees participating in the Teachers' Retirement System (TRS). The FY 87 TRS covered payroll for this new agency is estimated to be \$798,465.

The TRS State Match cost of \$70.9 is calculated as follows:

$\frac{1}{2}$  of 17.76% (the actuarially determined contribution rate) times the estimated FY 87 TRS salaries (\$798,465) equals

\$70,900.00

## STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

**FISCAL DETAIL**

Bill/Resolution No. : CSSB 319 (Finance) 3/27/86  
 Title : ...special education service  
agency...

Agency Affected : Department of Education  
 BRU : K-12 Support

Sponsor : Zharoff  
 Requestor : Senate Finance  
 Date of Request : April 1, 1986

Components : Schools for the  
Handicapped

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS		4.7	4.7	4.7	4.7	4.7
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		4.7	4.7	4.7	4.7	4.7

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		4.7	4.7	4.7	4.7	4.7
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

FY-86 Grant to Alaska Resources for the Moderately & Severely Impaired \$1,300.0  
 FY-86 number of special education students 15,349 X \$85 (Sec. 14.30.670) 1,304.7  
 FY-87 cost estimate 4.7  
 Post FY-87 costs will vary based upon special education K-12 population.

Prepared by : Steve Hole Phone : 465-2800  
 Division : Commissioner's Office Date : April 1, 1986

Approved by Commissioner : Marshall L. Lind Date : April 1, 1986  
 Agency : Department of Education

**Distribution (by Agency preparing fiscal note):**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Ford  
4/11/86.

Original sponsors: Zharoff, Rodey  
and Fahrenkamp

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 319 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the special education service agen-  
7 cy; and providing for an effective date."

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

9 \* Section 1. PURPOSE. It is the purpose of this Act to

10 (1) assist districts and rural educational attendance areas to  
11 make more special education and related services available to exceptional  
12 children, as that term is defined in AS 14.30.350(4);

13 (2) encourage cooperation between districts and education agen-  
14 cies in making special educational programs and services available to these  
15 children;

16 (3) ensure that qualified specialists are available to assist  
17 districts in the provision of free appropriate public education services  
18 for those exceptional children that are difficult to serve, without regard  
19 to their location in the state.

20 \* Sec. 2. AS 14.30 is amended by adding new sections to read:

21 ARTICLE 8. SPECIAL EDUCATION SERVICE AGENCY.

22 Sec. 14.30.600. AGENCY ESTABLISHED. There is established, as a  
23 public organization, a special education service agency.

24 Sec. 14.30.610. GOVERNING BOARD. (a) The agency shall be gov-  
25 erned by the Governor's Council for the Handicapped and Gifted  
26 (AS 47.80.030).

27 Sec. 14.30.620. EMPLOYEES. Employees of the agency are not in  
28 the state service and are not subject to the State Personnel Act  
29 (AS 39.25). However, employees of the agency shall be members of

1 either the Teachers' Retirement System (AS 14.25) or the Public  
2 Employees' Retirement System (AS 39.35).

3 Sec. 14.30.630. POWERS AND DUTIES. (a) The agency may

4 (1) receive and expend public and private funds to carry  
5 out the purposes of the agency;

6 (2) contract with the department and other public or pri-  
7 vate agencies for the provision of special education or related ser-  
8 vices;

9 (3) do whatever is necessary to carry out the purposes of  
10 AS 14.30.600 - 14.30.660.

11 (b) The agency shall

12 (1) provide special education services including

13 (A) itinerant outreach services to deaf, deaf-blind,  
14 mentally retarded, hearing impaired, blind and visually impaired,  
15 orthopedically handicapped, other health-impaired, severely  
16 emotionally disturbed, and multi-handicapped students;

17 (B) special education instructional support and train-  
18 ing of local school district special education personnel; and

19 (C) other services appropriate to special education  
20 needs;

21 (2) provide for an annual audit of the agency;

22 (3) provide the department with a two-year plan of opera-  
23 tion including a description of the services to be offered by the  
24 agency, the method by which the services will be evaluated, informa-  
25 tion on the number of students and school district personnel to be  
26 served, a schedule of funds available to the agency from all sources,  
27 and other information that may be required by the department by regu-  
28 lation;

29 (4) present an annual budget to the department.

1           Sec. 14.30.640. ELIGIBILITY FOR SERVICE. The services of the  
2 agency shall be available to school districts that serve children  
3 whose special education needs occur infrequently, who require special-  
4 ized services not normally available in the school district, and who  
5 cannot be easily served by local school district personnel because of  
6 the low number of students in the district in need of the particular  
7 service. The agency may provide services to exceptional children, as  
8 that term is defined in AS 14.30.350.

9           Sec. 14.30.650. FUNDING. Each fiscal year the department shall  
10 allocate to the agency not less than \$85 for each special education  
11 student in the state in average daily membership or the equivalent of  
12 two percent of the funds appropriated for special education for that  
13 fiscal year, whichever is greater. The amount allocated to the agency  
14 shall be reduced each fiscal year by the amount contributed by the  
15 department to the Teachers' Retirement System (AS 14.25) or the Public  
16 Employees' Retirement System (AS 39.35) on behalf of employees of the  
17 agency.

18           Sec. 14.30.660. DEFINITION. In AS 14.30.600 - 14.30.660, unless  
19 the context otherwise requires, "agency" means the special education  
20 service agency.

21 \* Sec. 3. AS 14.25 is amended by adding a new section to read:

22           Sec. 14.25.047. PARTICIPATION BY SPECIAL EDUCATION AGENCY EM-  
23 PLOYEES. An employee of the Special Education Agency may participate  
24 in the retirement fund under this chapter if

25           (1) the employee possesses or is eligible to possess a  
26 teacher certificate under AS 14.20.020; and

27           (2) the employee pays all retroactive contributions re-  
28 quired to be made under this chapter.

29 \* Sec. 4. AS 14.25.220(20) is amended to read:

1 (20) "membership service" means

2 (A) full or part-time service as a teacher in a public  
3 school in the Territory or State of Alaska, or both, under the  
4 supervision and control of the Territorial Board of Education or  
5 the Department of Education or the school board of a city, re-  
6 gional educational attendance area, or borough school district;

7 (B) full-time or part-time teaching at the University  
8 of Alaska or a full-time administrative position at the Universi-  
9 ty of Alaska which requires academic standing and which has been  
10 approved for inclusion in the system by the administrator;

11 (C) any period during which the teacher receives a  
12 disability benefit under this system or is on an approved sabbat-  
13 ical leave granted in accordance with AS 14.20.310; [OR]

14 (D) continuous service as a state legislator when  
15 performed by a state legislator who elects membership under  
16 AS 14.25.040(b), subject to the requirements of AS 14.25.040(c);  
17 or

18 (E) full-time or part-time service as an employee of  
19 the Special Education Agency, subject to the requirements of  
20 AS 14.25.047;

21 \* Sec. 5. AS 44.66.010(a) is amended by adding a new paragraph to read:

22 (13) Special Education Service Agency (AS 14.30.600) --  
23 June 30, 1988.

24 \* Sec. 6. AS 47.80.090 is amended by adding a new paragraph to read:

25 (12) govern the special education service agency, and may hire  
26 personnel necessary to operate the agency.

27 \* Sec. 7. AS 14.30.650 enacted in sec. 2 of this Act takes effect  
28 July 1, 1986.

29 \* Sec. 8. Except for AS 14.30.650 enacted in sec. 2 of this Act, this

1 Act takes effect immediately in accordance with AS 01.010.070(c).

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## SECTIONAL ANALYSIS FOR CS SENATE BILL 319 (Finance)

An Act establishing a Special Education Service Agency to provide special education services to school districts that are mandated to serve children whose special education needs require specialized services not normally available in the school district, and who can not be appropriately served by school district personnel because of the low number of students in the district in need of the particular service.

### Section 1

The purpose of the bill is to ensure that qualified specialist are available in a cost effective manner in order for districts to provide services to exceptional children as required by law (AS 14.30.350).

### Section 2

Establishes a special Education Service Agency as a public organization governed by the Governor's Council for the Handicapped and gifted which acts as the Special Education Advisory Council to the State Board of Education. A non profit organization, Alaska Resources for the Moderately and Severely Impaired, is presently providing these services through a grant from the Department of Education.

Future funding for these services will be provided by a formula prescribed in this section that allocates not less than \$85 per special education student in the state or 2% of the funds appropriated for special education for that fiscal year, whichever is greater.

The amount allocated by the funding formula will be reduced each fiscal year by the amount contributed by the department to the retirement system on behalf of the employees.

### Section 3

Employees of the agency may participate in the Teachers or Public Retirement systems which should enhance the agencies ability to recruit and retain personnel with educational specialties.

### Section 4

This section specifies the conditions for membership in the retirement system.

### Section 5

The agency would sunset after two years on June 30, 1988.

### Section 6

The Alaska statute which specifies the responsibilities of the Governor's Council for the Handicapped and Gifted will be amended to authorize the Council to manage the Special Education Agency created in this bill.

### Section 7 and Section 8

Establishment of ~~the~~ agency would take effect July 1, 1986, and remaining sections of the bill would take effect immediately.

### Fiscal Impacts

The section in CSSB 319 (14.30.670) that establishes a funding structure for the agency generates a fiscal impact. The fiscal note of \$4,700 is the difference between the current contractual amount (\$1,300,000) included in the proposed budget for the Department of Education under Schools for the Handicapped and the figure which would result from the funding structure of the bill (15,349 special ed students X \$85 = \$1,304,700).

The bill would create a new agency with 21 professional employees participating in the Teacher's or Public Employees' Retirement System. The FY 87 TRS or PERS covered payroll for this new agency is estimated to be \$798,465 resulting in a TRS or PERS state match cost of \$70,900 which according to Section 14.30.670. will be made administratively by the Department of Education. This will diminish the amount determined by the funding structure but not increase the cost to the general fund for the agency.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : CSSB319 (HESS)  
 Title : An Act creating the special  
 education service agency.  
 Sponsor : Zharoff, et al  
 Requestor : Senate Finance  
 Date of Request : March 12, 1986

**FISCAL DETAIL**

Agency Affected : Education  
 BRU : K-12 Support  
 Components : Schools for the  
 Handicapped

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS		234.0	234.0	234.0	234.0	234.0
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		234.0	234.0	234.0	234.0	234.0

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		234.0	234.0	234.0	234.0	234.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

FY-86 Grant to Alaska Resources for the Moderately & Severely Impaired \$1,300.0  
 FY-86 number of special education students 15,340 X \$100 (Sec. 14.30.670) 1,534.0  
 FY-87 cost estimate \$ 234.0

Post FY-87 costs will vary based upon special education K-12 population.

Prepared by : Mary Hakala Phone : 2800  
 Division : Commissioner's Office Date : March 12, 1986

Approved by Commissioner : Marshall Lind Date : March 13, 1986  
 Agency : Education

**Distribution (by Agency preparing fiscal note):**

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

# ALASKA RESOURCES FOR THE MODERATELY/SEVERELY IMPAIRED

2211-B ARCA DRIVE, ANCHORAGE, ALASKA 99508    PHONE (907) 279-9675

April 10, 1986

Dave Maltman  
Senator Jan Faiks  
Alaska State Legislature  
Pouch V (MS 3100)  
Juneau, AK 99811

Dear Dave:

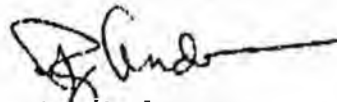
In regards to the retirement issue associated with CSSB 319, the following figures may help. Last year the project budgeted \$60,697 towards FICA. Retirement costs for CSSB 319 based on existing positions and salaries will cost \$139,494 or \$78,797 more. To cover this additional cost, one professional position and one clerical position will be eliminated. Both positions are currently or will be unfilled by July 1986, so no staff will be released. The professional position has been unfilled for the last four years so in effect this will not result in a reduction in the current service level.

The following calculations were made for retirement costs:

DOA	\$ 64,450	8.88% of	725,790 certified salaries
TRS	64,450	8.88% of	725,790 certified salaries
PERS	6,935	13.36% of	51,905 classified salaries
FICA	<u>3,659</u>	7.05% of	51,905 classified salaries
TOTAL	\$139,494		

I hope this provides you with the information you need.

Yours sincerely,



Roy Anderson  
Executive Director

RA:mj

# ALASKA RESOURCES FOR THE MODERATELY/SEVERELY IMPAIRED

2211-B ARCA DRIVE, ANCHORAGE, ALASKA 99508      PHONE (907) 279-9675

## Cost Saving of the Low Incidence Handicapped Outreach Project

1. Outreach services are currently preventing approximately 13-20 out-of-district transfer requests to the Department of Education at an average cost of \$60,000 per student. Cost: 900,000 to 1,200,000 dollars.
2. Outreach staff put in 2,862 days in FY 84-85 or \$371/day. Average Consultant costs, if available and districts had to pay for these costs, would be approximately \$450/day or \$1,207,350 or \$145,172 more.

Current outreach specialists are not available in the areas of Multihandicapped, Blind/Visually Impaired, and Deaf/Hearing Impaired.

3. More difficult to document but probably of maximum benefit is the long term cost saving associated with providing educational programs to handicapped students in their home communities. "It may seem like a paradox, but to save money it is often necessary to spend it. This is particularly true when it comes to education and training programs for people with disabilities. The combined savings resulting from taxes recovered from earnings, income maintenance reductions, and institutional avoidance indicate that education is a solid investment. The cost of dependency in most cases far outweigh the costs of developing independence". Closer Look, 1980, p.5.

AMENDMENT TO CSSB 319 (FIN)

BY FERGUSON

PAGE: 1 LINE: 6

after the word "the" DELETE [SPECIAL EDUCATION SERVICE] Insert:  
categorical services

Reasons:

1. Consolidation of existing boards and councils working with vocational education, handicapped and gifted, special education and bi-lingual is an added feature. All categories have received specific statutory recognition in the delivery of services.
2. Save annual operating expenses by placing each service under a single board and agency.
3. Greater coordination among the various services.
4. Greater efficiency in the delivery of services.

WORK DRAFT

WORK DRAFT

WORK DRAFT

Ford  
4/2/86

Original sponsors: Zharoff, Rodey  
and Fahrenkamp

1 IN THE SENATE BY THE FINANCE COMMITTEE  
2 CS FOR SENATE BILL NO. 319 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act creating the special education service agen-  
7 cy; and providing for an effective date."  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
9 \* Section 1. PURPOSE. It is the purpose of this Act to  
10 (1) assist districts and rural educational attendance areas to  
11 make more special education and related services available to exceptional  
12 children, as that term is defined in AS 14.30.350(4);  
13 (2) encourage cooperation between districts and education agen-  
14 cies in making special educational programs and services available to these  
15 children;  
16 (3) ensure that qualified specialists are available to assist  
17 districts in the provision of free appropriate public education services  
18 for those exceptional children that are difficult to serve, without regard  
19 to their location in the state.  
20 \* Sec. 2. AS 14.30 is amended by adding new sections to read:  
21 ARTICLE 8. SPECIAL EDUCATION SERVICE AGENCY.  
22 Sec. 14.30.600. AGENCY ESTABLISHED. There is established, as a  
23 public organization, a special education service agency.  
24 Sec. 14.30.610. GOVERNING BOARD. (a) The agency shall be gov-  
25 erned by an 11 member board appointed by the state Board of Education.  
26 The board consists of  
27 (1) one member from the Governor's Council for the Handi-  
28 capped and Gifted;  
29 (2) one member from the Department of Education;

1 (3) five members who are special education teachers or  
2 directors, school administrators, or higher education or teacher  
3 training representatives;

4 (4) two members who are parents of children requiring  
5 special education outreach services;

6 (5) one member from the Department of Health and Social  
7 Services;

8 (6) one public member.

9 (b) The seven members appointed under (a)(3) - (4) of this  
10 section shall be chosen with due regard to geographically balanced  
11 representation of areas of the state and to representation of persons  
12 with a variety of different special education needs.

13 Sec. 14.30.620. TERMS, VACANCIES, AND COMPENSATION. (a) The  
14 term of office of a board member is three years.

15 (b) A vacancy occurring during a term of office shall be filled  
16 in the same manner as the original appointment. A member appointed to  
17 fill a vacancy serves for the unexpired term of the member the new  
18 appointee succeeded.

19 (c) Board members receive no salary but are entitled to per diem  
20 and travel expenses authorized by law for other boards and commis-  
21 sions.

22 Sec. 14.30.630. BYLAWS. The board, in consultation with the  
23 department and on the approval of a majority of the members of the  
24 board, shall adopt and amend bylaws for the operation of the agency  
25 and the board.

26 Sec. 14.30.640. EMPLOYEES. Employees of the agency are not in  
27 the state service and are not subject to the State Personnel Act  
28 (AS 39.25). However, employees of the agency shall be members of  
29 either the Teachers' Retirement System (AS 14.25) or the Public

1 Employees' Retirement System (AS 39.35).

2 Sec. 14.30.650. POWERS AND DUTIES. (a) The board may

3 (1) receive and expend public and private funds to carry  
4 out the purposes of the agency;

5 (2) contract with the department and other public or pri-  
6 vate agencies for the provision of special education or related ser-  
7 vices;

8 (3) do whatever is necessary to carry out the purposes of  
9 AS 14.30.600 - 14.30.680.

10 (b) The board shall

11 (1) provide special education services including

12 (A) itinerant outreach services to deaf, deaf-blind,  
13 mentally retarded, hearing impaired, blind and visually impaired,  
14 orthopedically handicapped, other health-impaired, severely  
15 emotionally disturbed, and multi-handicapped students;

16 (B) special education instructional support and train-  
17 ing of local school district special education personnel; and

18 (C) other services the board determines to be appro-  
19 priate to special education needs;

20 (2) hire an executive director and approve the employment  
21 of personnel necessary to operate the agency;

22 (3) provide for an annual audit of the agency;

23 (4) provide the department with a three-year plan of opera-  
24 tion including a description of the services to be offered by the  
25 agency, the method by which the services will be evaluated, informa-  
26 tion on the number of students and school district personnel to be  
27 served, a schedule of funds available to the agency from all sources,  
28 and other information that may be required by the department by regu-  
29 lation;

1 (5) present an annual budget to the department.

2 Sec. 14.30.660. ELIGIBILITY FOR SERVICE. The services of the  
3 agency shall be available to school districts that serve children  
4 whose special education needs occur infrequently, who require special-  
5 ized services not normally available in the school district, and who  
6 cannot be easily served by local school district personnel because of  
7 the low number of students in the district in need of the particular  
8 service. The agency may provide services to exceptional children, as  
9 that term is defined in AS 14.30.350.

10 Sec. 14.30.670. FUNDING. Each fiscal year the department shall  
11 allocate to the agency not less than \$85 for each special education  
12 student in the state in average daily membership or the equivalent of  
13 two percent of the funds appropriated for special education for that  
14 fiscal year, whichever is greater. The amount allocated to the agency  
15 shall be reduced each fiscal year by the amount contributed by the  
16 department to the Teachers' Retirement System (AS 14.25) or the Public  
17 Employees' Retirement System (AS 39.35) on behalf of employees of the  
18 agency.

19 Sec. 14.30.680. DEFINITIONS. In AS 14.30.600 - 14.30.680,  
20 unless the context otherwise requires,

21 (1) "agency" means the special education service agency;

22 (2) "board" means the governing board of the special educa-  
23 tion service agency.

24 \* Sec. 3. AS 14.25 is amended by adding a new section to read:

25 Sec. 14.25.047. PARTICIPATION BY SPECIAL EDUCATION AGENCY EM-  
26 PLOYEES. An employee of the Special Education Agency may participate  
27 in the retirement fund under this chapter if

28 (1) the employee possesses or is eligible to possess a  
29 teacher certificate under AS 14.20.020; and

1 (2) the employee pays all retroactive contributions re-  
2 quired to be made under this chapter.

3 \* Sec. 4. AS 14.25.220(20) is amended to read:

4 (20) "membership service" means

5 (A) full or part-time service as a teacher in a public  
6 school in the Territory or State of Alaska, or both, under the  
7 supervision and control of the Territorial Board of Education or  
8 the Department of Education or the school board of a city, re-  
9 gional educational attendance area, or borough school district;

10 (B) full-time or part-time teaching at the University  
11 of Alaska or a full-time administrative position at the Universi-  
12 ty of Alaska which requires academic standing and which has been  
13 approved for inclusion in the system by the administrator;

14 (C) any period during which the teacher receives a  
15 disability benefit under this system or is on an approved sabbat-  
16 ical leave granted in accordance with AS 14.20.310; [OR]

17 (D) continuous service as a state legislator when  
18 performed by a state legislator who elects membership under  
19 AS 14.25.040(b), subject to the requirements of AS 14.25.040(c);

20 or

21 (E) full-time or part-time service as an employee of  
22 the Special Education Agency, subject to the requirements of  
23 AS 14.25.047;

24 \* Sec. 5. AS 44.66.010(a) is amended by adding a new paragraph to read:

25 (13) Special Education Service Agency (AS 14.30.600) --  
26 June 30, 1990.

27 \* Sec. 6. Notwithstanding AS 14.30.620(a), enacted by sec. 2 of this  
28 Act, the initial members of the governing board of the special education  
29 service agency, four shall serve a term of four years, five shall serve a

1 term of three years, and two shall serve a term of two years. The initial  
2 terms shall be assigned to initial board members by the State Board of  
3 Education by lot.

4 \* Sec. 7. AS 14.30.670 enacted in sec. 2 of this Act takes effect  
5 July 1, 1986.

6 \* Sec. 8. Except for AS 14.30.670 enacted in sec. 2 of this Act, this  
7 Act takes effect immediately in accordance with AS 01.010.070(c).

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Offered: 3/7/86  
Referred: Finance

Original sponsors: Zharoff, Rodey  
and Fahrenkamp

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2

CS FOR SENATE BILL NO. 319 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act creating the special education service agen-  
7 cy; and providing for an effective date."

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

9 \* Section 1. PURPOSE. It is the purpose of this Act to

10 (1) assist districts and rural educational attendance areas to  
11 make more special education and related services available to exceptional  
12 children, as that term is defined in AS 14.30.350(4);

13 (2) encourage cooperation between districts and education agen-  
14 cies in making special educational programs and services available to these  
15 children;

16 (3) ensure that qualified specialists are available to assist  
17 districts in the provision of free appropriate public education services  
18 for those exceptional children that are difficult to serve, without regard  
19 to their location in the state.

20 \* Sec. 2. AS 14.30 is amended by adding new sections to read:

21 ARTICLE 8. SPECIAL EDUCATION SERVICE AGENCY.

22 Sec. 14.30.600. AGENCY ESTABLISHED. There is established, as a  
23 public organization, a special education service agency.

24 Sec. 14.30.610. GOVERNING BOARD. (a) The agency shall be gov-  
25 erned by an 11 member board appointed by the state Board of Education.  
26 The board consists of

27 (1) one member from the Governor's Council for the Handi-  
28 capped and Gifted;

29 (2) one member from the Department of Education;

1           (3) five members who are special education teachers or  
2 directors, school administrators, or higher education or teacher  
3 training representatives;

4           (4) two members who are parents of children requiring  
5 special education outreach services;

6           (5) one member from the Department of Health and Social  
7 Services;

8           (6) one public member.

9           (b) The seven members appointed under (a)(3) - (4) of this  
10 section shall be chosen with due regard to geographically balanced  
11 representation of areas of the state and to representation of persons  
12 with a variety of different special education needs.

13           Sec. 14.30.620. TERMS, VACANCIES, AND COMPENSATION. (a) The  
14 term of office of a board member is three years.

15           (b) A vacancy occurring during a term of office shall be filled  
16 in the same manner as the original appointment. A member appointed to  
17 fill a vacancy serves for the unexpired term of the member the new  
18 appointee succeeded.

19           (c) Board members receive no salary but are entitled to per diem  
20 and travel expenses authorized by law for other boards and commis-  
21 sions.

22           Sec. 14.30.630. BYLAWS. The board, in consultation with the  
23 department and on the approval of a majority of the members of the  
24 board, shall adopt and amend bylaws for the operation of the agency  
25 and the board.

26           Sec. 14.30.640. EMPLOYEES. Employees of the agency are not in  
27 the state service and are not subject to the State Personnel Act  
28 (AS 39.25). However, employees of the agency shall be members of  
29 either the Teachers' Retirement System (AS 14.25) or the Public

1 Employees' Retirement System (AS 39.35).

2 Sec. 14.30.650. POWERS AND DUTIES. (a) The board may

3 (1) receive and expend public and private funds to carry  
4 out the purposes of the agency;

5 (2) contract with the department and other public or pri-  
6 vate agencies for the provision of special education or related ser-  
7 vices;

8 (3) do whatever is necessary to carry out the purposes of  
9 AS 14.30.600 - 14.30.680.

10 (b) The board shall

11 (1) provide special education services including

12 (A) itinerant outreach services to deaf, deaf-blind,  
13 mentally retarded, hearing impaired, blind and visually impaired,  
14 orthopedically handicapped, other health-impaired, severely  
15 emotionally disturbed, and multi-handicapped students;

16 (B) special education instructional support and train-  
17 ing of local school district special education personnel; and

18 (C) other services the board determines to be appro-  
19 priate to special education needs;

20 (2) hire an executive director and approve the employment  
21 of personnel necessary to operate the agency;

22 (3) provide for an annual audit of the agency;

23 (4) provide the department with a three-year plan of opera-  
24 tion including a description of the services to be offered by the  
25 agency, the method by which the services will be evaluated, informa-  
26 tion on the number of students and school district personnel to be  
27 served, a schedule of funds available to the agency from all sources,  
28 and other informatio that may be required by the department by regu-  
29 lation;

1 (5) present an annual budget to the department.

2 Sec. 14.30.660. ELIGIBILITY FOR SERVICE. The services of the  
3 agency shall be available to school districts that serve children  
4 whose special education needs occur infrequently, who require special-  
5 ized services not normally available in the school district, and who  
6 cannot be easily served by local school district personnel because of  
7 the low number of students in the district in need of the particular  
8 service. The agency may provide services to exceptional children, as  
9 that term is defined in AS 14.30.350.

10 Sec. 14.30.670. FUNDING. Each fiscal year the department shall  
11 allocate to the agency not less than \$100 for each special education  
12 student in the state in average daily membership or the equivalent of  
13 two percent of the funds appropriated for special education for that  
14 fiscal year, whichever is greater.

15 Sec. 14.30.680. DEFINITIONS. In AS 14.30.600 - 14.30.680,  
16 unless the context otherwise requires,

17 (1) "agency" means the special education service agency;

18 (2) "board" means the governing board of the special educa-  
19 tion service agency.

20 \* Sec 3. AS 14.25 is amended by adding a new section to read:

21 Sec. 14.25.047. PARTICIPATION BY SPECIAL EDUCATION AGENCY EM-  
22 PLOYEES. An employee of the Special Education Agency may participate  
23 in the retirement fund under this chapter if

24 (1) the employee possesses or is eligible to possess a  
25 teacher certificate under AS 14.20.020; and

26 (2) the employee pays all retroactive contributions re-  
27 quired to be made under this chapter.

28 \* Sec. 4. AS 14.25.220(20) is amended to read:

29 (20) "membership service" means

1 (A) full or part-time service as a teacher in a public  
2 school in the Territory or State of Alaska, or both, under the  
3 supervision and control of the Territorial Board of Education or  
4 the Department of Education or the school board of a city, re-  
5 gional educational attendance area, or borough school district;

6 (B) full-time or part-time teaching at the University  
7 of Alaska or a full-time administrative position at the Universi-  
8 ty of Alaska which requires academic standing and which has been  
9 approved for inclusion in the system by the administrator;

10 (C) any period during which the teacher receives a  
11 disability benefit under this system or is on an approved sabbat-  
12 ical leave granted in accordance with AS 14.20.310; [OR]

13 (D) continuous service as a state legislator when  
14 performed by a state legislator who elects membership under  
15 AS 14.25.040(b), subject to the requirements of AS 14.25.040(c);  
16 or

17 (E) full-time or part-time service as an employee of  
18 the Special Education Agency, subject to the requirements of  
19 AS 14.25.047;

20 \* Sec. 5. AS 44.66.010(a) is amended by adding a new paragraph to read:

21 (13) Special Education Service Agency (AS 14.30.600) --

22 June 30, 1990.

23 \* Sec. 6. Notwithstanding AS 14.30.620(a), enacted by sec. 2 of this  
24 Act, the initial members of the governing board of the special education  
25 service agency, four shall serve a term of four years, five shall serve a  
26 term of three years, and two shall serve a term of two years. The initial  
27 terms shall be assigned to initial board members by the State Board of  
28 Education by lot.

29 \* Sec. 7. AS 14.30.670 enacted in sec. 2 of this Act takes effect

1 July 1, 1986.

2 \* Sec. 8. Except for AS 14.30.670 enacted in sec. 2 of this Act, this  
3 Act takes effect immediately in accordance with AS 01.010.070(c).

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

5/9/85

Date 3-6-86

Mr. President

The Committee on HESS considered SB 319

special education cooperative service unit.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 319 (HESS)
- + new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT" [ ] NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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1. John Jacobson - No Rec.  
 2. John Stimpert - No Rec  
 3. Edna Hill - N.R.  
 4. Paul Frank - N.R.

1. Bettye Johnson *Do Pass*  
 Chairman

Chairman recommendation

Introduced: 5/9/85  
Referred: Health, Education and  
Social Services and Finance

1 IN THE SENATE

BY ZHAROFF AND RODEY

2

SENATE BILL NO. 319

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to a special education cooperative  
7 service unit."

7

8

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

9

\* Section 1. PURPOSE. It is the purpose of this Act to

10

(1) make special education and related services available to all

11

exceptional children, as that term is defined in AS 14.30.350(4);

12

(2) encourage cooperation in making special educational programs

13

and services available to these children;

14

(3) ensure that free appropriate public education services are

15

provided for all exceptional children in the state.

16

\* Sec. 2. AS 14.30 is amended by adding new sections to read:

17

ARTICLE 8. SPECIAL EDUCATION COOPERATIVE SERVICE UNIT.

18

Sec. 14.30.600. UNIT ESTABLISHED. There is established in the

19

department, as a separate entity, a special education cooperative

20

service unit. The unit may establish regional units if necessary to

21

carry out its purposes.

22

Sec. 14.30.610. GOVERNING BOARD. (a) The unit shall be gov-

23

erned by an 11 member board appointed by the commissioner of education

24

with the approval of the state board of education. The board consists

25

of

26

(1) one member from the Governor's Council for the Handi-

27

capped and Gifted;

28

(2) one member from the Department of Education;

29

(3) five members who are special education teachers or

1 directors, school administrators, or higher education or teacher  
2 training representatives;

3 (4) two members who are parents of children requiring  
4 special education outreach services;

5 (5) one member from the Department of Health and Social  
6 Services;

7 (6) one member chosen from the public at large.

8 (b) The seven members appointed under (a)(3) - (4) of this  
9 section shall be chosen with due regard to geographically balanced  
10 representation of areas of the state and to representation of persons  
11 with a variety of different special education needs.

12 Sec. 14.30.620. TERMS, VACANCIES, AND COMPENSATION. (a) The  
13 term of office of a board member is three years.

14 (b) A vacancy occurring during a term of office shall be filled  
15 in the same manner as the original appointment. A member appointed to  
16 fill a vacancy serves for the unexpired term of the member the new  
17 appointee succeeded.

18 (c) Board members receive no salary but are entitled to per diem  
19 and travel expenses authorized by law for other boards and commis-  
20 sions.

21 Sec. 14.30.630. BYLAWS. The board, in consultation with the  
22 department and on the approval of a majority of the members of the  
23 board, shall adopt and amend bylaws for the operation of the unit and  
24 the board.

25 Sec. 14.30.640. EMPLOYEES. Employees of the unit are in the  
26 exempt service under AS 39.25.110. However, employees of the unit  
27 shall be members of either the Teachers' Retirement System (AS 14.25)  
28 or the Public Employees' Retirement System (AS 39.35).

29 Sec. 14.30.650. POWERS AND DUTIES. (a) The board may

1           (1) receive and expend public and private funds to carry  
2 out the purposes of the unit;

3           (2) contract with the department and other public or pri-  
4 vate agencies for the provision of special education or related ser-  
5 vices;

6           (3) do whatever is necessary to carry out the purposes of  
7 AS 14.30.600 - 14.30.680.

8           (b) The board shall

9           (1) provide special education services including

10           (A) itinerant outreach services to deaf, deaf-blind,  
11 mentally retarded, hearing impaired, blind and visually impaired,  
12 orthopedically handicapped, other health impaired, severely  
13 emotionally disturbed, and multi-handicapped students;

14           (B) special education instructional support and train-  
15 ing of local school district special education personnel; and

16           (C) other services the board determines to be appro-  
17 priate to special education needs;

18           (2) hire an executive director and approve the employment  
19 of personnel necessary to operate the unit;

20           (3) provide for an annual audit of the unit;

21           (4) provide the department with a three-year plan of opera-  
22 tion including a description of the services to be offered by the  
23 unit, the method by which the services will be evaluated, information  
24 on the number of students and school district personnel to be served,  
25 a schedule of funds available to the unit from all sources, and other  
26 information that may be required by the department by regulation;

27           (5) present an annual budget to the department.

28           Sec. 14.30.660. ELIGIBILITY FOR SERVICE. The services of the  
29 unit shall be available to school districts that serve children whose

1 special education needs occur infrequently, who require specialized  
2 services not normally available in the school district, and who cannot  
3 be easily served by local school district personnel because of the low  
4 number of students in the district in need of the particular service.  
5 The unit may provide services to exceptional children, as that term is  
6 defined in AS 14.30.350.

7 Sec. 14.30.670. FUNDING. Each fiscal year the department shall  
8 allocate to the unit from the public school foundation account (AS 14.  
9 17.010) \$100 for each special education student in the state in aver-  
10 age daily membership or two percent of the funds appropriated to the  
11 account for that fiscal year, whichever is greater.

12 Sec. 14.30.680. DEFINITIONS. In AS 14.30.600 - 14.30.680,  
13 unless the context otherwise requires,

14 (1) "board" means the governing board of the special educa-  
15 tion cooperative service unit;

16 (2) "unit" means the special education cooperative service  
17 unit.

18 \* Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

19 (23) employees of the special education cooperative service  
20 unit.

21 \* Sec. 4. Of the initial members of the governing board of the special  
22 education cooperative service unit, four shall serve a term of four years,  
23 five shall serve a term of three years, and two shall serve a term of two  
24 years. The initial terms shall be assigned to initial board members by the  
25 commissioner by lot.